HEALTHY AND WELL KIDS IN IOWA (***hawk-i***)
BOARD MEETING
MINUTES
January 28, 2002

BOARD MEMBERS:
Eldon Huston, Chair
Susan Voss (for Terri Vaughan)
Charlotte Burt (for Ted Stilwill)
Edward Schor, MD (for Stephen Gleason)
Susie Poulton
Diane Briest
Barry Cleaveland

LEGISLATIVE BOARD MEMBERS:
Senator Johnie Hammond (absent)
Senator Kenneth Veenstra (absent)
Representative Jane Greimann (absent)
Representative Brad Hansen (absent)

DEPARTMENT OF HUMAN SERVICES:
Deb Bingaman
Anita Smith
Shellie Goldman
Anna Ruggle

ATTORNEY GENERAL'S OFFICE:
Marne Woods

GUESTS:	**AFFILIATION**
Barbara Fox-Goldizen	MAXIMUS
Kelly Harvey	Health Partners
Nancy Palm	Healthy Linn Care Network
Stephanie Knuth	Johnson County Health Department
Alice Benge	Southern Iowa Economic Development Assoc.
Mary O'Brien	Visiting Nurse Services
Leila Carlson	National Association of Social Workers
Heather Olson	Iowa Hospital Association
Jim Donoghue	Broadlawns Hospital
Lisa Huff	Health Care Covenant for Kids, Polk County
Karen Brown	Health Care Covenant for Kids, Polk County
Sonni Vierling	Iowa Department of Public Health - Covering Kids
Kristine Klauer	John Deere Health
Valandra German	Iowa Department of Public Health, Covering Kids
Sara Schneider	DHS
Diane Ellis	Marion County Covering Kids
Denise Hill	Iowa Medical Society

MEETING CALLED TO ORDER:

The Healthy and Well Kids in Iowa (***hawk-i***) Board met on Monday, January 28, 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 12:30 p.m.

WELCOME, INTRODUCTIONS, AND ROLL CALL:

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

Mr. Huston asked the audience members to introduce themselves.

Mr. Huston asked Charlotte Burt to introduce herself. Ms. Burt has been designated by Director Stilwill to replace Brenda Oas as the Department of Education's representative on the Board. Ms. Burt is a consultant in Student Health Services and works with the school nurses throughout the state. Ms. Burt said she is thrilled to be a part of the ***hawk-i*** Board.

Dr. Schor indicated this was his last day with the Department of Public Health. Dr. Schor has accepted a position as assistant vice-president for the Commonwealth Fund, a foundation in New York City that funds health policy related activities.

Ms. Smith introduced Deb Bingaman of DHS. Due to reorganization, the ***hawk-i*** program is moving to a new division, the Division of Financial, Health, and Work Supports. Ms. Bingaman is the division administrator. Ms. Bingaman said she has been with the department since 1980, and has held several different positions, primarily with the family investment program.

Ms. Smith said that due to the reorganization, most of the ***hawk-i*** staff is moving and will have new telephone numbers. As those moves occur, information will be sent out so everyone knows how to contact staff.

Mr. Huston informed the guests that there would be an opportunity for public comment later in the agenda and if anyone would like to address the Board, they should notify him.

Ms. Smith announced that the terms of the Board's public members are ending and the Governor's Office has begun the appointment process. Ms. Smith said she was contacted by the Governor's Office and was asked to remind Board members to contact the Governor's Office to make their wishes known if they are interested in reappointment.

APPROVAL OF THE DECEMBER 17, 2001, MEETING MINUTES:

Barry Cleaveland made a motion to approve the December 17, 2001, minutes as written. Susie Poulton seconded the motion. Unanimous approval was made by Barry Cleaveland, Diane Briest, Ed Schor, Charlotte Burt, Susie Poulton, and Eldon Huston.

REVIEW OF CORRESPONDENCE, REPORTS, & OTHER STATE NEWS:

Ms. Smith reviewed the correspondence:

- December 14, 2001, letter from Greg LaMair indicating that LaMair, Mulock, Condon Company wishes to support the ***hawk-i*** program again this year and has made an

$1,800 contribution to pay the family share of premiums for families who would otherwise lose eligibility for nonpayment. Ms. Smith noted that this year's contribution helped 122 families. A random selection determined the families to whom the contribution was applied. A thank you letter was sent to Mr. LaMair from Director Rasmussen.

- December 20, 2001, letter to Representative Hoversten. Representative Hoversten had written expressing concern that the psychiatric medical institutions for children (PMIC) in the western part of the state weren't able to participate in ***hawk-i*** because Wellmark was not allowing them to become participating providers. Ms. Smith contacted Wellmark and inquired about the status of those providers. Wellmark responded that they did not have a credentialing process for this provider type. Wellmark has now established specific credentialing procedures, and any PMIC that is willing to accept Wellmark's reimbursement rate and contract with Wellmark now can be a participating provider with Wellmark.

- October 2001 Iowa Dental Journal magazine article. Ms. Smith stated that the ***hawk-i*** article is a result of a conversation she had with Bob Harpster of the Iowa Dental Association. Ms. Smith wrote the article, with the assistance of the health plans, to describe the ***hawk-i*** program and how dentists can participate in the plans. Hopefully this article will answer dentists' questions and clear up some misconceptions.

- Maternal & Child Health Policy Research Center Fact Sheet #1, January 2002. Due to budget issues facing all the states, a survey was conducted to find out if states were contemplating any changes to their Medicaid or CHIP programs for 2002 or 2003. Results show that 9 states are looking at cuts for the current year and many more states are looking at changes next year. Iowa's response was that at the current time there is sufficient funding requested for both 2002 and 2003, but that is dependent on enrollment numbers. If enrollment runs as projected, it is believed there will be enough funding. Measures being considered by other states include increasing premiums as well as co-payments, no additional program expansions, cutting administrative costs, and stopping all outreach.

- January 25, 2002, Nebraska Journal Star article indicates that Nebraska is also looking at budget shortfalls. Their Governor has proposed that instead of doing yearly eligibility reviews, they do 6 month reviews which would save money by removing an estimated 4,500 children from the Medicaid program each month. Nebraska is at 185% of poverty and is a Medicaid expansion state. The article indicated there is no support for the Governor's proposal.

Susan Voss arrived at the meeting at this time.

ADMINISTRATOR'S REPORT:

Annual Report:

The Board's annual report was distributed on January 14th. No feedback has been received.

Budget:

Expenditures for the first six months of FY 02 indicate about 38% of the budget has been spent. Expenditures to date total $4,090,855, well within the budget. No budget shortfalls are anticipated at this time.

Enrollment and Statistics:

Ms. Smith reminded the Board that MAXIMUS began implementing a complete redesign of their data processing system in October. As a result, the December numbers have been revised and ***hawk-i*** enrollment is 12,909, significantly higher than originally reported (11,537). Ms. Smith asked Barbara Fox-Goldizen from MAXIMUS to discuss the system redesign.

Ms. Fox-Goldizen told the Board that the redesign is being made to improve processes and alleviate errors by adding edits to the system. The letter process is also being reviewed to make sure families are getting correct and timely notices. Ms. Fox-Goldizen said that MAXIMUS corporate office staff is reviewing all the processes and creating reports that can be used internally to check processes. Error reports are being created for the counselors so that if a letter is not appropriately generated when an action is taken on a case, the report will identify what edits failed. The counselors can fix the error and check their work.

MAXIMUS has also been working with Ms. Smith on redesign of the monthly reports. The new design will increase accuracy and provide additional information. Ms. Fox-Goldizen said that when the conversion took place in mid-October the monthly enrollment was based on the capitation payment file. It was subsequently discovered that the system was not picking up retro-capitation payments. During the five days after the capitation file ran, enrollees were reinstated and not reflected in the actual enrollment numbers.

Ms. Smith said that even though the enrollment per month has been underreported for some time, it has no effect from a budget perspective. In addition to the new format beginning in January, an unduplicated ever-enrolled report will be available. This is a report that has been requested by legislators and provider groups. This report will be a better measure of success as opposed to point in time enrollment numbers.

Medicaid Choice Waiver Update:

Ms. Smith reported that a conference call was held between CMS regional and central office staff, Tommy Thompson's office, and DHS staff (Director Rasmussen, Cathy

Anderson, Deb Bingaman, and Anita Smith) to discuss the concept of a Medicaid choice waiver to allow families to enroll in ***hawk-i*** instead of Medicaid. The Department asked if a Medicaid choice waiver is something CMS would consider. After discussing funding, cost sharing, and what protections would be in place for enrollees, CMS said they would not consider a SCHIP waiver but may consider an 1115 Medicaid waiver. An 1115 waiver for Medicaid must demonstrate cost-neutrality, and is a five-year demonstration waiver. CMS told the Department that an 1115 Medicaid waiver would allow all families a choice between Medicaid and ***hawk-i***. The waiver would be similar to Oregon's in that the state would be asking to give Medicaid-eligible children a lesser package of benefits under the ***hawk-i*** program. Ms. Smith stated that this could create a wholesale transfer of children from the Medicaid program into ***hawk-i***. At this point, the Department doesn't believe this is something they can pursue. Development of an 1115 demonstration waiver is an 18 to 24 month process and the agency does not have the resources. The scope set forth by CMS is more comprehensive than what was originally envisioned.

Dr. Schor stated that coverage is much broader in Medicaid than in ***hawk-i*** and asked what the fiscal implications were if it was opened up. Ms. Smith said that ***hawk-i*** costs less than Medicaid because under ***hawk-i*** there is a capitated payment. One of the concerns that CMS had was that Medicaid coverage is much broader. The Department had to assure CMS that there would not be any cost sharing for the Medicaid population and that the families had to be informed that they would be getting fewer benefits if they chose ***hawk-i***. CMS indicated that families would have to be allowed to opt back into Medicaid at any point. While ***hawk-i*** costs less than Medicaid, the federal match for ***hawk-i*** is higher. The Department told CMS that they would not use the higher matching rates under CHIP for kids that were Medicaid-eligible but opted to receive ***hawk-i***. Rather, the Title 19 matching rate would be used. Ms. Smith noted that if Iowa had an 1115 waiver as described by CMS, a significant number of cases that are currently handled in local DHS offices would move to the third party administrator. That could have a dramatic impact on the program. Ms. Smith said that outreach workers indicate there are a large number of families that want ***hawk-i*** but don't want Medicaid so the question is, are those families going uninsured and not getting coverage for their children?

Ms. Poulton asked if other states have pursued anything like this. Ms. Smith said that CMS indicated that what Iowa was asking was in essence what Oregon is doing, limiting benefits. It's not the fact that families are receiving a choice, but the concept that less benefits are offered to families by opting for the CHIP program. The only other state that is comparable is Arkansas but they do not have an approved state plan.

Ms. Smith asked the Board how they want to proceed. Mr. Huston said it would be difficult for the Board to say yes or no based upon what was reported, particularly since it would be a Medicaid waiver rather than a CHIP waiver. To pursue the waiver would require legislation as well as funding.

Dr. Schor felt that the issue should not be dismissed, but should continue to be discussed with Medicaid staff and the pros and cons weighed.

Mr. Huston asked Ms. Smith to discuss the issue further with Cathy Anderson and the Medicaid staff and report back to the Board on their discussions.

<u>Legislative Update</u>:

Ms. Smith said that there has been no action on the ***hawk-i*** technical bill, but it is still early in the session. Staff have reviewed bill drafts and prepared fiscal notes on two bills that would implement presumptive eligibility and self-declaration of income for both Medicaid and ***hawk-i***. Both of those bills would have significant fiscal impact. One of the bills also included the benefit enhancement recommendations of the Clinical Advisory Committee.

<u>Application Revision</u>:

Ms. Smith shared a very preliminary version of the redesigned ***hawk-i*** application. A committee is currently working on the redesign of both the brochure and application. The redesign will include additional questions to collect data that CMS is requiring and will also take into consideration the results of the literacy study conducted on current ***hawk-i*** materials.

The committee reviewed applications from about 30 other states, and the design that is being used is based on the State of Washington's application. Their brochure, application, and envelope are designed in such a way that the application and envelope fold out and are perforated. It is proposed that the questions be color coded so that visually it will be much easier to follow and helpful hints can be included for each section. The brochure is being designed so that one brochure will include both English and Spanish. The committee is working with outreach workers and MAXIMUS to identify problems with the current application so those areas can be improved. It is hoped that the new brochure will be available by April 1 when the new income guidelines are released. The new brochure and application will be tested with potential applicants before being finalized and printed.

<u>Outreach Update</u>:

Ms. Smith reminded the Board that they had asked her to investigate whether any funds were available this fiscal year for a media campaign. Ms. Smith said that only $22,000 of the grassroots outreach budget was unobligated and there would not be enough for even radio. The $22,000 is total dollars, not just state dollars.

Ms. Smith also reported that the ***hawk-i*** outreach worker in southeast Iowa, Alice Benge, was contacted by Christie Vilsack's office requesting 38,000 ***hawk-i*** bookmarks. Mrs. Vilsack is doing a reading readiness program for kindergartners in May and has asked for the bookmarks to insert in the books. Ms. Smith said the bookmarks will be designed based on the new poster.

Ms. Smith told the Board that at some point they will have to have discussions about the structure of the outreach program. The grassroots structure was based on the regional

and cluster concept that the Department of Human Services had used. Restructuring of the Department has created service areas rather than the region and cluster concept.

IMPACT ON ACCESS AND HEALTH STATUS REPORT*:*

Dr. David Alexander, Chair of the Clinical Advisory Committee, told the Board that he was extremely pleased with the "Second Evaluation Report of ***hawk-i***'s Impact on Access and Health Status". Dr. Alexander said that part of the legislative charge in the creation of the ***hawk-i*** program was to develop or use a nationally established functional assessment tool to look at health status and determine if providing children with health insurance actually improves their health. A year ago the Clinical Advisory Committee saw data that strongly suggested that children enrolled in ***hawk-i*** and their families saw significant improvement in their health and families had a perceived improvement of their children's health and health status. The data in the Second Evaluation Report has not only an additional year's worth of data, but also a much larger patient population, approximately 700 were surveyed. The results of this report, unlike the previous reports, are broken down by health plan.

Dr. Alexander said that the results from this survey are unchanged from the one last year. Dr. Alexander told the Board that this is an incredibly compelling piece of data. The results suggest that giving kids health insurance certainly improves their parents perception of their children's health, improves the amount of stress that parents have relating to their children's health and health coverage, and some indications that providing these kids with health insurance may actually improve kids health. For example, the question, "Compared to one year ago how would you rate your child's health now?" shows significant improvement from pre-enrollment to post-enrollment. Questions about number of school days missed, parents worry or stress about ability to pay for care, and how frequently kids were delayed in getting care, show huge improvements. Dr. Alexander said that he thought there were very few things that the state spends money for that show this kind of effectiveness. Dr. Alexander strongly urged the Board to share this report with the Legislature and leaders in the Executive Branch to show what the ***hawk-i*** program has been able to do for Iowa children.

The summary shows that after being enrolled in the ***hawk-i*** program for one year kids were:

- less likely to be stopped from getting needed care (70% reduction),
- less likely to get delayed from getting needed care (70% reduction),
- more likely to see the doctor,
- less likely to be stopped from getting specialty care,
- less likely to get delayed from getting specialty care,
- had fewer emergency room visits.

Dr. Alexander told the Board that unfortunately in trying to get at the plan data, it may have statistically created the appearance that there are differences between plans that may not be real. In essence, for the vast majority of questions where the overall population of kids have shown improvement, all the plans but one have also shown improvement. This is due to the fact that John Deere's numbers are smaller and they

came into the program later. Dr. Alexander said that the Clinical Advisory Committee was concerned that these small numbers created a false perception of the plan and worry that competition might use this to potentially compete with John Deere. The other area of concern was on page 30 where families were asked to rate their health plan. On that one question there was one plan, Wellmark's indemnity plan, that rated better than the others. Throughout everything else the results are very consistent. Dr. Alexander said the Committee was concerned that it may raise questions among consumers that ***hawk-i*** is not providing equivalent plans.

Mr. Huston asked if the report acknowledges these two concerns. Ms. Smith responded that Dr. Damiano would be adding a caveat to the report.

Dr. Pete Damiano, University of Iowa Public Policy Center, told the Board that the methodology for this report was the same as the last report, except that they did try to break the results out by plan. The reason relates to the issue of using the survey for quality assurance and performance measurement purposes with the health plans. There has been some discussion about using a consumer assessment health plan survey (CAHPS) which is designed specifically for value of health plans.

Dr. Damiano said the primary difference in the second evaluation report from the first report is that there were 600 more respondents this time. Overall there were no significant differences by plan. The statistical tests look at the before/after for each plan to see if they were making a statistically significant difference or not.

Dr. Damiano reiterated what Dr. Alexander said. The summary shows that things stayed pretty consistent with last year's report. There were no differences in the percentage of families who had children with a perceived need. Behavioral and emotional care there was a slight difference last time, but no difference this time. Dr. Damiano said he thinks this is important because some people are concerned that by giving people insurance it would stimulate an unnecessary demand or need. The survey results show huge differences in improvement in terms of unmet need and delays for care. One question that showed no change is whether families have received preventive counseling and anticipatory guidance. This appears to be a provider issue and the Quality Assurance Committee has discussed different ways of trying to address practice patterns. Dr. Damiano said the survey does show a change in the overall health status rating, not a huge change, but the fact that there is a change he feels is important. It appears as if the children who are enrolling now are overall healthier than those enrolled at the beginning of the program. Dr. Damiano said this is an area he would like to look at in more detail. Comparing the health status ratings and health status questions in the last report, the ratings are higher now at baseline than they were. A third of the parents said their child's chronic condition was identified while on ***hawk-i***. Slightly more parents had health insurance after one year than previously. Dr. Damiano said it is hard to say that it is directly related, but it might be that once kids get health insurance the parents might see the benefit and make more of an effort. The results of the questions related to the individual health plans indicated one in five children had to get a new personal doctor or nurse at the time they joined ***hawk-i***; one in four said they had a problem finding a personal doctor or nurse that they were happy with, and one in three did not know that the health plan had a help line that they could

call for assistance. The percentage of children who still have unmet need is still 8 -10%, meaning one in ten children that have some type of access problem.

Dr. Alexander noted that the majority of parents rated their health plan as good or excellent, which indicates that overall people are very satisfied with the insurance as compared to most commercial plans.

The Board then discussed the strategy to release the report. Dr. Damiano will add an executive summary to the report and the report will be made available on the Public Policy Center's website. Ms. Smith will work with the Department's communications staff to issue a formal press release which will include comments from Dr. Damiano, Dr. Alexander, and Mr. Huston. The Board asked Ms. Smith to contact the legislative Board members so their comments could be included also.

Ms. Smith asked if the Board wished to continue on with this survey in the future, or if they want to go in a different direction. Last year the Board indicated they wanted to do a CAHPS-type of survey, however, the funding was not included in the Department's budget package.

Dr. Damiano said the analysis that has been done basically shows that giving a child health insurance make a difference in health status. Doing the analysis by plan or moving towards a CAHP survey is more of a performance measurement or quality assurance activity which indicates whether the plans are doing what they are suppose to be doing in the way they are contracted to do so.

Mr. Huston said that the Board has an interest in both areas.

Ms. Smith said that the ***hawk-i*** legislation required the development of a functional health assessment survey in order to assess whether this program has an impact on the health status of children. The legislation doesn't state how long that has to continue. The Clinical Advisory Committee discussed this issue at their last meeting. If the decision is made to stop surveying families in years one and two and then at some point the decision is made to start up again, some very valuable data will be lost due to that break.

Ms. Poulton said the Board has never been able to determine whether the plans are meeting the needs of kids with special health care needs. Some of the survey questions address this area a little bit, but this area needs to be addressed further. Dr. Damiano said that the Public Policy Center originally worked with Dr. Lobas and ***hawk-i***'s Children with Special Health Care Needs Committee to develop the questions based on what was happening nationally. Since that time, there has been another survey instrument called the Foundation for Accountability (FACT) Children with Special Health Care Needs screener that is accepted as a standard for how to identify these children. Because this FACT screener is not in ***hawk-i***'s survey instrument, Dr. Lobas was less comfortable using these questions to tag someone as a child with special health care needs. Dr. Damiano said there has been a continuing discussion about doing a comparison of children with and without special health care needs and looking at

differences in access. Dr. Damiano said if the survey instrument were to be changed, this would be one of the recommendations at this point.

The Board indicated it was their desire to continue with this survey.

Barry Cleaveland made a motion to receive the report "***hawk-i*** Impact on Access and Health Status - Second Evaluation Report". Diane Briest seconded the motion. Unanimous approval was made by Barry Cleaveland, Diane Briest, Ed Schor, Charlotte Burt, Susie Poulton, Susan Voss, and Eldon Huston.

PUBLIC COMMENT:

There were no public comments.

COVERING KIDS UPDATE:

Denise Hill from the Covering Kids Now Task Force shared the highlights of their January 7th meeting. Ms. Hill said that the majority of time was spent discussing the self-declaration of income issue. The task force sees verification of income as a barrier to some families, particularly those who are self-employed or undocumented who may be eligible, but the information is not as accessible. Ms. Hill said that at least 20 states have self-declaration for one or both programs, or have done some pilot projects. States indicated they had enhanced the program and one state found their Medicaid program had increased its enrollment tremendously with implementation. Self-declaration of income also helped states speed up the processing of applications and many administrators did not have to follow up on incomplete applications. Ms. Hill said that she believes a switch to self-declaration of income could provide cost savings by saving the cost of follow up mailings and telephone calls in the case of incomplete applications. It's less certain how it would impact the administrative costs, but there is also a potential savings. The other states also found the error rate was very low. Most states below 3% and the average was 2.8%. Many of the discrepancies involved over-reporting income rather than under-reporting and most of the kids ended up being eligible regardless. Ms. Hill said that the task force felt very strongly that given the experiences of these 20 states that self-declaration of income should be recommended at this point. They also suggested if Iowa moved to self-declaration in both programs. However, if there was a need to start with one program and demonstrate that it was a positive and did not increase costs that it be done with ***hawk-i***.

Ms. Hill said that based on the January discussion, the task force decided to include self-declaration of income in their annual report to legislators and public policy makers to be released January 30th. Due to including self-declaration, and the potential provider cuts in the Medicaid program, the task force reprioritized their recommendations.

Enrollment and retention barriers:

1. Self-declaration of income on enrollment applications.
2. Elimination of the 6-month waiting period and the needed technical amendments
3. Waiver for families to choose between ***hawk-i*** and Medicaid.

<u>Significant outreach needs</u>:

1. Full-time outreach coordinator position, more critical than ever given all the other cuts.
2. All Iowa schools should determine a child's insurance status at registration and forward that information to DHS not only for eligibility determination with parental consent, but also for statistical purposes and outreach.
3. An ongoing media campaign, possibly pointing at radio which would be less expensive.
4. An electronic application would have significant results for ***hawk-i*** and Medicaid without a lot of state dollars.

Ms. Hill said that the task force continues to believe that a presumptive eligibility pilot project and expansion to families should be pursued. In March the task force will have a joint meeting with several education leaders, Ted Stilwill and Susie Poulton will be in attendance along with representatives from the Iowa School Board Association, Iowa School Nurses, PTA presidents and several others. Collaborative discussions will be held on how to better promote ***hawk-i*** within the school system.

Ms. Smith said that when preparing the fiscal note requested by Representative Osterhaus for the bill introducing presumptive eligibility and self-declaration of income, staff really struggled trying to determine a cost for self-declaration. Many states had self-declaration from the start of their CHIP program, so it was difficult to determine the impact of going from non-self-declaration to self-declaration. Ms. Smith said she contacted Michigan who initially did not have self-declaration but now does. Michigan indicated that it has been very positive and they immediately experienced a 60% increase in enrollment. However, at the same time that self-declaration was implemented, they started paying a $25 finder's fee for helping people enroll applicants. Michigan estimated that 25% of their increased enrollment could be attributed to self-declaration.

<u>NEW BUSINESS</u>:

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

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

The meeting was adjourned at 2:30 p.m.