

HEALTHY AND WELL KIDS IN IOWA (*hawk-i*)  
BOARD MEETING  
MINUTES  
February 18, 2002

**BOARD MEMBERS:**

Eldon Huston, Chair (absent)  
Terri Vaughan, Vice-Chair  
Charlotte Burt (for Ted Stilwill)  
Stephen Gleason (absent)  
Susie Poulton  
Diane Briest  
Barry Cleaveland (absent)

**LEGISLATIVE BOARD MEMBERS:**

Senator Johnie Hammond (absent)  
Senator Kenneth Veenstra (absent)  
Representative Jane Greimann (absent)  
Representative Brad Hansen (absent)

**DEPARTMENT OF HUMAN SERVICES:**

Anita Smith  
Shellie Goldman  
Anna Ruggle

**ATTORNEY GENERAL'S OFFICE:**

Marne Woods

**GUESTS:**

Bob Harpster  
Barbara Fox-Goldizen  
Alice Bengé  
Karen Brown  
Lisa Huff  
Sonni Vierling  
Sam Leto  
Lisa Kincaid  
Heather Olson  
Valandra German  
Sara Schneider

**AFFILIATION**

Iowa Dental Association  
MAXIMUS  
Southern Iowa Economic Development  
Health Care Covenant for Kids, Polk County  
Health Care Covenant for Kids, Polk County  
Iowa Department of Public Health - Covering Kids  
Legislative Fiscal Bureau  
John Deere Health  
Iowa Hospital Association  
Iowa Department of Public Health, Covering Kids  
DHS

**MEETING CALLED TO ORDER:**

The Healthy and Well Kids in Iowa (*hawk-i*) Board met on Monday, February 18, 2002, in the Oak Room, Des Moines Botanical Center, 909 E. River Drive, Des Moines, Iowa. Terri Vaughan, Vice-Chair, called the meeting to order at 12:35 p.m.

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

Ms. Vaughan took the roll call, a quorum was not present.

Ms. Vaughan asked the audience members to introduce themselves.

## **APPROVAL OF THE JANUARY 28, 2002, MEETING MINUTES:**

Approval of the January 28, 2002, meeting minutes was deferred due to lack of a quorum. None of the Board members present had any changes to the minutes.

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

Due to budget considerations, the traditional handouts for the audience and board members have been reduced. When articles and reports are available on the Internet, a list of websites where they can be found will be provided instead.

Ms. Smith reviewed the correspondence:

- ***hawk-i***'s "Second Evaluation Report of the Impact on Access and Health Status" was released by the Department earlier in the day. Ms. Smith said she had already been contacted by WHO radio in Des Moines to conduct an interview. Copies of the report are available at <http://health.public-policy-center.uiowa.edu/hawk-i/>.
- The 2002 Poverty Level Guidelines have been released. The new guidelines will be applied to applications received on or after March 1<sup>st</sup> for April coverage. The income guidelines for a family of four at 200% of poverty, have increased from \$35,400 to \$36,200.
- A letter was sent by Director Rasmussen to Greg LaMair, at LaMair-Mulock-Condon Company thanking them for their generous contribution to the ***hawk-i*** program. The contribution was used to help pay for premiums for kids who otherwise would have lost coverage.
- An editorial by Cal Thomas entitled, "There's no hidden agenda in health care for unborn". President Bush has introduced a bill that would allow states to spend CHIP money to cover unborn children in their CHIP program. The Secretary of Health and Human Services, Tommy Thompson, has proposed classifying a developing baby as an unborn child and that would give low-income women access to prenatal care under CHIP. Ms. Smith said that Medicaid already covers this population. In the 1980's there was a program called the "Unborn Medicaid Program". If the unborn child would have been eligible if it were born, the pregnant mother was given Medicaid coverage. In 1986 the Sixth Omnibus Budget Reconciliation Act (SOBRA) passed mandating coverage to pregnant women in poverty level groups. At that time Iowa began covering pregnant women in their own right and the unborn child was counted in determining household size. Ms. Smith said that since the proposal allows states to use CHIP money she was bringing this proposal to the Board's attention in case they get questions. As proposed, there would be no impact at all as far as covering more people.
- Seattle Times article dated February 11, 2002, "Unqualified people get health aid, audit finds". The State of Washington has self-declaration of income. A recent state audit found that of the 130,978 receiving benefits during the audit period, 7,000 reported less income than they really had, and 37,000 did not provide enough

information to prove they were eligible. Meanwhile, 11,000 that did qualify were on a waiting list. The auditor is blaming the state for not having effective monitoring policies and procedures in place. As a result, the state is going to begin verifying income.

- Idaho Press-Tribune article dated February 19, 2002, "Lawmakers say no to CHIP ads". An Idaho senate panel decided not to resume advertising their CHIP program. One state senator was quoted as saying the state should not be in the business of doing what private groups could do themselves.
- Centers for Medicare & Medicaid Services Annual SCHIP Enrollment Report for FFY 2001. This report is available at <http://www.hcfa.gov/init/children.htm> under "Enrollment Information".

The number of children ever enrolled in SCHIP increased from 3.3 million in FFY 2000 to 4.6 million in FFY 2001, a 38% increase. Additionally, over 230,000 adults were enrolled in only 4 states: Minnesota has enrolled about 20,000; New Jersey about 97,000; Rhode Island, 18,000; and Wisconsin 99,000. CMS attributes these increases to state coverage expansions, program maturity, and streamlined enrollment procedures. More than 75% of the children ever enrolled in SCHIP were between the ages of 6 and 18. Four states have family coverage waivers: Maryland, Massachusetts, Virginia, and Wisconsin. Seven states have employer buy-in programs: Maryland, Massachusetts, Mississippi, New Jersey, Virginia, Wisconsin, and Wyoming. Six states experienced enrollment decreases, but 14 states doubled or more than doubled their enrollment between FFY 1999 and 2001. The 10 states with the largest percentage of increase were Texas, Hawaii, Washington, Mississippi, Michigan, Minnesota, Virginia, Wyoming, Nevada, and New Mexico. Mississippi eliminated the 6-month waiting period and the face-to-face interview. Michigan went to self-declaration of income, and Texas implemented an aggressive outreach and media campaign and as a result added 370,000 kids for a 284% increase. The report notes that Texas and Hawaii were two of the last states to fully implement SCHIP. Enrollment in Texas almost tripled from FFY 2000 to 2001 from 130,519 to 500,950, while enrollment in Hawaii more than tripled from 2,256 to 7,137. Iowa had a 17% increase in enrollment during the report period.

Compared to FFY 2000 the percentage of children ever enrolled in Medicaid expansion has decreased. Ms. Smith said that in response to questions about how many kids in Iowa were actually being added to Medicaid because of CHIP, statistics have been kept since last August. From August through December, 2001, 3,205 kids were added to Medicaid because of CHIP. This could be anywhere in Medicaid, not just Medicaid expansion. As of October 1, 2002, all of the "Waxman" kids that were being phased into Medicaid will be covered with Title 19 funding rather than Title 21. "Waxman" kids are those born after September 30, 1983, with family income less than 100% of federal poverty level. As this group of kids was phased in, they were moved from Medicaid Expansion to Medicaid.

## **ADMINISTRATOR'S REPORT:**

### **Budget:**

Ms. Smith told the Board members that there is a possibility of an additional 2.6% across-the-board cut this fiscal year. *hawk-i*'s original appropriation of \$8.4 million has already been reduced by \$361,000 as a result of the earlier 4.3% across-the-board reduction. A 2.6% reduction would be \$218,400. At this point, because enrollment is not as high as was originally budgeted, it is believed that the budget can absorb the 2.6% cut without having to go to waiting lists. The Department's fiscal staff has indicated that this is the last cut in the current budget that can be absorbed without having to go to waiting lists. That assumes there won't be a big jump in enrollment or any other unanticipated expenses that would change the budget picture.

Another budget-related issue is the SCHIP redistributions and retentions. When the 1998 allotments were calculated as far as redistribution, states were sending back huge amounts of money. The Beneficiary Improvement Protection Act (BIPA) contained provisions that for fiscal years 1998 and 1999 the states could keep a portion of the funds that would otherwise be reverted to the redistribution pool. The last day states could spend money from the FY 99 allotment was September 30, 2001. Ms. Smith reported that as of that date, \$11.4 million remained unexpended, Iowa will be able to keep \$4.7 million of that, which means that \$6.6 million is what is going back to the redistribution pool. The state has one year to spend the \$4.7 million and Ms. Smith believes that the entire amount has already been spent.

Currently unspent funding goes back to a distribution pool and goes to other states. Anything not spent after a year goes back to the Treasury. President Bush's proposed health care budget strengthens the program by making available to the states an additional \$3.2 billion in unused SCHIP funds that would otherwise be lost. Rather than returning the money to the Treasury, the additional funds will be made available to the states.

### **Enrollment and Statistics:**

The January reports show an increase in the number of kids enrolled in *hawk-i* from 11,527 kids in December to 12,927 in January. Total enrollment in CHIP is 24,526. Ms. Smith said that Shellie Goldman is working on revising the enrollment goals based on the 2000 census. Ms. Smith reminded the Board that everyone felt that the original projection of 67,000 was high and the data from the 2000 census will most likely bear that out.

A new report is now available, "Updated Monthly *hawk-i* Enrollment by County". MAXIMUS was asked to create a report that would provide an updated monthly total of enrollment by county. This report will give the counties a much better picture of true enrollment because kids are added retroactively or applications are processed after the report cut off dates.

Also, the demographic report has been modified to capture additional ethnic and race data for federal reporting requirements and to include the retroactively added enrollments. These enhancements should provide a better picture of actual enrollment for each month. CMS has since put a hold on their data requirement since it was different than what they require for Medicaid. The states brought to their attention that kids go back and forth between Medicaid and CHIP and they should be asking for the same information.

The "How you Heard" report is showing applications received due to information through the free and reduced lunch program. This month's report also shows quite a few indicated they were previously on *hawk-i*.

Ms. Smith asked the Board members whether they wanted to continue to receive all the various reports each month, or whether the demographic report and line graph would suffice. Ms. Vaughan said that periodically the Board needs to review all the information, perhaps quarterly or twice a year, but not every month. Ms. Poulton said that she finds the graph and the enrollments by county helpful, and agrees that all the reports are not needed each and every month. The reports are all available on the *hawk-i* website.

**Legislative Update:**

To date, no action has been taken on the *hawk-i* technical bill and Friday, February 22, is the first funnel date. This means if it has not been voted out of committee, it is likely dead for the year. Ms. Smith said that the bill would be starting on the Senate side in Human Resources. With the current budget situation and other concerns, the *hawk-i* technical corrections bill does not appear to be a legislative priority.

The appropriation bill requests \$13.7 million in state appropriations for *hawk-i*. In addition to that bill, the Healthy Iowans' Tobacco Trust bill continues to make \$200,000 in tobacco money available for CHIP. Those appropriations, plus the \$1.2 million projected carryover would equal the State's FY 03 budget request of \$15.1 million. Ms. Smith told the Board if there are no changes, *hawk-i* should have sufficient funding for next year.

Ms. Smith told the Board that several pieces of proposed legislation have been introduced that affect *hawk-i*.

The first is HF 2250, a bill concerning the department of workforce development and providing for required services at workforce development centers. However, Section 6 of this bill would amend *hawk-i*'s Iowa Code Section, 514I.5, by adding language to subsection 7, paragraph "d". The proposed language reads, As part of the outreach plan, the board shall provide for the ability of families eligible for assistance under the program to enroll in the plan at each workforce development center established pursuant to section 84B.1. Ms. Smith told the Board that she was not sure of the intent of the amendment. If the intent is that the workforce development centers will perform the same function that MAXIMUS performs there will be a huge fiscal impact. If the intent is that the workforce development centers merely do outreach, that is something

else. Ms. Smith said that the way the amendment is written families would be able to enroll at workforce development centers, so that is how staff has responded, that this would create a duplication of effort and would require a lot of system interface with MAXIMUS. There would have to be additional monitoring, oversight, and quality assurances in place.

Another bill, HF 2209, amends portions of the Code relating to the *hawk-i* and medical assistance programs. For *hawk-i*, the bill amends existing language "shall assess cost sharing", to "may assess cost sharing". That change would give the Board leeway not to charge any cost sharing.

House File 2209 adds self-declaration of income and presumptive eligibility for both Medicaid and *hawk-i*. The bill would enhance the covered benefits by adding benefits similar to what the Clinical Advisory Committee has recommended including Axis II diagnosis to mental health and substance abuse coverage and the full continuum of evaluation, treatment, and services related. Axis II diagnosis are personality disorders such as sociopaths and borderline personalities. This bill would also enhance covered benefits by adding coverage for "pharmacist patient care services". Ms. Smith said she believes this would be defined in accordance with Medicare definitions. If so, it would cover "such drug therapy management services furnished by a pharmacist, individually or on behalf of a pharmacy provider, and such services and supplies furnished as an incident to the pharmacist's drug therapy management services, which the pharmacist is legally authorized to perform in the state in accordance with state law". Anna Ruggle explained that the Medicaid population has pharmacy case management. People who are on a lot of medications discuss all their symptoms and medications with the pharmacist so the pharmacist can determine if there are any interactions. Ms. Smith said the definition may also be expanded or defined. It may also include pharmacists giving immunizations. At this point the bill language is too vague for the Department to determine fiscal impact. There is no indication of how the services would be delivered, through the health plans or through a carve out. If passed, House File 2209 will have a fiscal impact.

### **REVIEW OF "WHY ELIGIBLE CHILDREN LOSE OR LEAVE SCHIP" REPORT:**

The Retention and Disenrollment SWOT team report, Why Eligible Children Lose or Leave SCHIP" was released on February 8, 2002. A press conference was held at the National Press Club in Washington D.C. and a wide variety of press and advocates were present. A webcast is available for anyone interested in viewing it at <http://www.kaisernetwork.org/healthcast/nashp/8feb02>. A state-specific report will be issued in the next several months. The findings in the state-specific report are not much different than what was found at the national level.

Ms. Smith said that the study was conducted because states were concerned about retention and disenrollment. So much effort is put into outreach trying to get kids into the program, the states needed to know what they can do to keep them in the program. Seven states participated in the survey: Arizona, California, Georgia, Iowa, New Jersey, and Utah. Reasons for disenrollment were divided into two groups: preventable reasons and non-preventable reasons. Examples of non-preventable

reasons are child aged out, moved out-of-state, over income, or for other reasons that the state cannot control. Preventable reasons are things that the states do have control over and the two things the SWOT team focused on were re-enrollments and premium payments. Can states improve how the families are asked to renew or pay premiums?

Of the families that states identified as being disenrolled for one of the two preventable reasons, surveyors found that 69% were ineligible for some other reason. The premium wasn't paid so states disenroll for failure to pay the premium when, in fact, the family didn't pay the premium because they now have insurance or for another reason. The findings are that states most likely are overestimating the number of lapsed children who may still be eligible. The study found that parents really like SCHIP and lapsed families want to re-enroll their children in the program. They praise the medical coverage, the prescription drug and dental coverage, and other aspects of the program. For most parents neither the renewal process nor the premiums were barriers to retention. Some parents said they were unaware that they needed to renew annually. Ms. Smith said steps have already been taken to make sure *hawk-i* families know that they need to re-enroll. This information has been added to the payment coupon and the new application will have a reminder.

Some parents say there are times when paying a premium is difficult even though most of the time it isn't a problem. Primarily parents' busy lives affect their ability to comply with SCHIP rules. A lot of parents said they didn't have time or forgot.

Ms. Smith said that everyone was pleased with the study. The survey results are good news because retention is not as big a problem as originally thought. The January *hawk-i* disenrollment report by county shows 257 kids were disenrolled because of failure to pay or renew. If the 69% holds out, that means 179 of these kids aren't eligible any more and 78 children are.

#### **PUBLIC COMMENT:**

There were no public comments.

#### **COVERING KIDS UPDATE:**

Sonni Vierling provided the Board members copies of the Covering Kids Now Task Force Winter 2002 Report. This report was released on January 30<sup>th</sup> and delivered to the Legislature.

Ms. Vierling told the Board that the Covering Kids and Families Grant has been submitted to the national program office. This is the grant that Martha Gelhaus of the Department of Public Health spoke to the Board about several months ago and it is the continuation of their current Covering Kids grant.

Ms. Vierling described what the new Iowa Covering Kids State Coalition will look like and discussed some of the goals and strategies of the Covering Kids and Families Grant for the next four years.

The Iowa Covering Kids State Coalition is an umbrella organization and there is a lot of overlap with the other entities that are now involved. There will be two local coalitions representing both rural and urban areas:

1. South Central Regional Coalition (Community Health Services of Marion County) which includes Marion County and seven surrounding counties; and
2. Healthcare Coverage for Kids Coalition, based in Polk County.

The Covering Kids Now Task Force remains the same and will look at policy, barriers, and so forth. A new group called "Covering Kids Outreach Task Force" will be part of the Healthcare Coverage for Kids Coalition strategy. They will be facilitating over the ICN with interested outreach workers for *hawk-i* as well as any Medicaid Income Maintenance Workers that would be interested in being part of the meetings.

Goal #1 is Conducting Coordinated Outreach Programs. A focus will be on engaging school districts to accept an essential role in ensuring health insurance coverage for children. Goal #1 also includes strategies to increase participation of the child care community in children's health insurance outreach. Polk County will further develop their walker/talker grassroots approach to assist families with enrollment and timely renewal and expand efforts to identify and enroll uninsured children through Polk County's school systems. The South Central Regional Coalition will build a capacity among rural communities to ensure children's health insurance coverage. They will refine and replicate their school-based outreach activities that they are already doing through public and private schools and develop a rural outreach business model targeting farmers, small business, and self-employed families.

Goal #2 is simplifying enrollment and renewal. Ms. Vierling said that they would be analyzing barriers to enrollment and renewal and making comprehensive policy changes. A demonstration project of simplification will be conducted at a federally funded community migrant health center. Polk County will be educating consumers on the value of health insurance coverage. Many families don't understand the concept of insurance and that could be the reason they are disenrolling. Marion County will be establishing a model for ways to assist families one-on-one and investigating correspondence and communication barriers for rural families potentially eligible for *hawk-i* and Medicaid. They will develop focus groups to review correspondence and what families get from it.

Goal #3 is to coordinate existing health care coverage. Ms. Vierling said that on a state level they will be strengthening and sustaining the existing coalition and assuring coordination of state level and community based enrollment efforts. Polk County will be collaborating with major hospitals, health care agencies, and local businesses to develop a system for initial contact and follow up with uninsured families regarding health insurance options. They will also be establishing the Covering Kids Outreach Task Force to help coordinate the statewide outreach efforts. Marion County will be developing and coordinating linkages between public and private health insurance programs in rural areas.

Ms. Vierling reported that Greer, Margolis, Mitchell, & Burns received the 2002 David Ogilvy award for advertising. The award is based on their research for the advertising campaign Covering Kids used across the country -- the same material which *hawk-i* used and adapted for their media campaign. Ms. Vierling said that Ms. Smith will be receiving a special invitation from Greer, Margolis, Mitchell & Burns and Covering Kids to attend a session in Baltimore in April. This session will include outreach strategies, market research, and media skills.

Ms. Poulton asked about the current Linn County pilot site and what happens to it under the new Covering Kids and Families grant proposal. Ms. Vierling said that Healthy Linn had not submitted an application and she thought it had to do with funding. Ms. Vierling said Healthy Linn is wonderful to work with and she is hopeful they will be involved with the outreach task force. Ms. Vierling said that likewise the Iowa Medical Society will not be the convener for the task force. Again, it had nothing to do with their role, but it had to do with matching funds. The grant required 50% matching funds and it couldn't be from federal dollars, which really limited a lot of applications. Outlooks, Incorporated was selected. They are a sister agency with the state public policy group. Ms. Vierling said that their application indicated that they have loads of experience.

#### **NEW BUSINESS:**

There was no new business to present before the Board.

The Board's next meeting is Monday, March 18, 2002, at 12:30 in the Oak Room at the Des Moines Botanical Center.

The meeting was adjourned at 1:40 p.m.