

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

February 21, 2005

BOARD MEMBERS:

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

LEGISLATIVE BOARD MEMBERS:

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

DEPARTMENT OF HUMAN SERVICES:

Anita Smith
Anna Ruggle

ATTORNEY GENERAL'S OFFICE:

Diane Stahle

GUESTS:

Barbara Fox-Goldizen
Diane Schroeder
Beth Jones
Nancy Lind
Lynn Tague
Karen Sisson
Karen Brown
Lindsay Miller
Denise Hill
Sara Dixon

AFFILIATION:

MAXIMUS
Delta Dental
Covering Kids and Families
John Deere Health
Wellmark Blue Cross Blue Shield of Iowa
Iowa Medical Society
Center for Healthy Communities
Dept. Public Health, Covering Kids and Families
Iowa Medical Society
Outlooks, State Public Policy Group

MEETING CALLED TO ORDER AND ROLL CALL:

The Healthy and Well Kids in Iowa (*hawk-i*) Board met on Monday, February 21, 2005, in the Oak 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.

APPROVAL OF MINUTES OF DECEMBER 20, 2004, MEETING:

Jim Yeast made a motion to approve the December 20, 2004, meeting minutes as written. Charlotte Burt seconded the motion. Unanimous approval was made by Jerry Wickersham, Jim Yeast, Charlotte Burt, Julie McMahon, and Susan Salter.

CORRESPONDENCE, REPORTS & OTHER STATE NEWS:

Anita Smith discussed recent correspondence with the Board:

A December 21, 2004, letter from Anita Smith to Paul Carter, Executive Vice-President of Iowa Health Solutions, Inc. This letter informed Mr. Carter that the **hawk-i** Board accepted their proposal for early withdrawal from the **hawk-i** program, effective February 1, 2005.

Information about the Payment Error Rate Measurement Demonstration Project (PERM). This is a new initiative from CMS that the Department is currently participating in and will become a requirement in October, 2005. Implementation will result in an additional audit in the Medicaid and SCHIP programs to examine both paid and denied claims. Notice has been given to the Department's providers informing them of the type of information that will be requested from them.

SCHIP news from other states:

Florida: Last July Florida eliminated open enrollment and began requiring more detailed income documentation for their KidCare program. An estimated 15,000 to 50,000 children may have lost coverage because their parents did not, or could not, provide three separate proofs of income. As a result, the Florida Legislature unanimously approved a bill to ease the proof of eligibility requirements. They recently had a 30-day enrollment period with nearly 100,000 families applying to cover approximately 175,000 children.

Georgia: The PeachCare Program is considering requiring more verification of income similar to what Florida is doing. Currently Georgia has self-declaration of income.

Wanda Wyatt-Hardwick arrived at the meeting at this time.

New Jersey: There is a proposed change before the New Jersey legislature to reopen their FamilyCare program to parents of eligible children. They project 103,000 parents and 35,250 childless adults could be enrolled. This, along with other proposed changes in the program, could add an additional 101,000 children over the next three years.

Oregon: The first state in the country to implement an insurance option for small employers to offer health care coverage to their employee's children, even though they may not offer it to the employees themselves. This program would offer coverage from birth until 23 years of age.

Tennessee: Critics charge that approximately 180,000 children will lose coverage if the Governor's proposed budget cuts are implemented. Questions were raised as to why the families of kids in the SCHIP program are required to provide more verification of their income than for other state programs.

Texas: - Is considering restoring some of the benefits that were cut, particularly around mental health and substance abuse. Advocates want a complete restoration of all program cuts that have been made. However, that is doubtful because the state would not be able to come up with the state matching dollars.

Wisconsin: Over 20,000 children have lost BadgerCare coverage since they began requiring a statement from employers regarding income and verifying the availability of health insurance coverage.

CHIRI Report: Does SCHIP Benefit All Low-Income Children?: - This report profiles Florida, Kansas, and New York. However, the report by the Public Policy Center on Iowa's Functional Health Assessment Report was listed as a source for this article.

Kaiser Report: The report discussed the redistribution of \$643 million in unspent SCHIP funds for FY 02. Iowa was a recipient of some of those funds.

ADMINISTRATOR'S REPORT:

Ms. Smith told the Board that the monthly enrollment reports have been showing a decrease in enrollment since July. The January, 2005 reports show enrollment at 15,774, a significant drop. MAXIMUS and *hawk-i* staff conducted a review to determine what was causing the decline. A system problem was discovered with the electronic applications and the electronic referral from Medicaid.

Current *hawk-i* enrollment is actually 18,854. Even though these kids were not counted on the enrollment reports, they were enrolled in the health plan, received their enrollment materials, and health cards. In addition to not being included in the enrollment count, they were not included on the monthly capitation report either. This means the health plans are owed approximately \$1.5 million in back capitation payments from July through January. This payment is scheduled to be made in the next week.

Due to the system problem, all of the statistical reports since last July will need to be re-created. This also affects the enrollment data that appeared in *hawk-i*'s Annual Report to the Legislature and reports made to CMS.

The amount of *hawk-i* premium expenditures that appears on the monthly budget report does not reflect the missed capitation payments. The state share is 25% of the \$1.5 million total.

Federal Allotment

The Department of Health and Human Services (HHS) did redistribute \$643 million in unspent FFY 02 SCHIP allotments. Those funds were redistributed among 28 states, one of which was Iowa. HHS first looked to see if there were any states that would not have sufficient funds to get them through the current year, and there were five states: Arizona, Minnesota, Mississippi, New Jersey, and Rhode Island. Those states were made whole so they would have sufficient funding through 05. The remaining funds were distributed among the 28 states that had expended all of their federal fiscal year 02 allotment. As a result, Iowa received an additional \$4.6 million. There are 17 states projected to run out of funds in FFY 06, including Iowa. At that point in time states will have been notified if they are eligible for any FFY 03 redistribution dollars.

Three states that had insufficient funding for FFY 05 cover parents and/or childless adults. New Jersey's plan to add even more parents and childless adults to their program further taxes the availability of redistribution dollars for other states. Senator Grassley is very much opposed to these HIFFA waivers which allow covering adults because the intent of the SCHIP legislation was to provide coverage to children.

Legislative Update/Reauthorization:

The Department has reviewed several bills that would extend coverage to parents in the ***hawk-i*** program. SF 162 and SB 2484 direct the Department to apply for a waiver to cover parents under ***hawk-i***. However, the Department does not believe that CMS would approve a waiver to approve parents of kids under ***hawk-i*** without first covering the parents of the children on Medicaid. The cost of covering parents both under Medicaid and ***hawk-i*** are estimated at \$141 million.

The Department was also asked to comment on SF 9, which provides that DHS, with the cooperation of the Department of Public Health and the Insurance Division, will develop a plan to cover all children under the age of 18 by the year 2010. The plan is to include an outreach and implementation schedule.

At the federal level SF 114, "Kids Come First", was introduced by Senator Kerry. It encourages all states to provide coverage of all children up to 300% of FPL who are ineligible for Medicaid or SCHIP. It also requires automatic and continuous eligibility under Medicaid for children up to 19 for children below 100% of FPL.

President Bush's budget authorizes over \$4 billion for SCHIP in FFY 05. Beginning in FFY 06 the budget would be frozen at \$5 billion annually. Of that, Iowa would get \$28.3 million for FFY 06, which is the same as what is to be projected to be received in 05. The proposed budget would redistribute \$670 million to states and, according to current formula, Iowa would get \$4.6 million. It also authorizes \$129 million of those funds to be used for a "Cover the Kids" grant to states for outreach. The bill asked for immediate reauthorization of SCHIP, two years earlier than the scheduled 2007.

Update on Health Plan Changes:

Ms. Smith said that she had not heard of any concerns or problems with the transition for the Iowa Health Solutions enrollees into different plans.

Ms. Smith reported that she was contacted by a health plan from Illinois that may be interested in contracting for services on the eastern side of the state.

The Delta Dental implementation is going well. About half of the enrollees in managed care counties are selecting Delta Dental and the other half are going with John Deere.

UPDATE ON ORAL HEALTH SUMMIT:

Ms. Salter and Ms. McMahon recently attended a summit on dental access. Ms. McMahon provided the Board with a summary.

The Iowa Prevention of Disabilities Policy Council sponsored the summit. They continue to hear concerns about the problems and difficulties of accessing oral health care, specifically children having access.

The summit featured a presentation by Dr. Carl Ebert, a dentist from Minnesota. He made the point that if you do not have good oral health care and your oral health status is poor, it will impact all other parts of your life and health. There was a presentation on the dental workforce, the impact of fewer dentists and the upcoming retirement of the “baby boomers”. Currently there are 72 dental shortage areas in the state. It appears there may be a total of 96 to 98 dental shortage areas when the assessment is completed.

Ms. McMahon said that Dr. Bob Russell is the new Dental Director at the Iowa Department of Public Health. Ms. McMahon hopes to bring Dr. Russell to the April Board meeting to introduce him to the Board. Dr. Russell has worked at a community health center in Michigan and the problems in Iowa are not unique, they are very similar to what is occurring in Michigan and other rural parts of the country.

One strategy that will go forward is the recognized need for a collaborative effort on oral health care and access. IDPH has agreed to take on this roll to keep the effort moving forward.

One discussion specific to ***hawk-i*** was the solution of being able to enroll children already covered by medical insurance for dental coverage under ***hawk-i***.

A written summary will be available from the Public Policy Group shortly and a separate report of the recommendations and possible strategies to improve access to oral health care will also be available.

Jim Yeast mentioned that at the previous Board meeting there was a discussion about learning more about the activities of the Committee for Children with Special Health

Care Needs. Ms. Smith said that Dr. Lobas was not available for today's meeting, so she would see if he is available in April.

Ms. Burt said that the Board might want to look at mental health issues as well.

RFP FOR CONSIDERATION:

Ms. Smith told the Board that three contracts would be expiring at the end of the current fiscal year. After reviewing the scope of services of the three contracts, it was determined that these are inter-related and rather than having three separate contracts, it would be preferable to blend all the services into one contract.

Anna Ruggle said that currently the University of Iowa Public Policy Center does the analysis of the functional health assessment, both the baseline and the follow-up survey. They also do outcome measurement reports that are required quarterly by CMS, and a focus study annually for the Clinical Advisory Committee. For the outcome measures and the focus study they use the encounter data from the health plans.

Currently MAXIMUS does a provider analysis. They get provider files from the health plans and plot out where the providers are in the state according to health plan. This analysis is not included in the new contract with MAXIMUS that becomes effective July 1, 2005.

The Iowa Foundation for Medical Care (IFMC) does a medical record review. The focus of this review is determined by the Clinical Advisory Committee as part of the quality of health care of *hawk-i* enrollees. In the past they have done well child visits to make sure children receive these and it is documented in their medical records. A report is completed for each health plan.

All of these reports have to do with the quality of health care *hawk-i* children are receiving. The Department believes that if they were combined into one contract, all the data sources available can be looked at instead of getting it piecemeal. What the families are saying in the surveys can be connected to the encounter data analysis and to validate the encounter data through the medical record review.

Ms. Salter asked if anything would be lost in putting these together into one contract, is there any benefit in having separate contracts? Ms. Smith responded that she believes quite a bit is gained, particularly in the area administrative efficiencies. There could be an argument that having three separate entities looking at the same data, even though not for the same reason, a different perspective may be gained. The Department does feel that by combining these contracts the information will be better than the current piecemeal approach. An RFP would need to be issued and no additional funds besides what has already been budgeted would be needed.

Ms. Smith said that due to the timeframe, the Board would not have an opportunity to review the RFP before it is released, but the review committee's recommendations would be brought to the Board for approval.

Jim Yeast made a motion to approve issuance of an RFP combining the contracts into one. Charlotte Burt seconded the motion. Unanimous approval was made by Jerry Wickersham, Wanda Wyatt Hardwick, Jim Yeast, Charlotte Burt, Julie McMahon, and Susan Salter.

PUBLIC COMMENT:

No public comment was received.

COVERING KIDS & FAMILIES NOW TASK FORCE ANNUAL REPORT TO THE LEGISLATURE:

Sarah Dixon, the facilitator for the Covering Kids and Families Task Force, presented the draft of their "2005 Winter Report". This report will be finalized and distributed later this month to the members of the Iowa General Assembly, Iowa's Congressional staff, other policy makers and associations that advocate for children. The report discusses the current funding and status of Medicaid and SCHIP in Iowa, Iowa's success and goals for the future, and recommends maintaining Medicaid and SCHIP in Iowa at the current levels of service.

If the Board has any comments or suggestions, they should contact Ms. Dixon by the end of the week.

NEW BUSINESS:

Ms. Smith said she received a request to ask the Board if they were interested in hearing from local outreach coordinators at future Board meetings to share what they are doing in their local areas.

Ms. Salter said she would be interested. Mr. Yeast said either that, or a written report that would also include barriers they find. Mr. Wickersham agreed, noting that this presentation would vary from county to county due to different population numbers, ethnicity, and job markets.

Ms. Smith said that she would make that a standing agenda item for future meetings.

Ms. Ruggle reminded the Board that three years ago Wellmark began their generic drug coverage for *hawk-i*. Currently Wellmark's generic drug directory is provided to families at the time of enrollment. Wellmark's internal audit department prefers there no longer be a paper copy because of the frequency of drug changes. In lieu of that directory, enrollees would receive information on how to access the directory on their website, or to contact Wellmark's customer service department for questions.

Ms. Wyatt Hardwick asked what the size of this document is. Lynn Tague from Wellmark responded that it is currently 13 pages, and their website is updated on a daily basis.

Ms. Salter asked if anyone in the audience that has close contact with consumers had any strong feelings whether the paper copy continue to be provided. No one had any comments.

Ms. Ruggle said that the physician prescribing the drug would have access to the updated list as well as the pharmacists.

Mr. Wickersham asked if the family called Wellmark's 800 phone number and requested a paper copy would one be provided. Ms. Tague said yes, and she would discuss that with their customer service department. Ms Tague said that the most current updated list was being mailed to current *hawk-i* members and it stresses very heavily throughout the document that for the most current list they need to access the website or call customer service.

The Board members concurred that as long as the above steps were taken, there was no need to continue to provide the drug list upon enrollment.

There was no other new business to present before the Board.

The next meeting is scheduled for Monday, April 18, 2005, at 12:30 p.m. at the Des Moines Botanical Center, Levitt Room, 909 Robert D. Ray Drive, Des Moines, Iowa.