
OFFICE OF GOVERNOR RONNIE MUSGROVE
INTEROFFICE MEMORANDUM

TO: GOVERNOR
FROM: SMITH
SUBJECT: FOLLOW-UP / MEETING WITH DR. SHIRLEY
DATE: 2/26/02
CC: RENICK, LEE ANN, TELL, BOYD, KINNEY, SEWELL

We were not able to meet about a response for Dr. Shirley regarding the amendments made by the pharmacists to the Medicaid Technical Amendment Bills. Rica has not been too upset about them to date because these bills will end up in conference and will change many times before we get to the final bill.

However, Dr. Shirley is upset about what the pharmacists are trying to do to the disease management program and wants to fight back. As you know, he had a meeting with the Black Caucus Tuesday night and explained the program. He just wants some direction from your office so we can be on the same page.

The amendments made by the pharmacists are as follows:

- **Senator Mettetal**- Allows the Division of Medicaid to pursue disease management programs only for the three disease processes in the McKesson contract, or asthma, diabetes, and hypertension. Rica had put in language that she could pursue disease management programs for **any** disease.
- **Representative Joey Hudson**- Requires disease management services to be provided in person, **not by telephone or mail**. This is in direct conflict with the McKesson contract. His amendment goes further to require that Rica report to the Chairmen of the House and Senate Public Health and Welfare Committees the amount of savings generated from the disease management programs implemented since March 6, 2003. The disease management program will start enrolling beneficiaries in April and will likely not show significant savings by July 1, 2003. On the other hand, since it is an opt-out program, it may show more savings than we think but they have got to start advertising. The success of the program is riding on a positive response by the beneficiaries.

The attached press release was sent out Tuesday. I called Rica and she said that she was directed to do the press release by Lee Ann, that you wanted to stay focused on education. However, Lee Ann was supposed to see the press release before release but Jamie got tired of waiting and released it. She has a lot invested in this program plus the added expense of hiring the Cirlot Agency. I think she is very frustrated.

I will let you know the outcome of our meeting. I would recommend that when we make our decision that you meet with Dr. Shirley and the Black Causus personally to discuss our plan of action.