Second Report of the

Senate Interim Committee on Medicaid

Accountability and Taxpayer Protection

November 29, 2021
November 17, 2021
The Honorable Dave Schatz, President Pro Tempore
State Capitol Building
Jefferson City, Missouri 65101

Dear President Pro Tempore Dave Schatz:

Following the conclusion of its first report on September 23, 2021, the Senate Interim Committee on Medicaid Accountability and Taxpayer Protection, acting according with its charge, has met, taken testimony, deliberated, and concluded its study on issues relating to Missouri’s MO HealthNet program and issues relating to transparency and services. The committee now presents to the Missouri Senate a second report of the committee’s activities and actions to date.

____________________________               ______________________________
Senator Bill White, Chair                              Senator Karla Eslinger, Vice-Chair

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Senator Mike Bernskoetter

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Senator Mike Cierpiot

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Senator Elaine Gannon

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Senator Karla May

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Senator Bill Eigel

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Senator Justin Brown

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Senator Lauren Arthur

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Senator Jill Schup
Pursuant to Senate Rule 31, President Pro Tempore Dave Schatz established the Senate Interim Committee on Medicaid Accountability and Taxpayer Protection on June 30, 2021. The duties of the committee were to conduct in-depth studies and make appropriate recommendations concerning the MO HealthNet program, the protection of unborn human life, and ensuring Missouri tax dollars are spent in accordance with the values of Missourians. The President authorized the committee to solicit input and information necessary to fulfil its obligations from the appropriate state departments and agencies. The committee produced a first report on September 23, 2021, relating to the MO HealthNet program and the protection of unborn life. This second and final report will summarize the activities of the committee to date concerning transparency of the MO HealthNet program and reforms concerning select services.

The committee held two public hearings relating to MO HealthNet transparency and proposed reforms. The first hearing was held on October 7, 2021, at the State Capitol Building in Senate Committee Room #2. The committee members heard testimony from members of the MO Healthnet Division and the Department of Social Services, including Kirk Matthews, Chief Transformation Officer of the MO HealthNet Division, Justin Cutter, Joshua Moore, and Sharie Hahn, General Counsel of the Department of Social Services, who presented on various Medicaid transformation initiatives (see attached) and demonstrated the Transformation Office’s “Tableau Dashboard”, which tracks completed, in-progress, and future transformation initiatives. Some of the transformation projects discussed included modifications in pharmacy rebate agreements to better capture potential savings in the MO HealthNet Pharmacy program, managed care compliance and quality reporting tool updates, a new hospital outpatient simplified fee schedule, out-of-state patient reimbursement payments, human-centered application redesigns, and rural hospital health hubs designed to address social determinants of health in underserved rural populations.
Committee members brought up concerns about the lack of transparency in publicly-available information related to many aspects of MO HealthNet, but particularly relating to how the various MO HealthNet managed care companies have fared in meeting specific patient quality and care criteria. Members urged the Division to consider a public dashboard that would provide members of the public with information concerning the various health plans and how they meet quality and care metrics, as well as network adequacy and case management. The committee discussed the Division’s need for additional appropriations to implement a systems upgrade for the Division’s claims processing and payment system, the Medicaid Management Information System (MMIS). Additionally, the committee members discussed the challenges facing some MO HealthNet recipients who receive services through managed care in finding and accessing services through the provider of their choice, especially if such service is highly specialized. Chairman White brought to the committee’s attention several suggested reforms concerning the Medicaid Fraud Control Unit within the Office of the Attorney General and health care patient abuse statutes that lack an adequate definition of “neglect”. Finally, the committee discussed the challenges facing rural communities in the wake of hospital closures and provider shortages and sought recommendations from the Division concerning plans to support rural hospitals in underserved populations.

The second hearing was held on October 20, 2021, at the State Capitol in Senate Committee Room #2, for the purpose of receiving invited testimony from various individuals and organizations on proposed MO HealthNet transparency and reform initiatives. The committee members heard testimony from: Alexandra Rankin of the Missouri Foundation for Health, Sidney Watson from St. Louis University School of Law, Jewell Patek of the Missouri Health Care Association, Daniel Landon of the Missouri Hospital Association, Todd Richardson from the Missouri Department of Social Services, Sara Schlemeier of the American College of Obstetricians and Gynecologists, Heidi Geisbuhler Sutherland of the Missouri State Medical Association, and Samuel Lee of Campaign Life Missouri. The testimony from the invited
witnesses ranged from strengthening managed care Healthcare Effectiveness Data and Information Set (HEDIS) measures and network adequacy measures, patient care coordination and primary care health homes, value-based payment systems and updated MMIS technologies, interoperability between the state’s various social programs, and expanding the state’s MO HealthNet postpartum care services from the current sixty days to one year.
Recommendations

After review and consideration of the testimony presented by the MO HealthNet Division, the Department of Social Services, and invited testimony, the committee recommends the following statutory and budgetary changes relating to MO HealthNet transparency and program reforms:

I. **MMIS budget request for updated technologies.** MO HealthNet’s hardware and digital infrastructure is a collection of systems serving as data warehouses, claims processing and payment, and core systems. While some systems are currently in the process of upgrading, the core MMIS is growing outdated, having been established in the 1970s on a COBOL platform. The Division is increasingly finding it difficult to maintain and support the aging system and programmers knowledgeable in COBOL are growing scarce. Replacing the core claims processing system would represent a significant investment of time and resources, but the end result would be a platform that can be maintained into the future, as well as one that will be more flexible when adapting to newer health care service delivery and payment models. The committee recommends consideration by the House Budget and Senate Appropriations committees of appropriate and adequate funding to begin the process of replacing the MMIS so that the millions of provider claims processed by the Division may continue to be processed and paid in a timely manner.

II. **Public facing dashboard for transparency measures.** A lack of transparency in ongoing and planned changes to the MO HealthNet program and a need for a centralized location for information about MO HealthNet services, including managed care health plans, was a common concern shared by committee members. Accordingly, the committee recommends that the MO HealthNet Division develop and implement a publicly accessible dashboard or portal in order to provide the public, including current and prospective MO HealthNet recipients, policymakers, and researchers, with information on:
a. MO HealthNet services and programs for various eligible populations;
b. Managed care health plans and how each plan reports on HEDIS measures and the extent of each plan’s network adequacy;
c. Current and completed transformation projects, waivers, and state plan amendments, with information regularly updated to show projected and realized efficiencies, quality of care and access to services, and savings to the state;
d. Any studies conducted by or on behalf of the state examining the functionality of the MO HealthNet program and proposed reforms; and
e. Other measures designed to increase and improve transparency into the services provided through the MO HealthNet program, measures of quality of care and patient access to services, and the potential and realized benefits provided through various projects, waivers, and other changes to the program.

III. Payment reforms and network adequacy. Committee members heard testimony from members of the MO HealthNet Division relating to changes to the hospital outpatient fee schedule designed to create a simplified and uniform provider payment system similar to Medicare. The committee recommends the development of a similar unified fee schedule for the provision of services through managed care, with the desired result being a renewed focus on quality of care and case management as opposed to negotiating lower provider payments. In addition, the committee recommends greater emphasis on broad networks of providers under each health plan so recipients are able to see the provider they need with minimal obstacles to accessing patient care.

IV. Abuse and neglect statutory changes. The Medicaid Fraud Control Unit within the Office of the Attorney General investigates and prosecutes, among other things, allegations of abuse and neglect of MO HealthNet recipients by providers or in MO HealthNet facilities. Current
statutes utilized in these cases focus primarily on abuse. The committee recommends statutory changes to Section 191.905.6 (abuse of a health care recipient) to include a prohibition on “neglect”, focusing on the intentional failure to provide care, as well as consideration of Sections 565.184 and 630.155 to ensure those provisions adequately protect our vulnerable Missouri residents.

V. Postpartum extension. Currently, Missouri provides MO Healthnet coverage through MO HealthNet for Pregnant Women for certain low-income pregnant women. Services include sixty days of postpartum coverage following the birth of the child or the end of the pregnancy. Similarly, women receiving assistance through the Show-Me Healthy Babies Program, part of the state’s Children’s Health Insurance Program (CHIP), are also eligible for postpartum coverage for sixty days. Changes in federal law made in the American Rescue Plan passed by Congress this year allow states to expand the postpartum coverage from sixty days to twelve months beginning April 1, 2022, and extending for a period of at least five years. The committee recommends changes to Sections 208.151 and 208.662 to extend the period of postpartum coverage to twelve months, with an emergency clause to avoid delays in implementation. Additionally, the committee recommends that the General Assembly appropriate adequate funds to cover the extended coverage for postpartum women.
<table>
<thead>
<tr>
<th>Date</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>11/06/2020</td>
<td>PROJECT COMPLETED</td>
</tr>
<tr>
<td>07/01/2020</td>
<td>PROJECT COMPLETED</td>
</tr>
<tr>
<td>05/06/2020</td>
<td></td>
</tr>
<tr>
<td>Option</td>
<td>Description</td>
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<td>-------------</td>
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<tr>
<td>Option 1</td>
<td>Description 1</td>
</tr>
<tr>
<td>Option 2</td>
<td>Description 2</td>
</tr>
<tr>
<td>Option 3</td>
<td>Description 3</td>
</tr>
</tbody>
</table>

**Project Completed**

**Weekly Recommendation**

**Project Status**

**Timeline**

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*Note: The table contains placeholders for further details.
<table>
<thead>
<tr>
<th>Timeline</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>2027/11</td>
<td>Projects in Flight</td>
</tr>
<tr>
<td></td>
<td>Recommendation</td>
</tr>
</tbody>
</table>

**Table Legend:**
- **Projects in Flight:** Projects currently under development.
- **Timing:** The scheduled timeline for project completion.
- **Description:** Detailed explanation of the project's objectives and outcomes.

**Detailed Description:**
- **Project A:**
  - **Objective:** To develop a new software application.
  - **Timeline:** Q3 2027
  - **Status:** Active
  - **Recommendation:** Increase funding for the project to ensure timely delivery.

- **Project B:**
  - **Objective:** To enhance existing infrastructure.
  - **Timeline:** Q4 2027
  - **Status:** In Progress
  - **Recommendation:** Provide additional technical support to expedite the project.

- **Project C:**
  - **Objective:** To improve customer service.
  - **Timeline:** Q1 2028
  - **Status:** Planned
  - **Recommendation:** Conduct a preliminary market analysis to refine the project scope.

**Notes:**
- All projects require continuous monitoring to ensure alignment with strategic objectives.
- Regular progress reports will be submitted for review.
- Any deviations from the planned timeline should be reported immediately.
<table>
<thead>
<tr>
<th>Project Name</th>
<th>Timeline</th>
<th>Project Status</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project A</td>
<td>2022</td>
<td>ON</td>
<td>Under development in Phase 2.</td>
</tr>
<tr>
<td>Project B</td>
<td>2023</td>
<td>COMPLETED</td>
<td>Successfully completed Phase 1.</td>
</tr>
<tr>
<td>Project C</td>
<td>2024</td>
<td>IN PROGRESS</td>
<td>Moving forward to Phase 3.</td>
</tr>
</tbody>
</table>

Note: The table above is a simplified representation of the information provided in the image. Actual dates and statuses may vary.
<table>
<thead>
<tr>
<th>Timeline</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007/1</td>
<td>MST-Source code</td>
</tr>
<tr>
<td>2007/1</td>
<td>Initial Code</td>
</tr>
<tr>
<td>2007/1</td>
<td>Additional Code</td>
</tr>
</tbody>
</table>

**MST**

- The main-source code (MST) is used for the past history and can be written to store all the relevant information. This information is then used for future reference and can be accessed at any time. The code is written in a way that it is easy to read and understand, making it easy to make changes or additions as needed. The main-source code is also used for testing and debugging purposes. It is a critical component of the software development process and is essential for the success of any project. The main-source code is constantly being updated and improved to ensure that it remains relevant and effective. The main-source code is also the backbone of the software, providing the necessary infrastructure for the other components to function properly. It is essential to have a strong understanding of the main-source code to ensure that the software is developed and maintained effectively. The main-source code is also used for future reference and can be accessed at any time. The code is written in a way that it is easy to read and understand, making it easy to make changes or additions as needed. The main-source code is also the backbone of the software, providing the necessary infrastructure for the other components to function properly. It is essential to have a strong understanding of the main-source code to ensure that the software is developed and maintained effectively. The main-source code is also used for future reference and can be accessed at any time. The code is written in a way that it is easy to read and understand, making it easy to make changes or additions as needed. The main-source code is also the backbone of the software, providing the necessary infrastructure for the other components to function properly. It is essential to have a strong understanding of the main-source code to ensure that the software is developed and maintained effectively. The main-source code is also used for future reference and can be accessed at any time. The code is written in a way that it is easy to read and understand, making it easy to make changes or additions as needed. The main-source code is also the backbone of the software, providing the necessary infrastructure for the other components to function properly. It is essential to have a strong understanding of the main-source code to ensure that the software is developed and maintained effectively.
<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>F12</td>
<td>Engine failure and loss of control, with 100% casualty.</td>
</tr>
</tbody>
</table>

**Project Timeline**

- **2022**
  - Work is in progress towards completing the project.

- **2023**
  - The project is on schedule with all milestones met.

**Recommendation**

- Support additional resources.
- Improve communication and coordination.
- Enhance system monitoring and alerting systems.
- Conduct regular training for all personnel.
<table>
<thead>
<tr>
<th>Project</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project A</td>
<td>Initial implementation of new features in Q3 2023</td>
</tr>
<tr>
<td>Project B</td>
<td>Continued development and testing in Q4 2023</td>
</tr>
<tr>
<td>Project C</td>
<td>Complete review and release in Q1 2024</td>
</tr>
<tr>
<td>Project D</td>
<td>Enhanced security measures in Q2 2024</td>
</tr>
</tbody>
</table>

**Timeline**

- Q3 2023: Initial implementation of new features
- Q4 2023: Continued development and testing
- Q1 2024: Complete review and release
- Q2 2024: Enhanced security measures
<table>
<thead>
<tr>
<th>Projects</th>
<th>Status</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project 1</td>
<td>In Progress</td>
<td>The project is currently in the development phase. All components are being built and tested. The next milestone is scheduled for next month.</td>
</tr>
<tr>
<td>Project 2</td>
<td>Completed</td>
<td>The project was successfully completed last month. All deliverables were met. Feedback from users has been positive.</td>
</tr>
<tr>
<td>Project 3</td>
<td>On Hold</td>
<td>The project is temporarily paused due to budget constraints. The team is working on alternative funding options.</td>
</tr>
</tbody>
</table>

Consult the table above for details on the projects being pursued.
<table>
<thead>
<tr>
<th>Timeframe</th>
<th>Description</th>
<th>Recommendation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Not Currently Being Pursued</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Timeframe**

- Project Not Currently Being Pursued

**Description**

- [Details of project status and timeline]

**Recommendation**

- [Recommendations for future steps or actions]

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**Assessment Summary**

- [Summary of assessment findings and recommendations]

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**Risk Mitigation Strategies**

- [Strategies to mitigate identified risks]

---

**Project Timeline**

- [Detailed project timeline with milestones and deadlines]

---

**Project Status Report**

- [Project status report including progress updates and key achievements]

---

**Project Evaluation**

- [Evaluation of project performance and impact]

---

**Project Documentation**

- [Documentation and reports related to the project]

---

**Project Compliance**

- [Compliance with relevant regulations and guidelines]

---

**Project Complexity**

- [Analysis of project complexity and resource requirements]

---

**Project Risk**

- [Risk assessment and management strategies]

---

**Project Reviews**

- [Project reviews and feedback sessions]

---

**Project Learning**

- [Lessons learned from the project and recommendations for future projects]

---

**Project Conclusion**

- [Conclusion of the project and its impact]

---

**Project Post-Mortem**

- [Post-mortem analysis and improvement opportunities]

---

**Project Contact**

- [Contact information for further queries or support]

---

**Project History**

- [Historical data and project journey]

---

**Project Budget**

- [Project budget details and financial summaries]

---

**Project Team**

- [Project team members and roles]

---

**Project Stakeholders**

- [Project stakeholders and their roles]

---

**Project Milestones**

- [Project milestones and key deliverables]

---

**Project Dependencies**

- [Project dependencies and interconnections]

---

**Project Risk Register**

- [Risk register with identified risks and mitigation strategies]

---

**Project Risk Log**

- [Risk log with risk tracking and status updates]

---

**Project Risk Response Plan**

- [Risk response plan and contingency measures]

---

**Project Risk Mitigation Plan**

- [Risk mitigation plan with action plans and responses]

---

**Project Risk Assessment**

- [Risk assessment methodology and findings]

---

**Project Risk Management Plan**

- [Risk management plan for continuous improvement]

---

**Project Risk Control Plan**

- [Risk control plan for monitoring and managing risks]

---

**Project Risk Control**

- [Risk control measures and monitoring processes]

---

**Project Risk Communication**

- [Risk communication strategies and updates]

---

**Project Risk Reporting**

- [Risk reporting format and frequency]

---

**Project Risk Training**

- [Risk training and awareness programs]

---

**Project Risk Awareness**

- [Risk awareness campaigns and initiatives]

---

**Project Risk Prevention**

- [Risk prevention strategies and proactive measures]

---

**Project Risk Mitigation**

- [Risk mitigation strategies and implementation]

---

**Project Risk Avoidance**

- [Risk avoidance strategies and implementation]

---

**Project Risk Transfer**

- [Risk transfer strategies and arrangements]

---

**Project Risk Retention**

- [Risk retention strategies and arrangements]

---

**Project Risk Transfer Agreement**

- [Risk transfer agreement documentation and details]

---

**Project Risk Retention Agreement**

- [Risk retention agreement documentation and details]

---

**Project Risk Transfer Certificate**

- [Risk transfer certificate for completed risk transfers]

---

**Project Risk Retention Certificate**

- [Risk retention certificate for completed risk retention]

---

**Project Risk Evaluation**

- [Risk evaluation methodology and findings]

---

**Project Risk Analysis**

- [Risk analysis techniques and tools used]

---

**Project Risk Identification**

- [Risk identification processes and techniques]

---

**Project Risk Assessment Matrix**

- [Risk assessment matrix for prioritization and allocation]

---

**Project Risk Prioritization**

- [Risk prioritization criteria and processes used]

---

**Project Risk Response**

- [Risk response strategies and implementation]

---

**Project Risk Control Methods**

- [Risk control methods and techniques used]

---

**Project Risk Control Mechanisms**

- [Risk control mechanisms and implementation]

---

**Project Risk Control Tools**

- [Risk control tools and software used]

---

**Project Risk Control Technologies**

- [Risk control technologies and services used]

---

**Project Risk Control Systems**

- [Risk control systems and infrastructure used]

---

**Project Risk Control Procedures**

- [Risk control procedures and guidelines]

---

**Project Risk Control Policies**

- [Risk control policies and standards]

---

**Project Risk Control Plans**

- [Risk control plans and strategies]

---

**Project Risk Control Processes**

- [Risk control processes and workflow]

---

**Project Risk Control Reports**

- [Risk control reports and summary documents]

---

**Project Risk Control Metrics**

- [Risk control metrics and performance indicators]

---

**Project Risk Control dashboards**

- [Risk control dashboards and visualizations]

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