

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

June 16, 2003

BOARD MEMBERS:

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

LEGISLATIVE BOARD MEMBERS:

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

DEPARTMENT OF HUMAN SERVICES:

Anita Smith
Anna Ruggle

ATTORNEY GENERAL'S OFFICE:

Marne Woods

GUESTS:

AFFILIATION

Denise Hill	Iowa Medical Society
Barbara Fox Goldizen	MAXIMUS
Mary O'Brien	Visiting Nurse Services
Kristine Klauer	John Deere Health
Dee Bradley	AHF Empowerment - <i>hawk-i</i>
Beth Jones	Iowa Dept. of Public Health - Covering Kids
Sarah Taylor	Iowa Dept. of Public Health - Covering Kids
Erin Paugh	Visiting Nurse Services - HCKC
Sonni Vierling	Iowa Dept. of Public Health -Covering Kids & Families
Wendy DeWitt	Iowa Health Solutions
Ann Campean	Iowa Health Solutions
Diane Ellis	Covering Kids SCRC
Deb Kazmerzak	Covering Kids Task Force
Karen Brown	Center for Healthy Communities
Sara Schneider	DHS - <i>hawk-i</i>

MEETING CALLED TO ORDER:

The Healthy and Well Kids in Iowa (*hawk-i*) Board met on Monday, June 16, 2003, in the Oak Room, Des Moines Botanical Center, 909 E. River Drive, Des Moines, Iowa. Eldon Huston, Chair, called the meeting to order at 1:30 p.m. A quorum was present.

Mr. Huston noted that a Board attendance record has been provided to Board members. A reminder was given that any person who has been appointed by the Governor shall be deemed to have submitted a resignation if absent from three consecutive Board meetings, or absent from half of the regularly scheduled meetings

per year. Mr. Huston expressed his concern that there have been a large number of absences over the past year and is hopeful with the reduced number of Board meetings that attendance will improve. This provision does not pertain to the legislative members.

WELCOME, INTRODUCTIONS, AND ROLL CALL:

Mr. Huston asked the audience members to introduce 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 APRIL 21, 2003, MAY 1, AND MAY 19, 2003, MEETINGS:

Susan Voss made a motion to approve the April 21, 2003, meeting minutes as written. Susan Salter seconded the motion. Unanimous approval was made by Julie McMahon, Charlotte Burt, Susan Voss, Susan Salter, and Eldon Huston.

Susan Salter made a motion to approve the May 1, 2003, meeting minutes as written. Susan Voss seconded the motion. Unanimous approval was made by Julie McMahon, Charlotte Burt, Susan Voss, Susan Salter, and Eldon Huston.

Susan Voss made a motion to approve the May 19, 2003, meeting minutes as written. Susan Salter seconded the motion. Unanimous approval was made by Julie McMahon, Charlotte Burt, Susan Voss, Susan Salter, and Eldon Huston.

REVIEW OF CORRESPONDENCE, REPORTS, & OTHER STATE NEWS:

Ms. Smith reviewed the correspondence.

- May 22, 2003, letter from Anna Ruggle to Kathy Ellithorpe, United HealthCare in Omaha, Nebraska. Staff continues to pursue other health plans in hopes they will participate in the *hawk-i* program. United HealthCare would be a managed care plan on the western side of the state. The letter is a follow-up to an earlier telephone conversation between Ms. Ruggle and Ms. Ellithorpe, in which Ms. Ellithorpe indicated an interest in participating. No response to the May letter has been received. Ms. Smith noted that United HealthCare had been contacted in the past but indicated at the time they were restructuring and had organizational issues so they were not in a position at the time to expand.
- May 28, 2003, letter from Anna Ruggle to Peter Roberts, Wellmark, inquiring as to whether or not they would be interested in once again offering one of their managed care products to *hawk-i* enrollees.
- May 28, 2003, letter from Anita Smith to Robert Wilcox, Iowa Health Solutions. The McFarland Clinic contacted the Department indicating they are considering not participating with Iowa Health Solutions due to some outstanding issues. Since McFarland Clinic is the primary provider in the area covered by Iowa Health

Solutions, the Department is very concerned that there would be adequate access. Iowa Health Solutions has been asked to address the issue. To date, no response has been received.

- May 29, 2003, media release from the Department. Director Concannon has started writing a monthly editorial column available to newspapers. The June topic is a profile of *hawk-i*. A list of *hawk-i* enrollment for each county was included. Ms. Smith reported that the article did generate some telephone calls and radio interviews.
- Several news articles were shared that discuss the \$20 billion relief to states recently passed by Congress. \$10 billion is targeted for Medicaid. While some of the cuts states have made may be restored with this additional funding, this is a one-time relief package so states are concerned about future sustainability of some of their programs.
- June 30, 2002, "Washington Post" article - "Governors' Plans to Reform Medicaid". Governor Vilsack, along with Florida Governor Jeb Bush, are leading the National Governor's Association in responding to the Medicaid reform proposal. This proposal would block grant Medicaid and would combine Medicaid and SCHIP funding. States want flexibility to design programs, but the original proposal is for capped funding for entitlement programs, which states see as very problematic. Ms. Smith said that it is unclear at this time how Medicaid reform will impact SCHIP programs. She is attending a national conference in August where this topic will be discussed and hopefully can provide more details at the August Board meeting.
- May 29, 2003, "Hartford Courant" article - "Studies Say Health Care Costs will Continue to Rise and Number of Uninsured to Grow". Two new studies project that health insurance premiums will continue to increase by more than 50% over the next 3 years. This will decrease the number of insured and have a significant impact on programs like SCHIP. Ms. Smith said that this could impact *hawk-i* not only because of the need, but the ongoing sustainability of the program itself being a commercial model.
- News from other states:
 - Alaska - due to funding problems, Alaska has reduced the income limit from 200% to 175% of FPL in their SCHIP (Denali Kids) program.
 - Indiana - About 1,800 high-risk kids are going to be cancelled from Medicaid because the state underestimated enrollment and they do not have sufficient funding.
 - Missouri - Debate in Missouri continues. There was a proposal to eliminate their SCHIP program in its entirety.
 - Texas - Initial discussions were to eliminate the program or reduce the income level. Ultimately they kept the income limit at 200% of FPL but have implemented an asset test. There is a 90-day waiting period, have increased the co-payments and premiums, cut benefits including dental, mental health, and some optical services, and have gone from annual reviews to 6 month reviews. There is also a provision that required all applications for public assistance to be

screened by a private contractor which could possibly be a defense contractor. Predictions under these new guidelines are that 170,000 kids, possibly a third of those currently enrolled, will lose benefits.

- Washington - Consideration is being given to charging premiums for children in their SCHIP program, which has not been done in the past. The House proposal would charge \$10 per member per month for kids between 100 and 150% of FPL; \$15 for those kids between 151 and 200%, and \$20 for kids over 200%. The Senate is proposing \$25 to \$35 per member per month for those kids between 151% and 200% of FPL.
 - Wisconsin - has a 7% increase in health care funding, however, in order to help fund the enhancements to some of their long-term care programs, Wisconsin has increased cost sharing in BadgerCare (their SCHIP program) from 3% to 5% of monthly income.
- The "Covering the Uninsured News" quotes a May 23 article from "The Forward". Health insurance is becoming such a valuable commodity that people are actually getting married to attain coverage. The article profiles a woman who is spending the weeks before her wedding scheduling doctors appointments because she has been uninsured.

Senator Veenstra stated he recently attended a conference in which a focal point was the uninsured. One problem is that portions of the population, between college graduates to about 35 years old, feel invincible and do not have health care coverage. If that group is not contributing, it creates a real problem for those that do choose to insure. Senator Veenstra said that this is one of the areas that legislators struggle with when looking at the bigger picture of universal care for the nation for revisions in Medicare and Medicaid benefits. Senator Veenstra said that it was interesting to note that Iowa ranks very well in terms of percentage of uninsured population and Iowa has historically done very well.

ADMINISTRATOR'S REPORT:

Budget:

For claims paid through May, approximately 72% of budgeted projections have been spent and break down as follows:

Medicaid expansion 74%
hawk-i premiums 74.7%
 Fiscal agent costs 63%
 Outreach 24%.
hawk-i administration 59%

Ms. Smith said that she anticipates receiving the bulk of the outreach claims towards the end of the fiscal year. Interest earned from the **hawk-i** trust fund totals \$132,666.

These expenditures do not include the costs of the new application or for implementing HIPAA. A claim was recently submitted for HIPAA implementation in the amount of \$164,000 and there will be additional costs before June 30.

Enrollment & Statistics:

Total SCHIP enrollment as of May 31, 2003, was 28,240; 14,962 enrolled in *hawk-i* and 13,278 in Medicaid expansion. Projected enrollment for *hawk-i* was 15,196.

The demographic summary indicates the number of *hawk-i* enrollees is equally distributed between male and female; predominately white (63%); predominately English-speaking with 1% Spanish-speaking; 24% are between the ages of 1 and 5, 46% between 6 and 12, and 32% between 13 and 19. Income is evenly distributed, 48% below 150% of poverty (no premiums) and 52% are above 150 of poverty and are paying premiums.

Revised Application Update:

Ms. Smith reported that the feedback from the new application has been positive thus far. The initial printing of 100,000 has been exhausted. The application has been revised to reflect the elimination of the 6-month waiting period effective July 1, 2003, and to indicate that race/ethnicity is optional for both the adults and children.

Wellmark Generic Drug Utilization - Update:

No significant change in generic drug utilization has been noted over the past six months. Generic drug utilization was reported as 72.31% of usage. The April statistics show a drop in the number of prescriptions not covered from 431 in February, 374 in March, to 291 in April.

Development of Electronic Application - Update:

Ms. Smith reported that staff is continuing to work with MAXIMUS on the development of an electronic version of the *hawk-i* application. Ms. Smith has reviewed the first draft, provided feedback, and is hopeful that a demonstration can be held for the Board in August. Ms. Smith said the application is very easy to navigate, and its design makes it impossible to submit an incomplete application. The system will provide a checklist of required documentation for the person to submit. For example, if "John" has earned income, "Billy" has social security benefits, and "Ann" gets child support benefits, the system will indicate what documentation is necessary for verification of "John's" income, "Billy's" social security, and "Ann's" child support income. Ms. Smith said she believes this application could be a model for other programs.

OIG Audit:

Ms. Smith reminded the Board that the Office of Inspector General (OIG) has been conducting an audit of *hawk-i* since December. Recently the Department was notified of two additional audits. The OIG is Congressionally-mandated to look at SCHIP every three years to make sure Medicaid-eligible children are not being enrolled in SCHIP and to ensure the number of uninsured children is dropping. The documentation requested will be provided to the OIG this week. After their review is completed, 25 states will be

selected for on-site visits. Ms. Smith said that the other audit is a result of growing concern because states don't require verification of citizenship in either Medicaid or SCHIP. For many years, the Department has accepted a person's statement that they are a citizen, or if they say they are not a citizen documentation of their status is requested. OIG will be doing a sample among the states to verify that there is not widespread fraud regarding citizenship status.

PROPOSED RULES FOR NOTICE:

Anna Ruggle submitted two proposed administrative rule amendments based on House File 565, the *hawk-i* technical bill, which becomes effective July 1, 2003. The first amendment reduces the number of Board meetings to not less than six and not more than 12 per year.

Susan Voss made a motion to approve the administrative rule amendments. Susan Salter seconded the motion. Unanimous approval was made by Julie McMahon, Charlotte Burt, Susan Voss, Susan Salter, and Eldon Huston.

The second rule amendment eliminates the six-month waiting period for the *hawk-i* program. This amendment is also a result of House File 565.

Susan Voss made a motion to approve the amendments to the administrative rules. Julie McMahon seconded the motion. Unanimous approval was made by Julie McMahon, Charlotte Burt, Susan Voss, Susan Salter, and Eldon Huston.

SFY '04 HEALTH PLAN CONTRACTS:

The health plan comparison charts have been completed. The chart compares the Iowa Health Solutions and John Deere Health managed care plans. A separate chart summarizes the Wellmark indemnity plan. These comparison charts have been provided to the outreach workers, will be given to potential applicants, and any others who request them. Ms. Smith indicated that federal SCHIP regulations require states to make benefits of the available plans available to enrollees and potential enrollees. The comparisons will also be available on the *hawk-i* website.

Ms. Ruggle explained to the Board that all contracts must be compliant with the Accountable Government Act, which applies to any contracts issued after October 1, 2002. This Act ties payment to performance and monitoring of the contract. Most of the changes in these contracts from past contracts, are results of this Act.

The contract for health care services under the *hawk-i* Program between the Department and Wellmark Blue Cross and Blue Shield of Iowa for July 1, 2003, to June 30, 2004, was presented to the Board for their approval. Section 5.1 on page 17 contains the performance provisions under the Accountable Government Act and outlines the disincentives. The disincentives are based on the priority of the materials. Wellmark must submit their reports on a timely basis. If they do not, part of their next capitation payment will be withheld. Reports do not have as high a priority as encounter data submission and the downloading of the enrollment files. If there is one late

submission of encounter data no payment is withheld, for the second and third late submission, 2% of the payment is withheld. If data is then submitted in a timely manner, 90% of what was withheld is paid. At this time, there are no incentives.

Ms. Ruggle said the other change in this contract is the section that makes the Department compliant with HIPAA. There is a business associate agreement, which is an attachment to the contract, and will be signed separately also.

Mr. Huston asked Marne Woods if she had reviewed the contract and if she had any comments. Ms. Woods responded that she had reviewed the contracts and they are in compliance with both the HIPAA requirements and the Accountable Government Act.

Susan Voss made a motion to approve the contact with Wellmark. Susan Salter seconded the motion. Unanimous approval was made by Julie McMahon, Charlotte Burt, Susan Voss, Susan Salter, and Eldon Huston.

Ms. Ruggle said that the contract with John Deere Health runs through June 2004, so in order for their contract to be in compliance with the Accountable Government Act and HIPAA regulations their contract is being amended. Page 3, the capitation rate portion of the contract, contains the same disincentives as the Wellmark contract, however an incentive was added. If the plan expands into a county or counties not currently served by *hawk-i* they receive a bonus and the bonus is the difference between the Wellmark rate and the managed care rate, multiplied by the number of kids in those counties at the time of the effective date.

Mr. Huston asked if this was in response to the May 13, 2003, letter to Ms. Smith from Timothy Gibson, Area Manager for John Deere Health. Ms. Ruggle responded that it is a separate issue.

Ms. Smith explained that the bonus is a result of an idea for an incentive for health plans under the Accountable Government Act. If a managed care plan expands into an indemnity plan county, there is a cost saving to the state between the managed care and indemnity rates. In response to the idea for a bonus, the Department received the letter from Mr. Gibson proposing that instead of offering a one-time bonus they would like to split the difference on an on-going basis. Ms. Smith told Mr. Gibson she would share his proposal with the Board for discussion

Mr. Huston asked about the financial implications. Ms. Smith indicated there are several ways to look at the proposal. It would result in savings to the state for a period of time because it is still less costly than the payments for the indemnity plan. However, it gets away from establishing rates based on experience and encounter data and it is more of a "whatever the market will bear" concept. It would result in paying different plans different amounts for kids that live in different counties. Ms. Smith said that her personal position is that she doesn't think the Board wants to put themselves in a position of setting rates based on what the market will bear. Her preference is to set the rates based on experience and actual usage. Ms. Smith said that she does support giving bonuses for expansion, such as the one time bonus.

Ms. Voss indicated she is in agreement with Ms. Smith. Ms. Voss said that she understands that John Deere Health is trying to get a better rate, but that she would be a little leery to do it this way. Ms. Voss thought it would be helpful to have further discussions with Mr. Gibson. Ms. Voss asked how much of the population is currently served by John Deere and how many counties would be in the proposed expansion area.

Ms. Smith said the expansion is for 27 counties, however, 14 of those are already managed care counties and would not qualify for any bonus, so it would be the 13 indemnity counties.

Mr. Huston suggested that Ms. Smith and Ms. Voss continue discussions with John Deere Health and report to the Board at a subsequent meeting.

Ms. McMahon inquired as to what the bonus would be. Ms. Ruggle said the difference in rates is \$38.21 per child, so in a county with 1,000 children enrolled, the one-time bonus would be over \$38,000. Under John Deere's proposal, the difference would be split, but paid on an ongoing basis.

Susan Voss made a motion to approve the contact amendment with John Deere Health. Susan Salter seconded the motion. Unanimous approval was made by Julie McMahon, Charlotte Burt, Susan Voss, Susan Salter, and Eldon Huston.

The contract for health care services under the *hawk-i* Program between the Department and Iowa Health Solutions for the period July 1, 2003, through June 30, 2006, was submitted to the Board for approval. Ms. Ruggle explained that this contract contains the same as the provisions in the John Deere amendment.

Ms. Smith provided the Board with a letter she received from Iowa Health Solutions dated June 11, 2003. This letter proposes a change in their pharmacy program effective July 1, 2003. Ms. Smith said she spoke to Mr. Bob Wilcox on June 16th indicating that the Department believes this is a substantial change to the benefits. The rate the State offered, and Iowa Health Solutions agreed to in May, was based on the benefits as currently structured. Ms. Smith said that she explained to Mr. Wilcox that if Iowa Health Solutions wants to proceed with this change in benefits, then the Department's only option would be to not bring this contract for approval today and to pursue an emergency 30-day extension of the current contract. Mr. Wilcox indicated that he believes the Department is misinterpreting the intent and has agreed to hold off implementation until staff has an opportunity to meet with Iowa Health Solutions and ascertain exactly what this will mean as far as benefits to the enrollees. Ms. Smith said the Department believes that it does reduce, or further limit, prescription drug coverage and the capitation rate was offered under the premise that business will continue as usual. Ms. Smith said the contract was brought to the Board for approval at today's meeting because Iowa Health Solutions agreed to hold off and not implement the proposal and to continue discussions.

Mr. Huston clarified that contract before the Board is similar to the John Deere contract.

Susan Salter made a motion to approve the contact with Iowa Health Solutions. Susan Voss seconded the motion. Unanimous approval was made by Julie McMahon, Charlotte Burt, Susan Voss, Susan Salter, and Eldon Huston.

PUBLIC COMMENT:

There were no public comments.

GRASSROOTS OUTREACH UPDATE:

Angie Doyle Scar, *hawk-i* outreach coordinator, updated the Board on recent outreach activities:

Statewide Outreach Activities: - Staff created several "doctor decals" that can be placed in health care providers' windows to help *hawk-i* clients easily identify participating providers. The Board was asked for their input on the design.

Staff met with the following group and representatives:

Omaha Reservation- Staff, along with the Siouxland Community Health Center outreach coordinator, met with a coalition from the Omaha Reservation. The coalition was created to focus on foster/adoptive children issues concerning Native American children and includes members from all six tribes on the Iowa/Nebraska border. Many of those present were not familiar with the *hawk-i* program and were pleased to receive the information. Ms. Doyle Scar made them aware that she, or any of the outreach staff, is available to speak to any other group that the coalition members belong to.

Head Start Health Specialists - staff attended a workshop for Head Start health specialists to discuss the *hawk-i* program and provided materials, asking the attendees for their assistance in reaching eligible families in their program.

Chamber Alliance - Executive Director Dave Roederer has agreed to present at the next Covering Kids & Families outreach task force meeting on July 17th. Mr. Roederer will offer suggestions and ideas to assist outreach coordinators in their efforts to engage their local chambers of commerce and businesses in *hawk-i* outreach. Ms. Doyle Scar said she believes that many outreach workers are too intimidated to approach businesses and chambers, so hopefully this will help.

Mr. Huston inquired about the meeting Ms. Doyle Scar had with the Omaha Reservation. The Board has discussed before how the *hawk-i* program ties in with Indian Health, and wanted to know if there are problems in that area.

Ms. Smith said she believes there is a misunderstanding among the Tribes that they either don't qualify or don't need *hawk-i* because they are eligible for Indian Health Services. In a lot of areas there are no Indian Health Service agencies to provide services. The Department is currently also working with the Mesquaki Tribe due to unemployment with the casino closing. Ms. Smith said that the focus on Native

American issues is one of the areas that CMS has pushed, so more outreach is being focused in that area.

Local Outreach Activities: - The Covering Kids & Families Now task force has asked outreach coordinators to identify ideas and potential obstacles in conducting effective outreach. Outcomes will be identified through a series of questions that are being posed to the outreach coordinators on the newly created outreach listserve. Two questions are posted on the listserve at a time.

Agencies are focusing on summary activities where children and families will be in attendance. For instance, material is being made available at various bike helmet distribution sites, county fairs, and clothes drives around the state.

One outreach coordinator is making great strides working with their local farm service industry to reach the farming community.

Planning for 2004 Outreach Activities - The *hawk-i* action plans required as part of the continuation application have been reviewed. Plans require compliance with this year's criteria and build on progress to date. Many agencies were asked to resubmit their action plans and to add more detail. Resubmissions are underway.

Insurance Agency Outreach in Knoxville - Diane Ellis reported that a group from the insurance industry met on April 30th. Gary Soldat from St. Ambrose University, facilitated the discussion, entitled "Yes, Solutions for Insuring the Uninsured", along with Ms. Smith and Mike Baldwin from the Department of Human Services. Ms. Ellis reported that the presentation was very well received, there were 35 participants. All but two counties in the South Central Regional Coalition were represented (Clarke, Decatur, Marion, Lucas, Monroe, Wayne, & Warren). Some of the comments received were: *hawk-i* is a good plan that would help people in my county; wish more people knew about it, it's a great program; greater appreciation of the state's efforts to help Iowa children; more people who work with children have the information; one of the best presentations I've been to. Ms. Ellis said that as a result of this awareness, she has received several referrals from agents.

COVERING KIDS & FAMILIES UPDATE:

Sonni Vierling thanked Ms. Ellis for her efforts in getting the private health insurance agents involved. This effort was noted by the Covering Kids and Families' national office as such a good pilot project they would like to see it shared with other states. Hopefully this project can be done elsewhere throughout the state.

Ms. Vierling said a program site visit was held May 20-22. A letter reporting the findings will be sent later this summer and will contain a list of strengths, not only with the Iowa Covering Kids and Families project, but also with *hawk-i* and Medicaid and the coordination among programs. The report will also include a list of recommendations and other supported materials, and technical assistance from other states.

Ms. Vierling said that a total of 9 meetings were held, with 27 of the Covering Kids and Families coalition members and project staff attending, including Anita Smith, Sara Schneider, Barbara Fox-Goldizen and Angie Doyle Scar. The discussions were very thorough and covered a variety of issues with regard to the political and economic environment in Iowa and how it compares to other states. Program staff was struck with the level of trusting relationships and coordination between *hawk-i* program staff, MAXIMUS, and the co-located DHS staff. This level of coordination is not occurring in other states.

Ms. Vierling reported that as a result of discussions earlier this year concerning outreach through the free and reduced lunch application program, the Department of Education sent a letter to schools encouraging them to send in the names of families interested in receiving more information about *hawk-i*. The map of uninsured and facts on the uninsured accompanied the letter. As a result, 12 additional schools sent in the information, totaling 990 application requests. Prior to April, 68 schools participated, totaling 5,493 application requests. Ms. Vierling said another letter would be sent in August for back to school, encouraging schools to get involved.

Ms. Vierling said that last year meetings were held on how to strengthen involvement with schools. Recommendations were the need to show a link with school performance and having health insurance and to meet with educators face-to-face. Therefore, a display item has been created showing the link between school performance and health insurance. Iowa is highlighted with the *hawk-i* Impact on Access and Health Status. This display was used at the state PTA convention and will be used at the school administrator's conference in August. Inquiries are being made for presentations at school coordinator meetings and AEA in-service.

Ms. Vierling announced that the second issue of the Covering Kids & Families in Iowa electronic newsletter is now available at www.idph.state.ia.us/coveringkids/newsletter.

Also, the Covering Kids & Families in Iowa Issue Brief #2, "New SCHIP Prenatal Care Rule" has been released. Ms. Vierling said this paper gives an overview of what it would mean for Iowa in Medicaid and *hawk-i*. Ms. Vierling requested that the Board review the Issue Brief and if they have questions or would like to discuss, Deb Kazmerzak will be at the August Board meeting.

NEW BUSINESS:

Ms. Smith reported that she was contacted by Senator Grassley's office on June 13th to inform her that the Senate has passed a bill that would restore reverted FFY '00 SCHIP funds to states. This bill will allow states to keep 50% of the amount they reverted, which will mean about \$4.2 million to Iowa. It is believed that the House will also approve this legislation.

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

The Board's next meeting is Monday, August 18, 2003, at 1:30 in the Oak Room at the Des Moines Botanical Center.