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Maintaining Effective MCH Systems of Care in an Era of Medicaid Reform: Summary of Technical Assistance in the State of Florida

Prepared for:

Bureau of Family and Community Health
Florida Department of Health
Tallahassee, FL

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Under Contract with:

U.S. Department of Health & Human Services
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Foreword

Beginning in the mid-1980s, the State of Florida emerged as a leader among states in developing innovative health care systems for its low-income mothers and children. Starting with implementation of its Title V-funded Improved Pregnancy Outcome program, followed by repeated expansions and simplifications of Medicaid eligibility for pregnant women and children permitted by the Omnibus Budget Reconciliation Acts of 1986, 1987, 1989, and 1990, and culminated by the establishment of the state-funded *Healthy Start* program, Florida created systems that now not only finance over half of the deliveries in the state, but also provide comprehensive and community-based prenatal, support, early intervention, and specialty services to a significant majority of vulnerable women, children, and families. The successful attainment and implementation of many of these advances can be directly traced to the positive and collaborative relationships that have evolved between officials in the state's Title V/Maternal and Child Health programs and its Medicaid agency.

Maintenance of high quality systems of care has not always been easy, however. In recent years, the rapid development of Medicaid managed care has, in particular, created numerous challenges for Florida officials concerned with balancing the goals of cost containment with the provision of comprehensive services for vulnerable mothers and children. In 1995, the U.S. Congress' effort to establish a Medicaid Block Grant system presented a new and ominous threat to the integrity of the systems that Florida policymakers had worked so hard to create.

A. Technical Assistance Process

To help it in responding to these challenges, the Family Health Services Division (FHSD) in the Florida Department of Health and Rehabilitative Services (HRS) requested technical assistance from Health Systems Research, Inc. (HSR) in the spring of 1995.[1] HSR is under contract with

[1] In 1996, Florida's executive branch underwent reorganization resulting in the creation of a new Department of Health. The Title V/MCH program, therefore, was relocated from the Family Health Services Division in the Department of Health and Rehabilitative Services to the Bureau of Family

the federal Maternal and Child Health Bureau (MCHB) to provide direct, intensive technical assistance to state Title V programs in support of their efforts to develop more comprehensive systems of care for children and their families. Between 1992 and 1997, HSR's contracts will fund technical assistance projects in all 50 states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands.

Initially, Florida officials requested that HSR provide assistance in developing strategies for assuring risk-appropriate care in managed care settings. However, with the emergence, and what seemed to be at the time inevitable implementation of Medicaid Block Grants, the focus of HSR's technical assistance shifted to facilitating the development of recommendations for maintaining effective Medicaid maternal and child health systems in an era of reform. Over the course of approximately one year, numerous technical assistance interventions were provided, which are summarized below.

- On 19-20 June 1995, HSR Associate Director Ian Hill and Policy Associate Naomi Eisen conducted an initial site visit to the state. During the visit, the consultant team met with numerous officials representing FHSD, Medicaid, the Children's Medical Services (CMS) program, and *Healthy Start* to obtain critical background information about Florida's policies and programs and to discuss strategies for integrating *Healthy Start* and Part H/Early Intervention services with Medicaid managed care.

- During the summer of 1995, however, the Florida Medicaid agency began intensive planning efforts in anticipation of the passage of a federal Medicaid Block Grant system. Medicaid officials invited FHSD to contribute to this planning process by developing a set of recommendations for how to retain and continue building high quality maternal and child health systems in an era of block grants. In response, FHSD officials formed the interagency Maternal and Child Health System Redesign Workgroup, composed of a number of FHSD, Medicaid, and *Healthy Start* staff, as well as consultants from the University of South Florida College of Public Health.

  At this point, FHSD officials requested that HSR help the workgroup by lending technical expertise and facilitating deliberations between it and outside agencies and organizations.

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and Community Health in the Department of Health.

- On 18 October 1995, HSR's Ian Hill conducted a second site visit to Florida to facilitate a meeting between the MCH Systems Redesign Workgroup and selected providers of MCH services in the state. The meeting succeeded in providing the workgroup an opportunity to present and discuss its initial ideas regarding shared goals, principles, and components for a reformed MCH system with key obstetrical, pediatric, hospital, and public health providers.

- Next, to assist the workgroup with its development of formal recommendations for Medicaid and the state legislature, Ian Hill developed and submitted on 29 November 1995 a report entitled, *Developing Recommendations for an Effective MCH System under Medicaid Block Grants: A Framework for Analysis and Preliminary Recommendations*. The report presented a structure and initial recommendations for systems development in the critical policy areas of eligibility, benefits, quality assurance, and service delivery and financing arrangements. Workgroup members embraced the framework report presented by HSR and, for the next two weeks, worked to revise and refine the list of recommendations it contained.

- HSR was then asked to facilitate the next meeting of the MCH Systems Redesign Workgroup, which was held on 18 December 1995. This meeting, which was expanded to include several representatives of managed care organizations, allowed the workgroup and its partners to discuss the recommendations and reach consensus on the final content of the report that would be put forth to Medicaid and the state legislature.

- Following this, HSR participated in several conference calls with workgroup members that succeeded in incorporating the revisions suggested by Florida providers and payers and refining the workgroup's recommendations. The MCH Systems Redesign Workgroup submitted its final report, entitled *Recommendations for Maintaining an Effective Medicaid Maternal and Child Health System,* to Medicaid and legislative branch officials in February 1996.

- As a final step in the technical assistance process, HSR was invited to conduct a fourth site visit to the state to participate in the annual meeting of the Florida Perinatal Association. Specifically, Ian Hill was asked to present to meeting attendees a summary of the process and outcomes of the workgroup's effort to collaboratively develop a set of recommendations for maintaining and enhancing the state's MCH systems of care.

B. Structure of this Report

The remainder of this report presents the written products of this technical assistance effort. Specifically, Parts I through IV contain the site visit reports that were developed following each of HSR's visits to the state. In addition, Appendix A contains HSR's report presenting a framework for analysis and preliminary recommendations for developing effective MCH systems under Medicaid block grants, while Appendix B presents the MCH System Redesign Workgroup's final report to Medicaid and the state legislature.

Florida officials are to be commended for working constructively and collaboratively with one another in an effort to develop and maintain high quality systems of care for mothers and children during this era of significant change. It is hoped that, through this report, other states facing similar challenges can obtain insights from the lessons learned in Florida as a result of this process.

Part I:

Initial Site Visit Report

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Technical Assistance to States Developing Comprehensive Systems of Care for Children and Their Families:

Florida—Initial Site Visit Report

Prepared for:

Maternal and Child Health Bureau
U.S. Public Health Service
Rockville, MD
Contract No. 240-92-0059

Prepared by:

Naomi Eisen and Ian Hill
Health Systems Research, Inc.
Washington, D.C.

14 August 1995 (Revised September 28, 1995)

I. Background

In October 1992, the Maternal and Child Health Bureau (MCHB) awarded Health Systems Research, Inc. (HSR) a three-year contract to provide 25 states with technical assistance in developing comprehensive systems of care for children and their families. The MCHB granted HSR a second three-year contract effective July 1994 to provide technical assistance (TA) to an additional 28 states and territories. Florida was one of the ten states selected to receive assistance in the third year of the first contract.

In its original request in the winter of 1994/95, Florida asked for assistance in three areas, including 1) improving collaboration between Healthy Start and Early Intervention and Prevention programs, 2) incorporating a health component into the Family Support and Preservation five-year plan for pregnant women and infants, and 3) developing strategies for assuring risk-appropriate care in managed care settings, including a plan for capitation of wrap-around services for at-risk or special needs pregnant women and infants. In an initial conference call in January 1995, Florida state health officials provided background on each of the three areas of need and indicated that, of the three projects, the third was probably of greatest priority. A tentative date (April 11-12, 1995) was set for a site visit, but due to pressing issues that Florida state Maternal and Child Health (MCH) officials had to attend to, the meeting was postponed until June 19, 1995.

On June 19-20, 1995 HSR Associate Director Ian Hill and Policy Associate Naomi Eisen conducted an initial site visit to Florida. During this two-day visit they met with a core group composed of representatives from Florida's Department of Health and Rehabilitative Services (HRS), including MCH, Children's Medical Services (CMS), and Agency for Health Care Administration (AHCA) officials. Representatives from Medicaid, a division of AHCA, also

attended. Directors from several community-based Healthy Start Coalitions were also part of the core group. This site visit report summarizes the presentations made by members of the group as well as the discussions which took place during the meetings.

II. Summaries of Meetings

Monday, June 19

8:30 a.m. Meeting with MCH officials Annette Townsend, Sarah Sherraden, Cindy Lewis; AHCA officials Anne Boone (Medicaid) and Debby Walters (Managed care); CMS representative Phyllis Siderits; Healthy Start officials Dee Jeffers, Ann Cope, Ann Ashcraft, and Linda Stone; Consultant to Healthy Start Doris Barnette; School health representative Jean Battaglin; CPHU Medical representative Shakra Junejo.

At the request of Florida officials, Ian Hill from HSR began the meeting with a two-part presentation. The first part involved a presentation of how the HSR technical assistance (TA) project works and what types of TA have been provided to other states. In the second part of the presentation, Mr. Hill discussed critical issues in MCH and managed care. He outlined three policy areas that states have had to address in designing workable managed care systems for children with special needs and presented alternative options for systems design. Specifically he discussed design options regarding:

- Risk assessments to identify children with special needs;
- Service delivery arrangements for children with special needs; and
- Financing arrangements for services for children with special needs.

During Mr. Hill's presentation, members of the core group expressed concern that the managed care sector is not adequately providing for the needs of pregnant women and children. Children with special health care needs were cited as an example of one group whose needs are not currently being met by managed care providers. The main points made by the group are summarized below:

- Managed care plans provide only some of the many services needed by children with special health care needs. For children screened through the Early Intervention and Prevention program and determined to be in needed of services, managed care covers much of the specialty medical and therapeutic care they

need, but does not provide any of the non-medical support services needed by families with developmentally delayed children. Those services which are omitted are generally not covered by the capitated rate, and thus their provision requires separate authorization and reimbursement from separate funding streams.

- While children enrolled in the managed care sector usually receive proper risk screening, there is concern that those children determined to be at-risk of poor growth and/or development do not always receive the proper follow-up services. This is because screening is included in the capitated rate, while enhanced services are not. It was suggested that the managed care sector needs to be monitored more carefully to ensure that at-risk children receive the proper follow-up services.

- Some problems are caused by the fact that managed care and MCH often define key services differently. For example, in managed care "case management" is often defined in strictly medical terms or simply refers to a prior authorization/gatekeeper function, while in MCH it refers to more intensive coordination of medical and social support services. There is also a divergence of opinion between the two sectors regarding what services are medically necessary for children with special health needs. The MCH sector tends to define as medically necessary a broader array of medical and support services than does the managed care sector.

11:00 a.m. Presentation by Debby Walters, Agency for Health Care Administration (AHCA)

Ms. Walters, who works in policy development in AHCA, was invited to the meeting to provide the consultant team with an overview of health care reform in Florida. AHCA, established in July of 1992, is the state agency responsible for the coordination of Florida's health care reform efforts. Important developments covered in her talk include the following:

- Approximately 2.7 million of Florida's residents are uninsured. Of these, 75% are employed or the dependent of an employed person. As a result, the state is trying to restructure the small business insurance market in order to expand coverage. The cornerstone of this reform is the formation of 11 Community Health Purchasing Alliances (CHPA), which pool groups of small businesses to form large health care insurance buying groups. A modified community rating system is used to set rates.

- Through the Florida Health Security program proposed in the Florida Health Security Act (FHSA), Florida is attempting to provide health insurance coverage to all Floridians with incomes below 250% of the federal poverty level (FPL). The program would provide health insurance subsidies on a sliding scale. Only individuals continuously uninsured for at least 12 months will be eligible. For families, lack of insurance coverage for at least 12 months for one family member will make the entire family eligible. Employer contributions to these subsidies will be on a voluntary basis.

- The Health Care Financing Administration (HCFA) approved a Section 1115 Waiver for the FHSA in September of 1994. However FHSA has not yet been approved by the Florida State Legislature. A special Florida state legislative session is scheduled for August to discuss FHSA and other health care reform initiatives.

- If the FHSA is eventually implemented, all Floridians earning less than 250% of the FPL would have health insurance coverage. This population would include 1) the Medicaid population (which covers pregnant women up to 185% FPL, children ages 0-6 up to 133% FPL, and children ages 7-11 up to 100% FPL), 2) persons with income under 250% of poverty whose employers purchase FHSA coverage for them, and 3) and persons without employer-based coverage who earn below 250% of poverty. Under the Section 1115 Waiver, Medicaid federal matching funds will be available for all three populations.

- AHCA is also very involved in quality of care issues. Ms. Walters acknowledged that in the past the state has not been aggressive enough in enforcing quality of care in managed care settings. There is an ongoing attempt to improve quality standards in HMOs through 1) enforcement of NCQA standards, 2) a requirement that care be administered by Florida-licensed physicians, 3) improvement of the informed choice process, 4) prohibition of unfair enrollment practices, and 5) relaxation of disenrollment rules.

11:30 a.m. Presentation by Dee Jeffers, Healthy Start

Ms. Jeffers, Director of the Healthy Start Medicaid Assessment Project, was invited to provide the HSR consultants with information on the Florida Healthy Start program. Healthy Start, which began in 1992, is a statewide initiative to improve MCH outcomes through universal screening, care coordination, and community coalition work. The program provides risk screening to all pregnant women and infants in the state and, for those found to be high risk,

provides a package of enhanced services, including care coordination, nutrition education, counseling, and transportation. Funding for the Healthy Start program comes from general state revenues.

Community-based Healthy Start Coalitions play an active role in the development of local health care systems which provide Healthy Start services. There are 30 Healthy Start Coalitions, which cover all 67 Florida counties. Coalitions are made up of consumers, representatives from hospitals, medical providers (including managed care), representatives from education, as well as other community members. Coalitions are legislatively mandated to carry out the following functions: to allocate state and federal funding for prenatal and infant health care to appropriate community providers, to develop community-based service delivery plans, and to select and monitor providers of Healthy Start services. In January, 1995, Coalition Directors formed the State Association of Healthy Start Coalitions.

Ms. Jeffers, who is based at the College of Public Health at the University of South Florida (USF), discussed her work as Director of the Healthy Start Medicaid Assessment Project, a joint effort of Healthy Start and USF Department of Community and Family Health. The purpose of the Project is 1) to help Healthy Start Coalitions improve their understanding of managed care and 2) to assist Healthy Start Coalitions in assessing the capacity of managed care organizations (MCOs) in their local communities to effectively implement Healthy Start.

Ms. Jeffers reported initial results of the Project's assessment of MCOs. MCOs were found to be very receptive to the idea of Healthy Start and quite interested in learning more about screening and services provided by the program. Healthy Start Coalitions plan to capitalize on this interest and will provide MCOs with information on Healthy Start and other MCH resources available in Florida communities. Ms. Jeffers expressed her opinion that MCOs are not yet in a position to assume responsibility for providing Healthy Start services, since they are going through a period of transition, but that they may be at some point in the future.

12:00 p.m. Presentation by Anne Boone, EPSDT/Medicaid

Ms. Boone from the Florida state Medicaid office was invited to the meeting to provide background and data on the EPSDT program. Her main points are presented below:

- There are 1.1 million children in Florida eligible for EPSDT screening. Of these, 300,000 are enrolled in HMOs. Of the 800,000 children not enrolled in HMOs, 300,000 actually received an EPSDT screening in fiscal year 1993-94, for a screening rate of 39%. Approximately 400,000 screening services, 13,000 referrals, and 80,000 treatment services were provided to these 300,000 children.

- There has been a shift in recent years in the locus of provision of EPSDT services from the public to the private sector. While five years ago, County Public Health Units (CPHUs) performed 80% of EPSDT screening and private doctors performed only 20%, the trend is now reversed, with 80% of EPSDT screening being done by private doctors.

- While MediPass providers are not required to provide EPSDT screens to their enrolled children, they are required to ensure that the service is provided by someone in the community. MediPass providers have the options to provide EPSDT screening or refer to another Medicaid provider of the recipient's choice.

- Due to the previously low reimbursement rate of $30 per screening, EPSDT providers have had little incentive to provide the service and often referred their patients to CPHUs for screening. To receive higher reimbursement, some physicians may have billed well-child exams as "comprehensive visits" in order to collect a more generous reimbursement fee ($50). In these cases the screening was not reported as EPSDT. Medicaid anticipates an improvement in the EPSDT screening rate due to the increase in reimbursement, effective as of January 1, 1995, from $30 to $64.82.

1:45 p.m. Presentations by Healthy Start representatives Anne Ashcraft, Linda Stone, and Ann Cope.

The consultant team then heard from three Healthy Start Coalition Directors. They expanded on Ms. Jeffers earlier explanation of the structure and purpose of the coalitions, and also discussed important issues confronting the coalitions. Their remarks are presented below:

- At a recent Consensus Conference on Child Health Policy, Coalition Directors identified several major issues which must be addressed, among them care coordination/enhanced services, transportation, and the role of the health care providers in Healthy Start provision. They have also assembled a committee to address the problem of lack of data with which to monitor Healthy Start outcomes.

- The Healthy Start coalitions are very concerned about a proposal from the Governor's Office to use the state Healthy Start general revenue appropriation to draw down federal Medicaid matching dollars. While this would result in a 50% increase in funds available for Healthy Start services, coalitions are concerned that it would also mean a loss of local control over planning and resource allocation. The State Association of Healthy Start Coalitions has issued a position statement, outlining their support for the maximization of Medicaid funding but stating the importance of maintaining the current Coalition structure. They proposed an arrangement whereby the coalitions would have allocation authority over Medicaid dollars, and would continue to have exclusive authority to determine who receives contracts to provide Healthy Start services.

3:30 p.m. Presentation by Shakra Junejo, Primary Care

Dr. Junejo, the Deputy District Administrator for Health in the District II HRS office, was invited to present an update on primary care services in CHPUs and Medicaid managed care. Dr. Junejo reported that this year there was an $8 million reduction in state funding for primary care, which will affect the provision of services. In addition, the state will lose the Medicaid match for this amount, which makes the total loss closer to $16 million.

Dr. Junejo expressed her views regarding certain aspects of Medicaid managed care. Specifically she believes that:

- It is extremely important that enrollees in Medicaid managed care be seen by public health nurses. These nurses know how to link their clients with resources in the community and are better trained than R.N.s in dealing with culturally diverse populations.

- Health education must be offered by Medicaid managed care providers to their clients.

- There must be improved documentation of services provided to clients, particularly of health education and Healthy Start screening.

- Quality assurance must be carried out in managed care, through monitoring by an outside agency as well as through peer review within the plan.

4:00 p.m. Presentation by Jean Battaglin, School Health

Ms. Battaglin described the Florida comprehensive school health project. This project employs several different models, including school-based primary health care clinics as well as models of care focusing on mental health services. She pointed out that school districts are playing an increasingly active role in health and health insurance coverage for their students. For example, under the Florida Healthy Kids Program in Volusia County, the school district forms a pool of uninsured children and purchases HMO health insurance coverage for them using a combination of federal, state, and local public funds supplemented by family premiums and foundation grants. Children in the Healthy Kids Program receive a benefit package that is comparable to that of the state Medicaid program.

4:30 p.m. Presentation by Phyllis Siderits, Children's Medical Service (CMS)

Ms. Siderits is the Assistant Health Officer for CMS, a division of HRS which oversees Children with Special Health Care Needs (CSHCN) programs. She was invited to speak about policy issues relating to CSHCN. Her main points are summarized below:

- CMS provides medical services, social services, and a unique form of case management called prescribed health care management. Medical care is provided to CMS patients by credentialed physicians in the MediPass program, a

PCCM model of managed care. These providers are reimbursed on a fee-for-service basis. Funding for CMS is derived primarily from state general revenues, with federal Title V funding comprising a relatively small part of the budget. Medicaid provides reimbursement for services to Medicaid recipients in CMS.

- Over the last several years various options for alternative service delivery and financing arrangements were considered by CMS, among them the possibility of making CMS into a Medicaid HMO. However after analysis showed that the model would expose the program to undue financial risk, it was decided that a safer route would be to continue enrolling CSHCN into the fee-for-service MediPass program.

- However, a change has recently been proposed by the Florida Governor's office, whereby CMS would be transformed into an private HMO, similar to HMOs formed through 1115 waivers. The new CMS/HMO entity would provide a complete package of services to special needs children and their siblings for a fixed capitated rate.

- There are also changes occurring in Part H (formerly Development Evaluation and Intervention Program under the Department of Education), an entitlement program run by HRS which provides early intervention services for children with developmental disability. The Part H budget of $16 million is currently being reduced and a working group is attempting to find alternative sources of funding.

Tuesday, June 20

8:30 a.m. Presentation by Doris Barnette, Maternal and Child Health Consultant

Ms. Barnette discussed how the role of CPHUs is changing as the managed care sector grows and becomes a key provider of care for the Medicaid population. Important issues she discussed include the following:

- A working group is currently examining the role of CPHUs in carrying out Essential Public Health Services. This was prompted by the trend for state and local health departments to become less involved in the provision of clinical services and more involved in carrying out core public health functions.

- The working group is looking at what Essential Public Health Services CPHUs are currently providing and examining how CPHUs can expand their current role. The working group has recommended that CPHUs expand their role in the area of epidemiology and continue in the areas of health promotion, STDs, communicable disease control, and environmental health. Cost estimates are currently being developed regarding staffing needs in the area of epidemiology.

- With the fast growth of managed care, CPHUs are reexamining their role in the provision of clinical services and deciding whether or not to divest from clinical services. Ms. Barnette is conducting case studies in six counties in Florida in order to document how CPHUs have each evolved in the new environment. Service delivery arrangements in each county are described below:

    - Volusia and Palm Beach CPHUs have each become HMOs.

    - Dade county has transferred clinical services over to managed care, but has retained family planning services, Healthy Start services, and communicable disease control.

    - Broward county has transferred clinical services to a hospital entity, and retained family planning services.

    - Duval county has partnered with a private HMO and a university medical center to form a managed network , although the county hopes to pull of out of clinical services at some point in the future.

    - The sixth county examined, DeSoto, has retained its role as provider of clinical services.

- Case studies and lessons learned from them will be disseminated to county health departments. Ms. Barnette cautioned that health departments should not divest until providers in the community are available to serve Medicaid recipients.

During the course of a discussion following Ms. Barnette's presentation, it was noted that while in some respects the Florida state health system is a very centralized system, as indicated by the fact that CPHU staff are state employees, in other respects the CPHUs have a great deal of autonomy. For example, HRS requires CPHUs to report only fourteen health outcomes. As a result, HRS lacks the leverage to bring about improvement in the quality of care provided by

CPHUs. It was suggested that counties should be given more defined parameters for provision of care.

Members of the core group mentioned problems and challenges encountered by CPHUs with regard to managed care. Some health departments retain clinical services even when Medicaid managed care is introduced into their county, yet it was noted that most of these departments have done little to improve their services so they can adequately compete with managed care providers. It was pointed out that CPHUs need to modernize their clinics, provide expanded hours, and improve the quality of the care they provide. A member of the core group noted that CPHU staff do not have the skills needed to compete in the new managed care-dominated market.

10:00 a.m. Brainstorming

Having heard all the presentations of the representatives from the various MCH programs, Mr. Hill then presented several options for technical assistance projects that HSR could provide. The following six options were discussed by the group:

> Option #1: Develop a Proposal for Obtaining Medicaid match for Healthy Start Services and Selected Early Intervention Services. To address the dual problem of high-risk pregnant women and children enrolled in managed care not receiving adequate services and Florida not maximizing available federal Medicaid dollars to support the delivery of care, HSR would develop a comprehensive proposal to obtain Medicaid matching dollars for a set of "wrap around" services for high-risk pregnant women (ie Healthy Start services) and children at risk of poor growth and development (ie early intervention services). The proposal would: 1) define the services to be covered, 2) estimate how many people would need the services, 3) estimate costs that would be associated with providing the services, and 4) analyze alternative service delivery and financing arrangements for providing the services under managed care. A major focus of the report would be to discuss alternative strategies for retaining a viable role for Healthy Start Coalitions in planning local systems of care and certifying providers to render services.
>
> Option #2: Design and Conduct a Planning Workshop for County Public Health Units. To address the problem that CPHUs are not equipped to function in the new managed care environment, HSR would provide training to help CPHUs perform better

in this new environment. Several options were proposed for providing this training, including running a statewide workshop for CPHU staff or training a core group that would, in turn, provide technical assistance to CPHUs. Through this training, guidance would be provided in such areas as divestment from clinical care, negotiating with managed care providers, and providing better quality and more culturally-sensitive care for clients remaining in CPHUs.

Options #3: Design and Conduct a Session in the Statewide Healthy Start Conference. Under this option, HSR would help plan a conference session to facilitate collaboration between Healthy Start and managed care providers.

Option # 4: Plan and Conduct a Workshop for Healthy Start Coalitions on the "Changing Environment". HSR would plan and conduct a workshop that would prepare the thirty Healthy Start directors to function better in the changing environment. Updated information would be provided to Healthy Start Coalition Directors regarding the changes in Medicaid managed care that have already occurred as well as changes that may occur in the near future.

Option #5: Develop Referral Algorithms for Children with Special Health Care Needs. To complement work already being performed for the state by the National Perinatal Center, under which referral algorithms for high-risk perinatal patients served under managed care are being developed, HSR would develop similar referral algorithms for CSHCN. The tool would be designed to help managed care providers to make appropriate referrals of CSHCN to specialty providers.

Option #6: Availability to "react". On an ongoing basis, HSR would provide consultation over the phone to MCH officials regarding alternative strategies for integrating public health systems with managed care.

After some discussion, it was decided that Florida's most pressing need was for technical assistance Option #1. Mr. Hill said that, in addition, HSR would be glad to provide occasional policy guidance over the phone, as specified in Option #6. Mr. Hill said that within the next several weeks HSR would submit a formal information request, in which data needed to conduct the analysis would be specified. He also stated that he hoped that HSR would complete its analysis by the end of the 1995 calendar year.

Part II:

Second Site Visit Report

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Technical Assistance to States Developing Comprehensive Systems of Care for Children And Their Families:

Florida—Second Site Visit Report

Prepared for:

Maternal and Child Health Bureau
U.S. Public Health Service
Rockville, MD
Contract No. 240-92-0059

Prepared by:

Ian Hill
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Washington, D.C.

29 November 1995

I. Background

In October 1992 and July 1994, respectively, Healthy Systems Research, Inc. (HSR) was awarded two contracts by the federal Maternal and Child Health Bureau (MCHB) to provide technical assistance to state Title V programs in support of their efforts to develop more comprehensive systems of care for children and their families. Through the contracts, all 50 states, the District of Columbia, Puerto Rico, and the Virgin Islands will each receive, by mid-1997, intensive technical assistance on a systems development project of their choosing.

Florida was chosen to receive technical assistance (TA) from HSR in 1994. In its original request for TA, Florida asked for assistance in three areas: 1) improving collaboration between Healthy Start and the Early Intervention and Prevention program, 2) incorporating a health component into the Family Support and Preservation five-year plan for pregnant women and infants, and 3) developing strategies for assuring risk-appropriate care in managed care settings, including a plan for capitation of wrap-around services for at-risk or special needs pregnant women and infants. In an initial conference call in January 1995, Florida state health officials provided background on each of the three areas of need and indicated that, of the three projects, the third was probably of greatest priority.

On June 19-20, 1995 HSR Associate Director Ian Hill and Policy Associate Naomi Eisen conducted an initial site visit to Florida. During this two-day visit they met with a core group composed of representatives from Florida's Department of Health and Rehabilitative Services (HRS), the state's Agency for Health Care Administration (AHCA), and directors from several community-based Healthy Start Coalitions. During this site visit, the consultants gathered extensive background information about existing maternal and child health programs in Florida (in particular Healthy Start), the status of the state's health care reform initiative, and the impact that Florida's efforts to implement Medicaid managed care were having on women and children's access to high quality care. At the conclusion of the site visit, Florida officials decided that HSR should direct its TA resources to the development of a report on strategies

for obtaining Medicaid match for Healthy Start and Early Intervention services. This product was seen as one that could address the dual challenges of helping to ensure that high-risk pregnant women and children enrolled in managed care receive appropriate care and securing federal Medicaid dollars to support the delivery of these critical services. A site visit report summarizing the discussions and outcomes of this visit was submitted to Florida and MCHB officials in August 1995.

That month, the direction of HSR's TA effort changed. After briefing AHCA Director Doug Cook regarding its plan to develop a proposal for adding Healthy Start services to Medicaid, MCH officials were informed that the Medicaid program was not currently receptive to program expansion initiatives. Indeed, the program was engaged in planning for what Mr. Cook described as "the inevitable,"—Medicaid Block Grants. The AHCA Director did, however, invite MCH and Healthy Start officials to participate in this planning process and, in particular, to develop and submit ideas for a "redesign" of MCH service delivery systems in anticipation of block grants and accelerated implementation of Medicaid managed care. MCH officials gladly accepted this invitation and agreed that all deliberations and proposals for system reform should be completed by February 1996, in time for the next session of the state legislature.

In response to this request, MCH officials formed a "Maternal and Child Health System Redesign Workgroup," comprised of a number of MCH and Healthy Start staff as well as consultants from the University of South Florida College of Public Health. MCH Director Donna Barber also requested that Ian Hill participate in the redesign effort under the HSR TA project. Specifically, she indicated that Mr. Hill could help both by lending technical expertise to the workgroup and by facilitating meetings between the workgroup and outside agencies and organizations.

As a next step in the technical assistance process, Donna Barber invited Ian Hill to facilitate a meeting between the MCH System Redesign Workgroup and selected key providers of MCH

services in the State of Florida. The meeting, scheduled for October 18, 1995, was designed to provide the workgroup an opportunity to present its initial ideas regarding the shared goals, principles, and components of a reformed Maternal and Child Health system, discuss them with obstetrical, pediatric, hospital, and public health providers, and reach consensus regarding what elements should be contained in each area. This report summarizes the activities and outcomes of the October 18 meeting, attended and facilitated by Ian Hill.

II. Summary of Meeting

Wednesday, October 18, 1995

1:30 p.m. Welcome and Introductions: Donna Barber, RN, MPH, Chief of Family and Community Health, HRS State Health Office

The meeting began with brief opening remarks by Donna Barber. She welcomed the attendees (numbering approximately 40) and described the events leading up to that day's consensus-building session. She explained that the meeting's purpose was to present to the representatives of key provider groups the initial recommendations of the MCH System Redesign Workgroup and to gain their feedback and input on these recommendations. Ms. Barber completed her remarks by urging the active participation of all in attendance.

1:40 p.m. Implications of Health Care System Reform: Doug Cook, Director, Agency for Health Care Administration

The Director of AHCA, the state agency responsible for administering the Florida Medicaid program, then discussed the current context of health care reform in the state as well as nationally. He began by discussing his pride in Florida's accomplishments in improving the health of mothers and infants and praised the Healthy Start and MCH programs' critical contributions to this improvement. Mr. Cook then explained how he believes the state is about to enter a time of severe budget crisis. Specifically, he provided detailed information about

Congressional proposals to block grant the Medicaid program and how Florida, in particular, will be hurt by the formula that will be employed to determine state grant amounts. Low historical per capita spending under Medicaid, a high proportion of Medicaid recipients being senior citizens, and a projected high rate of population growth in the next decade are all factors that will, according to Mr. Cook, contribute to block grant funding falling well short of needs. The AHCA Director concluded by promising that mothers and children would remain at the top of the agency's priority list and urged the attendees to play an active role in advocating for these populations and against block grants when dealing with Florida's Congressional delegation.

2:15 p.m. Refining and Designing an Effective MCH System in an Era of Change: Linda Stone, PhD, Florida Association of Healthy Start Coalitions

Linda Stone provided the attendees with a brief overview of the structure and activities of the Healthy Start program and the role that local Healthy Start coalitions play in local systems development. She then provided additional detail regarding the mission of the System Redesign Workgroup and the events leading up to the consensus building meetings.

2:30 p.m. Working Draft of Florida's MCH System Design: Anne Cope, Executive Director, Prenatal and Infant Health Care Coalition of Brevard County; Doris Barnette, MSW, USF College of Public Health; Dee Jeffers, RN, MPH, USF College of Public Health

During this session, three members of the MCH Systems Redesign Workgroup presented the initial findings of the group. Specifically, Anne Cope discussed the "shared goals" of the envisioned MCH system, Doris Barnette described the "principles" that should drive the system, and Dee Jeffers presented the service and system "components" of reformed system. The specific goals, principles, and components developed by the group are provided in Attachment 1 of this document.

2:45 p.m. Input from Key Stakeholders: Facilitator: Ian Hill, MPA, MSW, Health Systems Research, Inc.

During the remainder of the meeting, Ian Hill facilitated a discussion among the group participants in order to reach consensus on the components of the improved MCH system. For each of the three issue areas described above, Mr. Hill led the group in a discussion of the following questions:

- What do the statements mean? What makes sense? What doesn't make sense? How should the goals, principles, and components be considered in an era of limited funding?;
- Did the Workgroup leave anything out that needs to be added?; and
- Is there any element on a list that shouldn't be there?.

The group suggested numerous additions to the lists of shared goals, principles, and components of the MCH system. (Additions also appear in Attachment 1 and are underlined to distinguish them from the original items developed by the System Redesign Workgroup.)

After completing this discussion, Mr. Hill led the group through an exercise enabling them to set priorities among the components of the redesigned MCH system. Specifically, the service and system components were each listed on flip charts and hung around the room. Then, each attendee was given fifteen stickers--five each for perinatal services, pediatric services, and system components--and was instructed to place their stickers next to the services and components that they believed should be given priority consideration. Participants were given the flexibility to assign stickers to individual services and components or, if they preferred, to assign more than one sticker to any service or component that they felt especially strongly about. (Results of the prioritization effort were not available at the time of this writing.)

The meeting was adjourned at 4:30 p.m.

III. Next Steps in the TA

After the meeting, members of the Workgroup expressed their satisfaction with the process and outcomes of the meeting. Each was encouraged by the collaborative spirit of the attendees and the high level of energy and commitment expressed by all. Ian Hill and MCH and Healthy Start officials then discussed next steps in the process. Florida officials' workplan called for the next consensus building meeting to be directed to members of the managed care community with the goal of gaining their input and sign-off on the critical features of an improved MCH system. Specific dates were not selected, but it was agreed that a planning conference call should take place to set the agenda for the meeting. November 16 was chosen as the date for this conference call. Mr. Hill agreed to take part in the call and, depending on when the meeting was scheduled, to serve as meeting facilitator once again.

Part III:

Third Site Visit Report

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Technical Assistance to States Developing Comprehensive Systems of Care for Children And Their Families:

Florida—Third Site Visit Report

Prepared for:

Maternal and Child Health Bureau
U.S. Public Health Service
Rockville, MD
Contract No. 240-92-0059

Prepared by:

Ian Hill
Health Systems Research, Inc.
Washington, D.C.

5 January 1996

I. Background

In October 1992 and July 1994, respectively, Health Systems Research, Inc. (HSR) was awarded two contracts by the federal Maternal and Child Health Bureau (MCHB) to provide technical assistance to state Title V programs in support of their efforts to develop more comprehensive systems of care for children and their families. Through the contracts, all 50 states, the District of Columbia, Puerto Rico, and the Virgin Islands will each receive, by mid-1997, intensive technical assistance on a systems development project of their choosing.

Florida was chosen to receive technical assistance (TA) from HSR in 1994. Originally, the state expressed interest in receiving help with the development of strategies for assuring risk-appropriate care for mothers and children in managed care settings. After an initial site visit to Tallahassee in June 1995, it was decided that HSR should develop a report on strategies for obtaining Medicaid match for Healthy Start and Early Intervention services (see initial site visit report, August 1995). Shortly thereafter, however, Florida MCH officials met with their state Medicaid counterparts and were informed that the Agency for Health Care Administration (AHCA) was engaged in intensive planning for anticipated federal Medicaid block grants. AHCA Director Doug Cook invited MCH and Healthy Start officials to participate in this planning process by developing policy recommendations for preserving effective MCH systems in anticipation of block grants and accelerated implementation of Medicaid managed care. MCH officials accepted this invitation and formed the *Maternal and Child Health System Redesign Workgroup*, comprised of MCH and Healthy Start staff. At that point, they also requested that HSR Associate Director Ian Hill participate in the effort by lending technical expertise to the workgroup and by facilitating meetings between the workgroup and outside agencies and organizations.

On 18 October 1995, Mr. Hill helped facilitate a meeting between the Workgroup and selected key providers of MCH services in the State of Florida. During the meeting, initial ideas

regarding the shared goals, principles, and components of a reformed Maternal and Child Health system were discussed with obstetrical, pediatric, hospital, and public health providers (see second site visit report, November 1995).

As a next step in the process, to assist the Workgroup with its development of formal recommendations for the AHCA and the state legislature, Mr. Hill prepared a policy memorandum entitled, *Developing Recommendations for an Effective MCH System under Medicaid Block Grants: A Framework for Analysis and Preliminary Recommendations* (26 November 1995). This report, which contained a rationale for and draft recommendations in the key policy areas of eligibility, benefits, quality assurance, and service delivery and financing arrangements, received a very positive reception from the members of the Workgroup. The Workgroup subsequently revised and refined the report and then shared it with a large number of key MCH providers, including representatives of managed care organizations. These individuals were invited, once again, to attend a one-day meeting with the Workgroup to discuss the recommendations and reach consensus on the final content of the report to the legislature. Ian Hill was asked to facilitate this meeting, which was held on 18 December 1995. This report summarizes the content and outcomes of that meeting.

II. Summary of Meeting

Monday, 18 December 1995

9:30 a.m. Welcome and Introductions: Donna Barber, RN, MPH, Chief of Family and Community Health, HRS State Health Office; Linda Stone, Florida Association of Healthy Start Coalitions.

The meeting began with brief opening remarks by Donna Barber. She welcomed the attendees (numbering approximately 30) and described the events leading up to that day's consensus-building session. She explained that the meeting's purpose was to present to the representatives

of key provider groups the initial policy recommendations developed by the MCH System Redesign Workgroup and to gain their feedback and input on these recommendations. Linda Stone followed with comments regarding the urgent need for the Workgroup, in collaboration with the provider groups represented at the meeting, to put forth a set of strong policy recommendations aimed at preserving and improving the strong systems of care for mothers and children that the state had established. Following this, she asked each of the meeting participants to introduce themselves and describe their professional affiliations.

9:45 a.m. Update on Medicaid Block Grants: Bob Sharpe, Agency for Health Care Administration

Bob Sharpe of AHCA then provided the group with a brief update on the latest status of Medicaid block grant proposals being considered by the U.S. Congress and their implications for Florida. He described how the outlook for the state had improved in the last month. Specifically, he noted that Congressional negotiations had resulted in proposed bills that better accounted for the fiscal needs of states experiencing rapid population growth, like Florida. For example, recent versions of proposed legislation would permit higher growth rates for health care expenditures in the States of Florida and California compared to other states, and would allow these states to use fiscal years '94/'95 as the base for calculating grant amounts rather than fiscal years '93/'94. Mr. Sharpe went on to explain that different bills contained very different provisions regarding program eligibility, benefits and states' maintenance of effort. Various provisions under consideration include mandating coverage of pregnant women and children under age 13 with incomes below 100 percent of the federal poverty level, requiring states to include childhood immunizations and family planning in their benefit packages, and requiring states to direct at least 85 percent of their Medicaid expenditures to serving pregnant women, children under age 13, the elderly and disabled. Finally, he pointed out that the provision that concerns him the most is that which would allow states to decrease their contribution to total Medicaid expenditures to as low as 35 percent of federal payments (the current state contribution to total Medicaid spending in Florida is 45 percent). Mr. Sharpe

concluded by praising the skills and commitment of everyone involved in this systems development effort and expressed his and AHCA's support of the goals of the Workgroup.

10:15 a.m. Discussion of Policy Recommendations: Ian Hill, Facilitator, Health Systems Research, Inc.

During the remainder of the meeting, Ian Hill facilitated a discussion among the group participants in order to reach consensus on the policy recommendations put forth in the draft report of the MCH Systems Redesign Workgroup. In turn, Mr. Hill summarized and the group discussed recommendations in the following policy areas:

- Program eligibility;
- Benefit coverage;
- Quality of care;
- Service delivery arrangements;
- Payment arrangements; and
- State financial commitment.

Over the course of three hours, the group engaged in an active and, at times, contentious discussion of the various policy recommendations. In the end, however, the group succeeded in refining the recommendations, eliminating redundancies among the various policy categories, and reaching consensus on the final set of recommendations with which to move forward.

The meeting was adjourned at 1:30 p.m.

III. Next Steps in the TA

Workgroup members were extremely pleased with the progress that was made during the meeting and encouraged by the relative ease with which participants were able to reach agreement on the recommendations to present to the legislature. Officials were especially pleased with the collaborative spirit expressed by representatives of the managed care community. Time did not permit Workgroup members to make specific plans regarding next steps, however, general agreement was reached that MCH staff would revise the recommendations report to reflect the changes made at the meeting and then circulate it to all parties involved. Ian Hill agreed to assist with the review and finalization of the report.

Part IV:

Fourth Site Visit Report

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Technical Assistance to States Developing Comprehensive Systems of Care for Children And Their Families:

Florida—Fourth Site Visit Report

Prepared for:

Maternal and Child Health Bureau
U.S. Public Health Service
Rockville, MD
Contract No. 240-92-0059

Prepared by:

Ian Hill
Health Systems Research, Inc.
Washington, D.C.

1 September 1996

I. Background

In October 1992 and July 1994, respectively, Health Systems Research, Inc. (HSR) was awarded two contracts by the federal Maternal and Child Health Bureau (MCHB) to provide technical assistance to state Title V programs in support of their efforts to develop more comprehensive systems of care for children and their families. Through the contracts, all 50 states, the District of Columbia, Puerto Rico, and the Virgin Islands will each receive, by mid-1997, intensive technical assistance on a systems development project of their choosing. Florida was chosen to receive technical assistance (TA) from HSR in 1994.

Originally, the state expressed interest in receiving help with the development of strategies for assuring risk-appropriate care for mothers and children in managed care settings. However, as Florida policymakers increasingly prepared over the summer of 1995 for the possible passage of a new federal Medicaid block grant system, the MCH program changed the focus of its requested assistance. Specifically, in response to an invitation from the state Medicaid agency to develop a set of recommendations for preserving effective MCH systems under block grants, MCH officials formed the *Maternal and Child Health System Redesign Workgroup* and requested that HSR assist the Workgroup in the development of its recommendations. During the fall of 1995 and winter of 1995/96, HSR provided assistance by developing an analytical framework for the development of these recommendations and then facilitating two meetings of the Workgroup and its partners to reach consensus on the recommendations to put forth to Medicaid and the state legislature.

As a final step in the technical assistance process, HSR Associate Director Ian Hill was invited to conduct a fourth site visit to the state to participate in the annual meeting of the Florida Perinatal Association. Specifically, Mr. Hill was asked to present to meeting attendees a summary of the process and outcomes of the Workgroup's effort to collaboratively develop a

set of recommendations for maintaining and enhancing the state's MCH systems of care. This report provides a brief summary of the content and outcomes of this site visit.

II. Summary of Meeting

The 1996 Annual Meeting of the Florida Perinatal Association was held in Clearwater Beach on 15-17 August 1996. The theme of the meeting was "New Horizons: Leading the Way in Maternal and Child Health." On the evening of 16 August, following a town meeting format, a panel was convened under the title, *New Strategies in Maintaining Quality in MCH in Florida During the Future Era of Medicaid Block Grant Funding.* Several panelists, including two representatives from the state legislature, Family and Community Health Bureau chief Donna Barber, and State Health Officer James Howell, addressed a broad range of challenges related to the maintenance of high quality MCH systems in an era of cost containment.

As stated above, Ian Hill's contribution to the panel was a summary of the process followed by the *MCH Systems Redesign Workgroup* to develop recommendations for Medicaid and the state legislature. His comments, which reviewed the analytical framework and specific recommendations made in the policy areas of eligibility, benefits, service delivery and financing, and quality assurance, were placed in a national context through a discussion of the technical assistance needs of state Title V/ programs nationwide and the various efforts being made across the country to develop more effective and comprehensive systems of care for vulnerable mothers and children.

In concluding his presentation, Mr. Hill praised Florida officials for their collaborative spirit and actions. The inclusive process that was followed by the Workgroup, which involved policymakers and providers from a broad range of sectors and agencies, permitted careful deliberations, broad-based input, and eventual consensus on a set of key recommendations for maintaining and improving MCH systems as Medicaid undergoes continued reform. And while

federal proposals for Medicaid block grants ultimately failed, Mr. Hill observed that the efforts made by Florida officials were still extremely valuable. In particular, he stated that the process provided an important opportunity for multidisciplinary education, collaboration, prioritization, and development of a shared vision for future MCH systems of care.