

HEALTHY AND WELL KIDS IN IOWA (*hawk-i*)  
BOARD MEETING  
MINUTES  
December 16, 2002

**BOARD MEMBERS:**

Eldon Huston, Chair  
Susan Voss (for Terri Vaughan)  
Charlotte Burt (for Ted Stilwill)  
Julie McMahon (for Stephen Gleason)  
Susan Salter  
Wanda Wyatt-Hardwick  
Jim Yeast

**LEGISLATIVE BOARD MEMBERS:**

Senator Kenneth Veenstra (absent)  
Senator Amanda Ragan (absent)  
Representative Brad Hansen (absent)  
Representative Jane Greimann

**DEPARTMENT OF HUMAN SERVICES:**

Anita Smith  
Anna Ruggle

**ATTORNEY GENERAL'S OFFICE:**

Marne Woods

**GUESTS:**

Beth Jones  
Sarah Taylor  
Barbara Fox-Goldizen  
Sara Schneider  
Linda Lantz  
Lisa Kincaid  
Marcella Prino  
Dee Bradley  
Karen Brown  
Lisa Huff  
Ed Conlow  
Jennifer Vermeer  
Steve Conway  
Jim Donoghue

**AFFILIATION**

Dept. of Public Health - Covering Kids & Families  
Dept. of Public Health - Covering Kids & Families  
MAXIMUS  
DHS - *hawk-i*  
Department of Public Health  
John Deere Health  
American Home Finding  
American Home Finding  
Center for Healthy Communities  
Center for Healthy Communities  
House Democratic Staff  
Legislative Fiscal Bureau  
Senate Democratic Staff  
Broadlawns

**MEETING CALLED TO ORDER:**

The Healthy and Well Kids in Iowa (*hawk-i*) Board met on Monday, December 16, 2002, in the Oak Room, Des Moines Botanical Center, 909 E. River Drive, Des Moines, Iowa. Eldon Huston, Chair, called the meeting to order at 12:35 p.m.

**WELCOME, INTRODUCTIONS, AND ROLL CALL:**

Ms. Smith took the roll call, a quorum was present.

Audience members introduced themselves. Mr. Huston informed the guests that there would be an opportunity for public comment later in the agenda. Anyone wishing to address the Board should notify Mr. Huston.

### **APPROVAL OF MINUTES OF NOVEMBER 18, 2002, MEETING:**

Susan Salter made a motion to approve the November 18, 2002, meeting minutes as written. Jim Yeast seconded the motion. Unanimous approval was made by Susan Voss, Jim Yeast, Charlotte Burt, Wanda Wyatt-Hardwick, Susan Salter, and Eldon Huston.

### **REVIEW OF CORRESPONDENCE, REPORTS, & OTHER STATE NEWS:**

Ms. Smith reported that a suggestion had been received to distribute Board packets electronically. Recipients need to indicate to staff how they wish to receive their packets in the future, hard copy through the mail, or electronically.

Ms. Smith reviewed the correspondence:

- November 19, 2002, letter from the assistant inspector general for the Centers for Medicare and Medicaid Audits. This letter indicates that they will be conducting a SCHIP audit in Iowa. The audit will include Medicaid expansion as well as *hawk-i*. The entrance conference is scheduled for December 20, 2002. This is the first OIG audit that has been conducted on Iowa's SCHIP program. Mr. Huston will attend the entrance and exit conference to represent the Board.
- "Insure Kids Now" newsletter providing statistics on the number of calls their hotline has received. Anyone from any state can call this toll-free number, which will link them to their state's SCHIP program. Between December and February information will again be provided with the cost of living adjustment notice in Social Security checks.
- The State of Oregon has been approved for a HIFA Waiver to provide coverage for uninsured childless adults. Ms. Smith said these waivers may result in reduced funding available to other states to insure their kids.
- November 26, 2002, "Kaiser Health Policy Report". States are experiencing the worst fiscal problems since the 1940's, partly because of medical costs. The article discusses how states are cutting Medicaid and cutting their efforts to simplify the Medicaid program, particularly the efforts designed to enroll more children.
- November 22, 2002, "New York Times". This article reports that the National Academy of Sciences recommends that three to five states explore extending health insurance to all of their residents, either through tax credits or by expanding Medicaid, as an experiment to see if that is an effective way of addressing the needs of the uninsured.
- November 27, 2002, "Kaiser Health Policy Report" article discussing the poor health of immigrant children. Immigrant children are not eligible for Medicaid or SCHIP for five years after entering the country. There was a proposal in Congress that would

allow states to cover immigrant children, but no action has been taken on the proposal.

- "Commonwealth Fund" article entitled "Do Enrollees in "Look-alike" Medicaid and SCHIP Programs Really Look Alike?" Since the states began implementing SCHIP programs in the 1990's there has been much discussion about the best approach to take for SCHIP. For example, Georgia claims their PeachCare program is transparent to their enrollees whether they are in Medicaid or SCHIP expansion. They are treated exactly the same, the providers cannot tell any different, and every enrollee gets a PeachCare card. According to the Commonwealth Fund article, this is not necessarily true. Connecticut's HuskyCare program includes Medicaid and SCHIP expansion. Connecticut maintains that there are differences in treatment and satisfaction among participants.
- November 25, 2002 "New York Times " article reports that the largest group of newly uninsured are people with income in excess of \$75,000. They have become uninsured either because they lost their job, or they were priced out of the insurance market as employers are passing more costs to their employees. Many of the job losses that are occurring are in the higher wage industries, not just the service industries. Analysts predict the number of uninsured will continue to rise as long as health care costs increase more rapidly than wages. There are some proposals for tax credits and deductions, expansion of SCHIP to cover parents and immigrants, and purchasing cooperatives.
- Cleveland's "The Plain Dealer" on December 5<sup>th</sup> reported that a new study shows that fewer doctors are treating the uninsured. Not only are more people becoming uninsured, they are having more difficulty finding a physician to see them.
- The December 5, 2002, "Kansas City Star" reports that the State of Kansas is making several cuts to their programs due to budget problems. They are tripling the cost of health insurance for children in their SCHIP program. Premiums are increasing from \$10 to \$30 per month and from \$15 to \$45, depending on family income. It is believed that nearly 3,000 children will lose coverage as a result of the premium increases.
- November 25, 2002, letter from Anna Ruggle to Theresa Hoffman at Wellmark. This letter is a result of concerns regarding their generic drug program that were raised at the November 18, 2002, *hawk-i* Board meeting. Ms. Smith said a response had not been received to this letter, however, she believed that Dr. Ding would be responding during his presentation later in the meeting.

## **ADMINISTRATOR'S REPORT:**

### **Budget:**

Ms. Smith reported that to date 32% of the projected expenditures have been submitted and paid. \$1.5 million has been paid for Medicaid expansion and \$2.4 million has been

spent for *hawk-i* premiums. Interest earned from the *hawk-i* trust fund to date is \$41,848.

The Board was given an updated federal allotment report. Earlier estimates indicated approximately \$7.9 million would be reverted from the 2000 allotment, the final figure is \$8.4 million. There is still a chance that Congress could take action before the January 12, 2003, deadline. There was a proposal pending before Congress but Representative Jim Nussle objected to it. A November 23, 2002, "Des Moines Register" article indicated that Representative Nussle objected because letting states keep the money would have exceeded the budget allocation for the House Energy and Commerce Committee, which is charged with enforcement of the 1997 balanced-budget agreement.

### **Enrollment & Statistics:**

Since *hawk-i* and Medicaid Expansion were implemented, total Medicaid program growth is just under 66,000 children. When retroactive enrollments and late approvals for October are added to October's enrollment, *hawk-i* topped 14,000. Ms. Smith said she anticipates the November and December enrollments to remain above 14,000. MAXIMUS reports they have been receiving more applications recently.

Mr. Huston asked if a high percentage of applicants continue to qualify for Medicaid rather than *hawk-i*. Barbara Fox-Goldizen from MAXIMUS responded that this trend has changed, fewer applications are being referred to Medicaid.

Ms. Smith reported that the number of counties meeting their enrollment goals is increasing. Only seven counties are between 31% and 40% of their enrollment goals. 21 are between 41% and 50%, most are between 51% and 60%, 23 counties are between 61% and 70%, 6 counties are between 71% and 80% and one county is over 81%. With the new outreach activities starting, these numbers will be monitored for any change.

### **Update on Geographic Access Rule:**

Ms. Smith told the Board that the Legislative Rules Review Committee raised several questions about the Department's adopted rule relative to geographic access. Representative Metcalf questioned whether the *hawk-i* Board had the authority to make this change. There was a discussion about whether this was a program expansion and Senator McKinley questioned what situations would make this rule apply. There were also concerns about having taxpayers pay for coverage when a child does have private insurance. The counsel for the committee wondered how this relates to divorce decrees when one party is required to provide support for the children. The committee voted to refer the rule to the legislature for review. The rule will still go into effect as adopted, but questions about it could come up during the legislative session. Ms. Smith said her response was that these changes were made because of federal regulations, and the rules were amended to bring Iowa into compliance with those regulations. Ms. Smith said she believes the adopted rules comply with Iowa Code Section 514I.1(2), which states:

"2. It is the intent of the general assembly that the program be implemented and administered in compliance with Title XXI of the federal Social Security Act. If, as a condition of receiving federal funds for the program, federal law requires implementation and administration of the program in a manner not provided in this chapter, during a period when the general assembly is not in session, the department, with the approval of the HAWK-I board, shall proceed to implement and administer those provisions, subject to review by the next regular session of the general assembly."

Mr. Huston suggested the Board send a letter to the committee indicating the Board took the action it did to comply with federal rules, so that the legislature understands the Board's position. Ms. Smith said she forwarded this information to the Department's rules coordinator so that the information could be provided to the Rules Review Committee. Representative Greimann asked Ms. Smith to provide her with the response and she would make sure that committee has the information and why the rule was being amended.

#### **Annual Report to the Legislature:**

The changes the Board members submitted to the first draft have been made. The summary section has been expanded, two new sections were added ("Recommendations to the Legislature" and "Clinical Advisory Committee), and the "Evaluation and Survey" section has been changed to a table format and the responses for the years compared. The draft has also been updated to include November Board actions and November enrollment data.

Ms. Smith asked that any comments to the annual report be given directly to Shellie Goldman by December 20<sup>th</sup>.

Susan Voss made a motion to approve the annual report, pending any changes submitted. Jim Yeast seconded the motion. Unanimous approval was made by Susan Voss, Jim Yeast, Charlotte Burt, Wanda Wyatt-Hardwick, Susan Salter, and Eldon Huston.

#### **WELLMARK GENERIC PLAN UPDATE:**

Dr. Ding introduced Darci Boehlert. Ms. Boehlert is a pharmacist at Wellmark and will be Dr. Ding's back-up if he is unable to attend a Board meeting. Dr. Ding told the Board that he wanted to respond to the questions that the Department submitted to Wellmark in their November 25, 2002, letter to Theresa Hoffman.

Question 1: If a *hawk-i* enrollee chooses to obtain a brand name prescription drug instead of a generic drug (where there is a generic equivalent) does the enrollee pay the entire cost of the prescription or does Wellmark pay up to the amount that the generic would cost and the enrollee pay the remainder?

Dr. Ding said the answer he gave at the November meeting was incorrect. If there is a generic equivalent for the drug and the enrollee chooses the brand name drug they have to pay the higher cost of the prescription. Dr. Ding explained that this language has been written in the **hawk-i** certificate since the inception of the **hawk-i** program. Dr. Ding said this is not to say that the language cannot be changed next year, but as written currently, the enrollee would have to pay the entire cost.

Anna Ruggle clarified that this language is in the contract Wellmark has with the enrollees, not in the contract between the Department and Wellmark.

Question 2: If there is no generic equivalent to a brand name drug, is there a cost to the **hawk-i** enrollee?

Dr. Ding said that if there is no generic equivalent, the drug is not on the approved drug list. However, in defense of that, almost every brand name medication has an equivalent within the family. For example, if a physician prescribed a brand name antibiotic for an ear infection, it would not be covered. The pharmacist or patient can call the physician and get the prescription switched to a generic equivalent to treat the ear infection, and there are a lot of options available.

Mr. Huston asked if the clinical ad hoc committee would review that brand name requested. For example, if a physician would call in and say I want my patient to have that drug, does that go to that committee? Dr. Ding responded that it would go to either him or Ms. Boehlert. They would review and if clinically appropriate, then an exception would be made and the brand name would be accepted. For example, for certain infections, if the patient had tried other generics and failed a several times, then an exception would be made.

Ms. Smith asked, if a **hawk-i** enrollee has a prescription for a brand name drug and it is on Wellmark's list, but there is no generic equivalent, Wellmark will cover the drug? Dr. Ding responded that is correct. A prescription for a brand name not on Wellmark's list and no generic equivalent, then the patient has to pay.

***Julie McMahon arrived at the meeting at this time.***

Question 3. In the process of granting exceptions for coverage of brand name drugs, are adverse side effects considered? For example, a child has night terrors from using a generic equivalent drug.

Dr. Ding said that since this program started, July 1, 2002, there have not been any cases reviewed because of this type of side effect. However, these instances will be determined on a case-by-case basis. Dr. Ding's office will work with the physician and find out if the side effects are caused by the drugs and not any other situation.

Representative Greimann asked how long this process takes, is this something that can be done over the telephone? Dr. Ding said that some physicians will write a letter, some will call, and sometimes Wellmark will call the physician. Ms. Boehlert explained

that they usually review the patient records and sometimes request patient records from the physician's office. The goal is for a 48-hour turn around time.

Representative Greimann asked how many events would it take to change back to a name brand. Dr. Ding said it would be on a case-by-case basis. There are criteria for certain classes of drugs that have a lot of utilization. For example, for antibiotics with another generic equivalent they would recommend another equivalent. If the second time failed also, then the name brand drug would be approved.

### **GRASSROOTS OUTREACH UPDATE:**

Linda Lantz provided the Board with an update of the Department of Public Health's grassroots outreach activities.

Staffing: A total of 41 applications were received for the outreach coordinator position. Interview surveys were sent to applicants to screen for those to be interviewed. The goal is to have the position filled by the end of January.

#### Local outreach activities:

- Taylor County Public Health has three public service announcements ready for their local radio station.
- Dubuque VNA is conducting outreach through Farm Bureau and other farming businesses.
- Mid-Iowa Community Action (Marshalltown) is arranging for public service announcements on radio and local cable.
- Community Opportunities in Carroll implemented a task force for plan development.
- Scott County is outreaching through existing special events for children.

State outreach: On December 11, 2003, state staff and local outreach coordinators made a presentation at the University of Iowa Medical Clinic's roundtable. Clinic staff from 13 clinics throughout Iowa attended.

Training: A training session for local outreach coordinators is scheduled for January 9, 2003, and will be held via the ICN. Topics include: *hawk-i* update by Anita Smith and Linda Lantz, Covering Kids update by Sonni Vierling and Lisa Huff, and a short presentation on working with DHS income maintenance workers.

### **PUBLIC COMMENT:**

There were no public comments.

### **COVERING KIDS UPDATE:**

Beth Jones, program planner for Covering Kids and Families, provided the monthly update.

Ms. Jones reported that the school-based outreach committee met recently to discuss the free and reduced school lunch application. This is a subcommittee of the Covering Kids and Families Coalition and membership includes representatives from the Departments of Human Services, Public Health, and Education, and Barbara Fox-Goldizen from MAXIMUS. The committee worked with a representative from "Budget Policy and Priorities" in Washington D. C. to identify areas of improvement with the free and reduced school lunch application at both the state and local level. The committee had also hoped to work on ideas for a survey to send to school districts, but time did not allow.

The contents of the free and reduced school lunch application are mandatory. The form informs families that if they want information about *hawk-i* or Medicaid they do not sign the form. The problem is that providing the information to the *hawk-i* program is optional and a lot of schools don't participate. As a result, families think they will be getting information, but they don't because the schools are not making referrals to MAXIMUS. Covering Kids and Families staff will be working with Ms. Smith to develop an alternative form so that the school districts that are not participating can provide information about *hawk-i* so the families can call directly rather than using the current path of consent.

Mr. Huston asked if the number of schools participating this year is different than in previous years. Ms. Fox-Goldizen said that recently they have been receiving more information in from the schools and participation is higher than it was, but not as high as last year.

The Board asked how many of the schools do not participate. Ms. Smith said she didn't know, but it was probably a high percentage. The Board requested a list of the schools, both public and private, who do and do not participate.

Ms. Jones said that Covering Kids and Families will be working with Ms. Smith to find ways to encourage schools to participate. The Department of Education is going to send a reminder to school districts to collect the information. Covering Kids and Families is going to compile national data and share the information with the schools. Such as, "children with insurance have better school performance, here's what you can do". Covering Kids and Families will try to get some recognition in district newsletters for those schools that do participate. Hopefully that recognition will encourage other schools to get involved.

Mr. Huston wanted to know if the new outreach workers have access to this information so they know which schools participate or not. Ms. Jones said that the outreach workers have identified the school districts they are going to work in so they will be matched with the schools in those districts.

Ms. Jones gave the Board information about "Cover the Uninsured Week" which is scheduled March 10 - 16, 2003. This is a national event and special focus will be on 16 communities. Des Moines is one of those 16 selected. Covering Kids will send an individual to assist in scheduling events.

- Monday, March 10 - Town Hall Meetings. Local politicians will issue proclamations declaring "Cover the Uninsured Week".
- Tuesday, March 11 - On Campus. Medical dental, public health and nursing schools will conduct teaching events about the plight of the uninsured and analyze various ways to expand health coverage.
- Wednesday, March 12 - Health Fairs. Free health screenings will be conducted and organizations will be present to enroll uninsured families and children into public health coverage programs.
- Thursday, March 13 - Business & Labor - Events will emphasize the interests of business and labor constituencies in expanding health coverage to the uninsured.
- Friday March 14 - Sunday, March 16 - Interfaith Events.

In Iowa the outreach coordinators will be helping to find families for the town hall meetings. If anyone is interested in getting involved or wants more information, contact Beth Jones or Sonni Vierling.

#### **UPDATE FROM BOARD OFFICER NOMINATING COMMITTEE:**

Susan Salter said that since the Board has so many new members, the Nominating Committee would like to move unanimous re-election of the current officers for the remainder of the fiscal year.

Mr. Huston asked if there were any other nominations. There were none.

Unanimous approval was given to re-election of the current officers: Eldon Huston, Chair, and Terri Vaughan, Vice-Chair.

#### **NEW BUSINESS:**

Ms. Smith said that quite some time ago she requested Department information about children who receive food stamps but are not on Medicaid. The Department is working on compiling this information and when it is completed the lists will be given to MAXIMUS for outreach purposes.

Ms. Smith said that as a result of the "Des Moines Register" article about having to revert federal money, the Department received a suggestion about the possibility of doing a match with the Department of Revenue and Finance's income tax records to do outreach. Ms. Smith said that Revenue and Finance will not release the names, but they will do mailing on behalf of DHS, with DHS paying all associated costs. Director Rasmussen has sent a letter making this request to the Director of Revenue and Finance.

There was no new business to present before the Board.

The Board's next meeting is Monday, January 27, 2003, at 12:30 in the Oak Room at the Des Moines Botanical Center.