



It's A Wonderful Life

How to Enjoy the 2016 Holiday Season in
Illinois

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It's a Wonderful Life

"Strange, isn't it? Each [persons] life touches so many other lives. When [she/he] isn't around [she/he] leaves an awful hole, doesn't he?"

Clarence, Angel Second Class



Short Version of advice

- No one really knows what will happen yet
- Undoing will take longer than overnight
- Exchanges and ACA Medicaid expansion will be the target
- Repeal and Replace will be Repeal Light and Wait
- Fixing Illinois Finance is Still Possible
- Keep Doing What You are Doing

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Run On The Bank

- Current Backlog - \$10.8 Billion
- Prompt Payment Penalties
- Budget Projections - \$13.5 Billion FY17 Growing to \$47.1 Billion by FY22
- Political Gridlock



Payment Penalties According To The Comptroller's Office

FY	TOTAL (\$)
2008	30,249,838.40
2009	39,665,009.25
2010	97,771,942.48
2011	90,923,127.22
2012	136,475,141.80
2013	317,799,454.51
2014	160,095,724.84
2015	126,059,043.58
2016	2,841,022.05



Simple Outline of Solution

- Income tax goes from 3.75 to 4.85
- Use Tax expanded to certain services to fill gaps
- Pension reform attempt
- Pension ramp extended
- Education funding changes
- Old Bills will be bonded
- Legislation on workers compensation, property taxes, and other issues

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When?

- Every Year the Deficit Grows by \$7 Billion
- By the end of FY18 it is expected to be \$27.9 Billion
- At what point do the state universities and state funded healthcare providers drop off the map?
- Or do the pension system eat their assets?



Getting Paid

- Promote Sustainable Financing and Preserve Funding
- Advocate for review and restructuring of the current rates for community behavioral healthcare;
- Work to preserve funding that funds behavioral health services for individuals who are uninsured and for services and supports that are not covered by Medicaid
- Support sustainable financing models: value based reimbursement models
- Work with Medicaid Managed Care to ensure timely payments.



Mr. Potter “Steals” the Money

- Donald Trump is elected President
- Republicans will control all branches of government including the courts
- The Senate Political Split is not filibuster proof
- There will be a lot of new sheriffs in town
- There will be major changes to Medicaid
- There will be major changes to the tax structure and other laws that impact our lives and business



Changing all of Publicly Funded Medicine

- Medicaid will be capped
 - Block Grant
 - Per Capita Caps by Eligibility Group
- ACA will be “Repealed and Replaced”
 - Medicaid Expansion Change
 - Exchanges will be eliminated or dramatically change
- Repeal will come fast, change will not be immediate, replace may or may not come immediately or later
- Medicare is a question mark with a disconnect between the Presidents promises and what Congress and his staff want



The New Department of Health and Human Services Director

- Affordability
- Accountability
- Quality
- Responsiveness
- Innovation
- Choice



Access/Integration

- Promote Access to a Full Array of Behavioral Health and Support Services for All 102 Counties
- Advocate for a full continuum of care for children, adolescents and adults with mental health and substance use disorders, including promoting trauma informed care, Medication Assisted Treatment and supportive housing
- Work with state agencies and stakeholders to implement N.B. vs. Norwood, the 1115 Wavier Demonstration and the State Plan Amendments, if approved by CMS
- Support the work of specialty courts. Monitor Williams and Colbert Consent Decrees to ensure compliance



Integration

- Advocate for Behavioral Integrated Health Homes
- Promote physical/ behavioral health integration (primary care, hospitals, FQHCs, etc)



Infrastructure

- Support and promote strategies to recruit and retain community behavioral health workforce
- Advocate for resources for capital improvements and behavioral health information technology.
- Work to modernize administrative rules that govern community behavioral health.



Network Adequacy

- Work to ensure there are clear cut network adequacy standards; that there is strict oversight for network adequacy and behavioral health parity and they are being enforced in both fee-for-service and managed care areas of the state.



And his name is Price

- What is the price going to be?
- And who will pay the price?



The fed/state dysfunctional partnership called Medicaid will change

- The Congress and White House will want to reduce projected expenditures with a relatively hard cap on federal spending
- The amount of this reduction is unknown but is probably a cut in projected growth and not a cut in actual dollars
- The attractiveness to states will be a known limit on spending
- The risk to states will be if the conditions to get the grant can't be accommodated within the state's financial structure
- Most state budget people will like this



Possible problems

- FMAP (Federal Medical Assistance Percentage) is F'ed up.
- DSH is Shzt.
- Medicaid Expansion versus non-Medicaid expansion states
- Federal SCHIP authorization and matching rate are up for extension
- Illinois has a traditionally weak presence in obtaining statewide Medicaid relief in Washington
- We have two Democratic Senators, a majority Democrat Congressional delegation, and a Republican Governor



Unintended Consequences

- How will we game Medicaid to our advantage
- If we can't game Medicaid, how will the state political process function
- How will federal changes affect our consent decrees which have kept the doors open

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New federal CMMS Director

- Seema Verma from Indiana
- Designed huggge waiver for Indiana
- Believes in state flexibility

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Area of personal lack of clarity

- In a block grant system that gives more flexibility to states with less money, what will the role of waivers be.

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Confidence –page 25

- “There is little incentive for state’s to restrain Medicaid growth”
- “The status quo is full of incentives for state politicians and bureaucrats to maximize the share of Medicaid funded by federal taxpayers”
- “states have been treated like junior partners in the oversight and management of the Medicaid program”
- “governors and state legislatures are closer to patients in their states and know better than Washington bureaucrats”



Lobbying Advice

- Try to make your way without lobbying
- Work within the system first
- Take everything with a grain of salt
- Be polite, be professional, but have a plan to kill everybody you meet

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Don't Knows

- Will there ever be a budget
- How will the federal government change healthcare
- How will the economy hold up
- What other issues will steal the day



Reduce Behavioral Health Care Disparities

- Work to reduce mental health and substance use disparities (race/ethnicity, geographical and income) and improve access to quality care that is culturally and linguistically appropriate services and supports.



Carrying On

- You are still here
- Waiver does speak to mental health concerns
- Temporary rate increase
- Medicaid system is still functioning in Illinois
- DHFS is fairly administering the managed care contracts
- DHS has people who have actually done your work running their programs
- Federal legislation



Final Thoughts

- Let's Look on the Bright Side
- Remember Who You Are
- Remember The Difference You Make
- Regardless of Tough Times and Changes, You Are Still the Same People