

HEALTHY AND WELL KIDS IN IOWA (*hawk-i*)
BOARD MEETING
MINUTES

April 18, 2005

BOARD MEMBERS:

Susan Salter, Chair
Julie McMahon, Vice-Chair
Charlotte Burt (for Judy Jeffrey)
Jerry Wickersham (for Susan Voss)
Jim Yeast
John Baker
Wanda Wyatt-Hardwick

LEGISLATIVE BOARD MEMBERS:

Senator Amanda Ragan (absent)
Senator James Seymour (absent)
Representative Gerald Jones (absent)
Representative Mary Mascher

DEPARTMENT OF HUMAN SERVICES:

Anita Smith
Anna Ruggle
Shellie Goldman

GUESTS:

Diane Schroeder
Tim Gibson
Nancy Lind
Beth Jones
Barbara Fox-Goldizen
Lindsay Miller
Lynn Tague
Diane Ellis
Bob Russell
Erin Paugh
Kelli Schulte
Mary O'Brien
Karen Sisson
Karen Brown
Lisa Huff
Sara Schneider
Pete Damiano
Betsy Momany

AFFILIATION:

Delta Dental
John Deere Health
John Deere Health
Covering Kids and Families
MAXIMUS
Dept. Public Health, Covering Kids and Families
Wellmark Blue Cross Blue Shield of Iowa
Covering Kids and Families
Iowa Department of Public Health
Visiting Nurse Services
Iowa Dept. of Public Health
Visiting Nurse Service
Iowa Medical Society
Center for Healthy Communities'
Center for Healthy Communities
DHS
University of Iowa Public Policy Center
University of Iowa Public Policy Center

MEETING CALLED TO ORDER AND ROLL CALL:

The Healthy and Well Kids in Iowa (*hawk-i*) Board met on Monday, April 18, 2005, in the Levitt Room, Des Moines Botanical Center, 909 E. River Drive, Des Moines, Iowa. Susan Salter, Chair, called the meeting to order at 12:30 p.m. A quorum was present.

WELCOME, INTRODUCTIONS:

Ms. Salter asked the audience members to introduce themselves. Ms. Salter informed the guests that there would be an opportunity for public comment later in the agenda.

INTRODUCTION OF DR. RUSSELL:

Julie McMahon introduced Dr. Bob Russell. Dr. Russell has recently joined the Iowa Department of Public Health as the State Dental Director.

Dr. Russell has had a private practice, worked for the Michigan Department of Corrections, and most recently was the dental director for a public health center. Dr. Russell told the Board that he has been involved in public policy at the state level for Medicaid and other programs, and did masters level work in policy and public administration at the University of Michigan. Dr. Russell said he hopes to bring better access for good health care to Iowa through his number one goal of seeing that all children have a place for a dental visit.

OVERVIEW OF DENTAL STUDY:

Dr. Pete Damiano of the University of Iowa Public Policy Center provided the Board members with a draft of the "Dental care: Access, Use and Cost of Services for Children in *hawk-i*" report. This report is the result of the Clinical Advisory Committee's request for a study of dental access for *hawk-i* children. The study period was 2001-2003

The study investigated four questions:

1. Did enrollment in the *hawk-i* program improve access to dental care for children based on responses to the pre/post evaluation survey?
2. What were the dental utilization rates for children in *hawk-i* based on the insurance encounter data and how were they affected by the method used to calculate the rates?
3. How soon did children receive dental services after enrolling in *hawk-i* and what factors were associated with receiving a dental visit sooner after enrolling?
4. What were the costs associated with providing dental services to children in *hawk-i*, and was there a difference in the costs for children who received care sooner (a measure of pent-up demand)? Also, what was spent on the different types of dental services (diagnosis and prevention vs. routine restorative care vs. extensive restorative care)?

Dr. Damiano provided the following highlights from the report:

The plans provide similar comprehensive coverage of dental services, but there are some differences. There are also differences in their provider networks and how they pay providers.

- Iowa Health Solutions had more of a closed-panel approach that was much more difficult for dentists to participate in the network and the payment was a little lower.
- John Deere has a complete open access model and they pay the full charge.
- Medicaid is a fee-for-service model and has the most comprehensive benefit package with no annual maximum. Medicaid's coverage is the only one designed based on what a child needs rather than basis of benefit. However, the Medicaid provider network is problematic.

The survey that is sent to *hawk-i* enrollees to evaluate the impact of providing health insurance to children was used to assess dental care access.

The study found there was a significant change in unmet need for dental care. For example, in 2003 about 25% of the children had been stopped from receiving dental care in the previous year, mostly due to cost reasons. The follow-up survey after one year of enrollment shows that access was significantly improved, as was unmet need. Most of the survey answers related to unmet need involve orthodontia, which is not a covered service under *hawk-i*.

The percentage of children that were able to get in for any dental visit or were able to get in for a preventive dental visit was used to determine dental utilization rates. Utilization rates were lowest for children ages 1-3 and for adolescents over 12. Almost all dental visits were for a dental checkup and about 85% received a preventive procedure (cleaning or sealants). About one-third received a restorative procedure such as a filling, and one in six received a more complex procedure (root canal or crown).

A good indicator of access to care is the length of time it takes for a child to see a dentist after joining the program. After a six-month enrollment period, about 25% of all children across the three *hawk-i* plans and Medicaid had a dental visit. By one year, 44% had a visit, and after three years, 75%. There were differences by plan. After one year, John Deere had the highest rate of 36% after six months; 56% after one year. (These percentages are for all enrollees in the plan including children under age three who are much less likely to have a dental visit.)

The cost of the first encounter with dental care was used to determine the cost to treat these children. The study focused on how soon after enrollment the children were seen, and the amount of services they received. Because the plans pay differently, the fee schedule from the American Dental Association's survey of dentists to standardize the charges across the plans.

The survey results clearly indicate that providing children with dental coverage through the *hawk-i* program has significantly improved their access to dental care services.

There is some indication of pent up demand because those visits during the first three months of enrollment did have higher costs.

Shellie Goldman asked about rural county residents who have less access because fewer dentists are available. Ms. Goldman wanted to know if that issue was considered in the report, and if yes, could that negatively impact the percentage of children with a dental visit? Dr. Damiano said yes it was a factor as far as access, but they have never found transportation to be a barrier in any study of this population in Iowa.

Ms. Smith asked if the Clinical Advisory Committee had any reaction to this report. Anna Ruggle reported that the Committee was pleased that the children have access and did not have many comments. Ms. Goldman said that the report is quite comprehensive and the Committee had not had the opportunity to review the entire report.

The final report will be available at <http://ppc.uiowa.edu/health/hawk-i/index.html>.

WELLMARK GRANT TO STUDY BARRIERS TO ENROLLMENT:

Dr. Damiano and his staff are conducting a study to identify barriers to enrollment in *hawk-i* and Medicaid. This study will be conducted with families who started the enrollment process and then stopped for some reason. Dr. Damiano said that this doesn't mean that the families were not eventually enrolled.

The study began by conducting a random chart review of 400 Medicaid and 400 *hawk-i* applicants. These are families who applied, but had to submit additional information. Statistics were gathered on what information was requested from the applicants, what information was submitted, and what information was not. The next step is to find out what they perceive as barriers. Focus groups will be conducted in the next six weeks at four different sites. That information will be used, along with the information from the chart review, to develop the survey. Parents who did successfully get their children enrolled and those who did not will be surveyed to see what was different for the two groups and what recommendations can be made for improvement. It is anticipated that the pre/post comparison of the latest year of survey results will be ready to present at the Board's June meeting. The final report is due October 1.

Dr. Elizabeth Momany said their report will include information gathered on the use of appropriate medication for children with asthma and well child visits for children at 15 months. Dr. Momany said that because children are not enrolled in *hawk-i* until after 12 months of age, some adjustments were made to that measure. They are looking to see if children had a well child visit within the time they enrolled in *hawk-i* before 15 months of age and up to 18 months. Dr. Momany said this is a very difficult measure because there are not that many children at 15 months in the program. There are a lot more children ages 4, 5, 6 or 7. The highest rate of well child visits is just before they start school.

Dr. Momany said the other measure they are looking at is primary care access between ages 7 and 12 to see if the child had access to a primary care physician.

APPROVAL OF MINUTES OF FEBRUARY 21, 2005, MEETING:

Charlotte Burt made a motion to approve the February 21, 2005, meeting minutes as written. Jerry Wickersham seconded the motion. Unanimous approval was made by Jerry Wickersham, Charlotte Burt, Jim Yeast, John Baker, Wanda Wyatt Hardwick, Julie McMahon, and Susan Salter.

CORRESPONDENCE, REPORTS & OTHER STATE NEWS:

Anita Smith discussed recent correspondence with the Board:

On March 14, 2005, Christopher Atchison submitted his resignation from the Clinical Advisory Committee. No replacement has been named at this time.

Ms. Salter suggested the Board have a discussion about the role of the Clinical Advisory Committee. Ms. Salter said that Dr. Thomas, Chair of the Clinical Advisory Committee, has expressed concerns about attendance and the Committee's role. Ms. Salter thought perhaps the Board could provide some direction. This will be an agenda item for the August Board meeting.

Ms. Burt asked if there was any kind of a description of the role of the Clinical Advisory Committee. Ms. Ruggle responded that the legislature established one, but there are no parameters regarding membership, role of the committee, or bylaws.

Jim Yeast asked how members are appointed to the Committee. Ms. Smith said that in the past recommendations have been made to the *hawk-i* Board and the Board approves participation. Ms. Ruggle said it is usually the professional organizations that provide suggestions. Current members of the committee include a dietician, dentist, primary care physician, and mental health and substance abuse professionals. Ms. Smith said when the Board was developing rules for this program, there was a lot of discussion about the benefit package and whether it was geared towards children and met the needs of special needs children. The Board wanted to make sure the Clinical Advisory Committee had representation of providers that primarily provide services to children.

SCHIP news from other states:

Connecticut: Conducted a survey to find out who employs people who rely on public assistance and found Wal-Mart was the employer with the greatest number of employees who rely on public assistance for their health care. McDonald's and Dunkin Donuts were also in the top five in Connecticut. A recent report found that Wal-Mart changed their policy in 2002 so that a full-time employee now has to wait six-months for coverage. Initially they only had to wait three-months. Wal-Mart redefined what a full-time employee is, they now have to work 34 hours a week rather than 28 to be considered full-time. Connecticut is also looking at doing a premium subsidy so that employees can purchase health insurance coverage through their employers.

Ms. Smith said that the Department did a report that showed that Wal-Mart was the number one employer in Iowa with employees on public assistance. On April 1, 2005, a letter to the editor was printed in the "Des Moines Register" from a Wal-Mart manager claiming they have helped 160,000 get off the uninsured roles.

Florida: After tightening eligibility requirements to their KidCare program, over 100,000 kids have lost coverage. Now there is concern that uninsured children are going to emergency rooms for health care, placing the burden of covering the costs on the hospitals.

Hawaii: Implemented passive renewal about one year ago. As a result, about 9,000 kids have been added in their program. Georgia and Florida had passive renewal in the past, but both have rescinded that rule due to budgetary concerns.

New Hampshire: A study shows they would not have to cut Medicaid and SCHIP programs if they invested in helping people understand how to use medical care and what it really costs when you go to the doctor. They will be providing more education about preventive care and hope this will keep unnecessary hospital growth in check.

Texas: After a 35% loss in enrollment when they went from annual reviews to six-month reviews, they are returning to annual reviews. They believe 78,000 will be re-enrolled with this change. It was found that 35% of the families that were disenrolled were at poverty level.

Nation:

The "Wall Street Journal" reports that more middle class families are choosing to enroll their children in public assistance programs. There is a Kansas study that shows that 51% of the families on SCHIP actually do have coverage available through an employer.

Kaiser Commission on Medicaid and the Uninsured: Has issued a report entitled "Financing Health Coverage: The State Children's Health Insurance Program Experience". This report focuses on the impact of capped funding, redistribution of dollars, unpredictable allotments, and inequity of funding for states.

ADMINISTRATOR'S REPORT:

SFY 05 Budget Update:

Ms. Smith told the Board that year-to-date expenditures are about 72% of projections. The large increase in *hawk-i* premium expenditures between February and March was due to the supplemental payment that was made to the health plans when the system error was discovered that they were not being paid for all enrollees. Ms. Smith said that with three more payments to the health plans this fiscal year, the *hawk-i* premiums will run over projected expenditures.

The total state appropriation for this fiscal year is \$16,016,479 and projected expenditures are \$14.9 million with \$1 million remaining in the *hawk-i* Trust Fund. However, because of the higher premium costs, that much may not be carried over to FY 06.

Enrollment and Statistics:

Ms. Smith said that enrollment has been running higher than projected each month during the fiscal year. Projections for March 2005 enrollment were 18,702 and actual enrollment was 19,291 before retroactive additions are made. Total SCHIP enrollment as of March is 34,245.

Ms. Smith said she believes the automated referral process is having a significant impact on *hawk-i* enrollment. 49% of *hawk-i* applications are being received electronically either through the website or through referrals. As a result, not as many printed applications have been used and about 100,000 brochures remain on hand with the 2004 income guidelines. Rather than destroy those and reprint, an insert with the 2005 income guidelines has been designed and is available through Prison Industries.

Legislative Update:

Ms. Smith reported that all SCHIP-related legislation this year is in House File 825, which is the Department's appropriation bill. The Legislature did appropriate an additional \$1 million to supplement next year's *hawk-i* appropriation, bringing the total to \$16.6 million.

Legislation was passed last year that requires any health plan doing business in the State of Iowa to provide a list of their enrollees to the State. The list can be matched to the Medicaid files in order to identify anyone with a third party resource so that other insurance could be billed first and then Medicaid would pick up the noncovered service. HF 825 expands that provision to *hawk-i*. This will help identify children who should not be enrolled in *hawk-i* because they have other insurance.

Medicaid Reform:

On March 22, 2005, the Secretary of Health and Human Services, Michael Leavitt, approved the Department to pursue a waiver to expand coverage to various populations. In order to qualify under this new coverage group a person does not have to be categorically related (aged, blind, disabled, or a parent of a covered child). It will cover people up to 200% of poverty and covers limited services. These primarily will be catastrophic services, not primary preventive care. Treatment can only be received at the University of Iowa, Broadlawns, or the four mental health institutes. Everyone who participates in this program will have a premium. It will be no more than 5% of the family's annual income and if they are already paying a premium for a child on *hawk-i*, that will be deducted from their total premium obligation. They will be obligated, at a minimum, for four-months premiums.

CMS Site Visit:

Ms. Smith explained that the CMS Regional office conducts a site visit every two years. This year's visit is scheduled for May 5 and 6. Initially CMS indicated this site visit would focus on quality issues. However after CMS met with the Office of Inspector General, their review will focus on the OIG review done in Iowa three years ago. Ms. Smith said that neither the Department or CMS has seen the final report of that visit. Staff is preparing information to share with CMS on all improvements made to the SCHIP program such as quality, application processing, and work the outreach coordinators are doing.

OIG Inquiry:

Iowa is one of five states selected by the Office of the Inspector General for a review of SCHIP enrollment and health plan information.

RFP Update:

The Request for Proposal for Data Analysis has been released. This consists of the functional health assessment survey, the provider geographic mapping, encounter data analysis, and medical chart review. This work is currently being done by three different entities. The evaluation committee will have their report completed for the May Board meeting.

HEALTH PLAN SFY '06 CAPITATION RATE DISCUSSION:

Ms. Smith said that each year the health plans are asked to present their expectations for capitation rates for the upcoming fiscal year. Delta Dental's response was that they have not had enough experience in the program to request a different rate so they will continue the current rate in SFY 06. Wellmark has requested a 3.9% increase. John Deere has been able to successfully contract with all of their providers at a more favorable rate except for Iowa Health Systems and those negotiations are ongoing. Iowa Health Systems represents Iowa Methodist, Lutheran and Blank Children's Hospital in Des Moines, St. Luke's in Cedar Rapids and Allen Memorial in Waterloo. Ms. Smith said that more information will be available at the May Board meeting.

John Deere proposes going to an open access provider network. Given that and the success they have had with recontracting with their providers they are asking for an 8% increase. In the event they cannot successfully negotiate with Iowa Health Systems there are two alternatives. One is to keep the network as is in the Polk County area (a gatekeeper model). This means Blank, Lutheran and Methodist Hospitals will remain in their network, but in order to do that John Deere would require a higher rate for Polk County, a 14% increase. In Waterloo, enrollees would still have two of the three hospitals participating in the program without Iowa Health Systems. In Cedar Rapids they would have Mercy Hospital, but not St. Luke's.

Ms. Burt asked if the Board had ever approved a different rate for a certain area. Ms. Smith replied no, it has always been a statewide rate. Ms. Burt asked if there would be

any problems administering different rates by area. Ms. Smith said that the Department would have to work with MAXIMUS so that Polk County was designated as a different plan.

Ms. Smith said that the Board could go ahead and decide on the Wellmark and Delta Dental rate and discuss John Deere's rate at the May meeting. Diane Schroeder of Delta Dental indicated that she had asked for additional time so that they could review utilization rates and decide whether they would seek a rate increase after all. Ms. Smith asked that any request be submitted before the May 16, 2005, Board meeting.

Jim Yeast made a motion to approve the 3.9% increase for SFY 06 for Wellmark. Wanda Wyatt Hardwick seconded the motion. Unanimous approval was made by Jerry Wickersham, Charlotte Burt, Jim Yeast, John Baker, Wanda Wyatt Hardwick, Julie McMahon, and Susan Salter.

PUBLIC COMMENT:

No public comment was received.

OUTREACH:

Angie Doyle Scar and Beth Jones shared some recently created outreach materials with the Board. These materials can be accessed at <http://www.idph.state.ia.us/coveringkids/>.

The new dental poster adds Delta Dental and removes Iowa Health Solutions.

2005 *hawk-i* Outreach Coordinator Calendar. This tool will help the coordinators be more pro-active by providing suggestions for outreach events. For example, in April the calendar provides a tip to contact local schools to make arrangements for next year's back-to-school events.

hawk-i Fact Sheet. This is a one-page condensed version of some of the information found in the *hawk-i* brochure. This was used at the recent statewide PTA conference. It is also ideal to use when visiting providers.

Covering Kids designed an "Immigrant Status Pocket Guide for Outreach Coordinators". This is designed to help the outreach coordinators understand the immigration process.

Beth Jones told the Board about a town hall meeting on Monday, May 2nd to coincide with the nationwide events for "Cover the Uninsured Week" May 1-8, 2005. The moderator will be former Governor Robert D. Ray. This program has been designed with the help of Health Access Partnership, which represents all the hospitals in the Des Moines area. Ms. Jones encouraged the Board members to attend.

Diane Ellis of the South Central Regional Coalition, which is Covering Kids and Families Rural project, was asked to tell the Board about outreach activities in her area.

Ms. Ellis works with Clarke, Decatur, Monroe, Lucas, Marion, Warren and Wayne Counties. One of the strategies four years ago was to study the correspondence with families from *hawk-i* and Medicaid. Local legal aid services assisted with this project. Focus groups were held. Ms. Ellis said that although few attended, they did get very good input. They also visited a WIC Clinic in Warren County to talk with people using the clinic and asked them to provide feedback. This was repeated in several clinics in other counties and they talked to parents at a kindergarten roundup in Wayne County. Ms. Ellis said they also wanted to reach the Hispanic population so she worked with a local insurance agent who works with the Hispanic community. Through these groups, they found that signing up for these programs is intimidating. The correspondence is intimidating. Oftentimes families did not understand the correspondence, and sometimes the income maintenance workers the families worked with were intimidating, or they were frustrated because they couldn't talk to a "real person". The Medicaid "notice of decision" was the most difficult for people to understand.

Ms. Ellis said that they have found that families do not know how to use health insurance so HCKC is working on a program to try to incorporate purchasing and use of health insurance into some local high school curriculums.

Ms. Ellis also arranged focus groups with self-employed and farm families. An economic director from the Iowa State University Extension office conducted the focus groups. The farm population has the most difficulty signing up for *hawk-i* because their income is so flexible. One of the suggestions from the focus group is that their income be averaged over a five-year period. Only 1 farm family out the 8 or 9 that attended were on *hawk-i*. In the other focus group of self-employed subcontractors, 5 of the 7 families were enrolled in *hawk-i*. None of the parents had health insurance.

Ms. Smith asked Ms. Ellis if they were going to present their findings in a report to the Department. Ms. Smith said she thought it was important data and should be shared with the Medicaid staff. Also, was the *hawk-i* correspondence compared to the Medicaid correspondence? Ms. Ellis said yes, the families thought the *hawk-i* correspondence was easier to understand and friendlier.

NEW BUSINESS:

There was no new business to present before the Board.

The next meeting is scheduled for Monday, May 16, 2005, at 12:30 p.m. at the Department of Human Services Offices at the Hoover State Offices Building in Des Moines.