

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

June 20, 2005

BOARD MEMBERS:

Susan Salter, Chair (absent)
Julie McMahon, Vice-Chair
Charlotte Burt (for Judy Jeffrey)
Angela Burke Boston (for Susan Voss)
Jim Yeast (absent)
John Baker
Wanda Wyatt-Hardwick (absent)

LEGISLATIVE BOARD MEMBERS:

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

DEPARTMENT OF HUMAN SERVICES:

Anita Smith

GUESTS:

Dee Bradley
Diane Schroeder
Beth Jones
Barbara Fox-Goldizen
Diane Ellis
Lynn Tague
Karen Brown
Lisa Huff
Karen Sisson
Sarah Dixon
Diane Morrill
Linda Sims
Kelly Schulte

AFFILIATION:

hawk-i Outreach Jefferson & Keokuk Counties
Delta Dental
Dept. of Public Health – Covering Kids & Families
MAXIMUS
Covering Kids and Families
Wellmark Blue Cross Blue Shield of Iowa
Center for Healthy Communities'
Center for Healthy Communities
Iowa Medical Society
Covering Kids & Families Now Task Force
Iowa Foundation for Medical Care
Iowa Foundation for Medical Care
Dept. of Public Health – Covering Kids & Families

MEETING CALLED TO ORDER AND ROLL CALL:

The Healthy and Well Kids in Iowa (*hawk-i*) Board met on Monday, June 20, 2005, in the Oak Room, Des Moines Botanical Center, 909 E. River Drive, Des Moines, Iowa. Julie McMahon, Vice-Chair, called the meeting to order at 12:30 p.m. A quorum was not present.

WELCOME, INTRODUCTIONS:

Ms. McMahon asked the audience members to introduce themselves. Ms. McMahon informed the guests that there would be an opportunity for public comment later in the agenda.

OUTCOMES OF CARE FOR CHILDREN IN *hawk-i* FFY 2003:

Dr. Pete Damiano of the University of Iowa Public Policy Center provided the Board members with a draft of the "Outcomes of Care for Children in *hawk-i*: FFY 2003" report.

This report is part of the quality assurance activities that are conducted for the *hawk-i* program. Draft copies were also provided to the Clinical Advisory Committee. To date, they have not commented on the report.

Dr. Damiano explained that the Outcomes of Care report was prepared using HEDIS outcomes. Beginning this year, CMS requires all states to use the same outcome measures so that they can have consistent measures and benchmarks nationwide and be in a better position to evaluate how states are doing.

Dr. Damiano said that the data used in the report comes from the insurance claims encounter data and, unfortunately, the claims do not always contain all the information that is needed to do the measures exactly as prescribed by the national committee for quality assurance.

Highlights of the report:

Outcome 1: Use of Appropriate Medications for Children with Asthma. This outcome looks at the rates of children with persistent asthma and the rate at which these children are being covered with what are considered the most appropriate medications and treatment. The HEDIS measurement had to be modified because the plans are only required to submit the primary diagnosis, or the first diagnosis code. So if asthma was not the only reason for a visit there may not be a diagnosis code shown for asthma. Four outpatient visits with a diagnosis code of asthma is supposed to be used for this measure. Dr. Damiano said to be more lenient they also used two visits. For children ages 5-17, the rate for persistent asthma was 5%. The medical claims were then matched to pharmacy data. Somewhere between 30-50% of the children identified with persistent asthma were taking the correct medication.

Outcome 2: Well-child visits in the first 15 months of life. Dr. Damiano said that they were not able to look at this measure the way it is designed by HEDIS because children under age 1 are covered under Medicaid rather than *hawk-i*. They used a window from age one to 90 days after 15 months of age. About 62% did have a well child visit during the time period, however, this was only 58 children.

Outcome 3: Well-child Visits in the Third, Fourth, Fifth, and Sixth Year of Life. This data did not have to be modified. 54% of the three-year olds had a well child visit; increased at age 4 to 67%, and again at age 5 to 71%. Age 6 dropped off to 26%

Outcome 4: Children's Access to Primary Care Practitioners. This measure had to be modified because they were not able to tell who was a primary care provider from the administrative data. Procedure codes that indicate a primary care visit were used for the measure. Over 90% at all ages had a primary care visit at some point during the year.

Ms. Smith asked if the increase in the number of 4 and 5 year olds having well-child visits is credited to starting school. Dr. Damiano said that yes, which would be why the drop off at age 6.

Ms. Burt asked how the rates of asthma diagnosis and prescription drug treatment compares to that of the general population. Dr. Damiano said that an NCQA report indicated 72% of Medicaid recipient's ages 5-9 and 68.1% of Medicaid recipients age 10-17 with persistent asthma had received long-term control medications.

Ms. Smith said if she understands the methodology, first they looked for a physician visit with that diagnosis, then medication. She questioned if another way would be to see how many children are getting asthma medications. Dr. Damiano said the Department might want to review the number of diagnosis codes they require.

hawk-i IMPACT ON ACCESS AND HEALTH STATUS:

Dr. Damiano said that this report comes from the survey that was developed to identify access to care and health status for the year prior to enrollment in *hawk-i*. After being enrolled for one year, similar questions are asked about the year they were receiving health care through the *hawk-i* program. Those results are compared to determine the impact of having health insurance coverage through *hawk-i*.

Dr. Damiano said that in general there was not much change in the perceived need for services before having *hawk-i* coverage and after a year of coverage, so the concern that providing insurance makes families think they need more services did not appear to be true in this case. Access, as measured by a reduction in unmet need or the times they were stopped or delayed from receiving services, declined significantly.

Medical care - 16% of the children had been stopped from getting medical care during the year prior to enrollment, after enrollment it was 4%. Most of the reason the previous year was attributed to cost.

Delay of care - 29% before, 7% afterwards. They were also more likely to have always received care for an illness or injury they thought their child needed; 63% before vs. 79% afterwards.

Specialty care - no differences in the perceived need, but 20% had been stopped in the year before vs. 7% afterward. Delays went down from 33% to 15%.

Dental care - no change in the perceived need, but percentage that had a regular source of dental care increased from 79% to 85%. Stopped from getting care went from 22% to 7%. Delays for dental care 23% to 9%. More likely to have had a dental visit in the past year, 52% vs. 67% afterwards.

Preventive care – more likely to have always received needed routine preventive care, 64% before vs. 80% afterwards.

Vision care - no change in need, among those who needed care the percentage declined in terms of being stopped from 30% to 12%.

Behavioral or emotional care - similar need before and after. Even though a small percentage needed it, 47% had been stopped before having coverage versus only 15% after.

Prescription medicine - is the only area that has ever shown an increase in the percent that needed it. Dr. Damiano said he believes this is because if access to a provider for care is improved there is more likely to be a prescription given. It went from 71% to 75%. The percent delayed was 15% before 13% afterwards.

Health status - this is a population of children who tend to be quite healthy. Dr. Damiano said that it is difficult to see a change in health status from a single question. At the beginning of the program when this question was asked there was a statistical change. Since then there has not been a change. The parents were asked to rate their children's health as excellent, very good, good, fair or poor. Those who rated it excellent went from 45% before to 48% afterwards. More children were thought to be in better health than a year earlier.

Improvements have consistently been found in the areas of reduced family stress after having health insurance. 96% responded that stress had been reduced; over 75% said it had been reduced a lot. Asked in a slightly different way, 55% responded that they worried about their ability to pay for health care for their children a great deal before enrollment. This was reduced to 18% who worried a great deal afterwards. That is still higher than some statewide studies, but there is a still concern that they may not have coverage because of eligibility issues.

The activities were limited for fewer children due to having health insurance. After enrollment parents are more likely to let their children participate in sports or other activities. 22% of the parents indicated they had limited their children because of concerns before enrollment vs. 13% afterwards.

The study also found more parents had health insurance after their children were covered; 52% before, 59% afterwards.

Jean Willard told the Board that the demographics are changing. The children enrolling in *hawk-i* now are a little healthier and a little older than those who enrolled in the first year of the program. The unmet need has not changed very much.

Dr. Damiano said that one of the things that surprised him is that they still saw a change in health status this year. If healthier kids are enrolling, he thought they would have a harder time seeing the difference, but that was not the case.

Once these reports are finalized, they will be available at <http://ppc.uiowa.edu/health/hawk-i/index.html>.

CORRESPONDENCE, REPORTS & OTHER STATE NEWS:

Anita Smith discussed SCHIP news from other states:

Florida – After making changes in their KidCare program, enrollment fell from 350,000 to 239,000, far fewer than the estimated 398,000 that were anticipated from these changes. As a result, the Florida House has approved a bill that would allow enrollment throughout the year, rather than the annual two-month period currently used.

Montana – The Montana legislature has proposed a 12% administrative cap on CHIP. Montana's health plan, Blue Cross and Blue Shield, is their third party administrator. There have been issues between the state and the health plan about administrative fees, currently at 13.6%.

New Hampshire – A waiver proposal is being submitted to allow them to charge a monthly premium of \$10 per child per month with a \$30 family cap for Medicaid, even if the family has zero income. Some families would be charged as much as \$20 per child per month, with a \$60 family cap. Advocates are concerned that children could not get services, and this could generate “dumping” in the emergency rooms, with the costs ultimately going to the hospitals and the private sector.

New York – A study found that their SCHIP program has helped eliminated racial disparities among children needing medical care. Prior to implementing their SCHIP program, white children were much more likely to have access to health care.

Oregon – Three initiatives to expand coverage are being considered: (1) expanding outreach; (2) requiring schools to do outreach; and (3) removing the current six-month waiting period. They believe 50,000 more children can be enrolled by making these changes.

Pennsylvania – Their third party administrator is a health plan. The State of Pennsylvania has been investigating why so many children who are potentially eligible for their SCHIP program are being enrolled in the health plan at a higher cost to the family.

Texas – Two years ago Texas tightened their CHIP eligibility requiring families to re-qualify every six months rather than every year. A state senator introduced a measure to return to one year, and although it didn't even get a hearing, it remains on the “wish list” to use in House-Senate budget negotiations. Enrollment in their program has

dropped from more than 500,000 to just under 327,000. The draft budget for 2006-07 projects 325,000 in 2006 and 331,000 in 2007.

Nation – A May 16, 2005, “New York Times” article indicates the FBI may have misused funds for health fraud cases. Senator Grassley has requested that the Government Accountability Office conduct a study on the use of these funds. The article says that rather than using the funds for investigating fraud against Medicare, Medicaid and other health programs as intended, the money is being used to fight terrorism. An estimated 9.3% of Medicare and Medicaid claims are paid in error and the number is expected to rise considerably when Medicare Part D is implemented.

A bill has been introduced to provide \$100 million for outreach grants to states in FFY 2006 and 2007. 10% of these funds would go to Indian Health Services to conduct outreach for Tribal populations. The bill also allows for express lane eligibility. Ms. Smith said that there is concern about the additional funds for outreach because there is no additional funding for benefits.

Congressman Nussle has proposed a federal budget plan for 2006 that would require reduction to mandatory programs that would likely lead to cuts in federal spending. The cuts exceed the savings that the Congressional Budget Office estimates will be achieved if the President’s budget proposals for Medicaid and SCHIP are enacted.

Chairman Nussle indicated that his proposal does not assume any cuts in funding for Medicare. Ms. Smith said that this means the mandatory savings the energy and commerce committee is required to achieve would likely come from three areas in which the President’s budget proposed savings: Medicaid and SCHIP; power marketing administration; and the sale of spectrum rights. The committee could secure all the required \$20 billion in cuts solely from Medicaid. It should also be noted that the President’s budget includes proposals for increased funding for outreach and enrollment for children, new freedom grants to promote home and community based care in Medicaid, and the extension of traditional Medicaid assistance. In light of the required spending cuts in Chairman Nussle’s plan, the only way the energy and commerce committee could fund these initiatives would be to offset the costs of these improvements is with deeper reductions in Medicaid and SCHIP.

Ms. Smith reported that the National Governor’s Association is putting together a paper outlining their recommendations for SCHIP. For example, giving states the option to cover legal immigrant children, the option of allowing families to choose between Medicaid and SCHIP, and a lot of discussion about funding. One issue concerns those states that are getting additional funding because they have expanded coverage beyond children. It is felt that states that are covering adults should not get additional funding beyond what they normally would have gotten if it reduces the funding that is available to other states to cover children, which were the intended population.

ADMINISTRATOR'S REPORT:

Division Restructuring:

Ms. Smith told the Board that the Division of Financial, Health, & Work Supports is being restructured so that all the medical programs will be in one bureau and the cash assistance programs will be in the other bureau. In addition to her responsibilities for the **hawk-i** and HIPP (Health Insurance Premium Payment) programs, she will now also be responsible for the Medicaid eligibility programs. Ms. Smith said she will be hiring a supervisor for the HIPP Unit. Once that person is on board, the transition will be completed.

Legislative Update:

The SCHIP appropriation for SFY 06 was \$16,618,275. However, there was a standing bill that reduced that appropriation by \$50,000. The Department asked the Governor to veto the \$50,000 reduction because higher than projected enrollment is making the budget so tight. It is believed that without the \$50,000 there could be a deficit. The Governor did not veto the provision. The actual impact on the **hawk-i** budget is more than \$50,000 because every state dollar draws down \$3 in federal funding.

Another piece of legislation that affects **hawk-i** is the insurance match. Last year the Medicaid program was able to get legislation that requires insurers doing business in the state to provide their enrollment files to the Department to match against Medicaid files in order to identify enrollees that have other health insurance. With Medicaid you can have other insurance so the purpose of the legislation is so that the other insurance can be billed first. For **hawk-i** it is an eligibility issue and there cannot be other insurance. John Deere has already started providing files and over 50 children were identified that had health insurance and have been cancelled.

SFY 05 Budget Update:

Ms. Smith told the Board that year-to-date expenditures are about 88% of projected expenditures. **hawk-i** premiums were \$310,000 over projections, however, all the premium payments have been made for SFY 05. The premium payment that is made in June will be for July insurance coverage and will be paid out of 06 funds.

The budget for SFY 06 assumes there will be carryover from this year.

Enrollment and Statistics:

Ms. Smith said that enrollment continues to run higher than projected. Total SCHIP enrollment as of May was 34,735. **hawk-i** enrollment is 19,678 and Medicaid expansion is 15,057. Ms. Smith said she believes **hawk-i** enrollment at the end this fiscal year will top 20,000. A total of 2,448 children have been added since July, 2004.

CMS Site Visit:

Ms. Smith said that the CMS site visit went well and a substantial amount of material was submitted for their review. At the exit conference they were very complimentary and had positive comments about the ***hawk-i*** program. A change in some wording of one of the letters that is sent to clients was requested. Ms. Smith said her staff worked very hard to prepare for the site visit and she is very pleased with the outcome. A draft report will be sent to the Department for comment before the final report is issued.

PUBLIC COMMENT:

No public comment was received.

OUTREACH:

Stacey Killian representing Visiting Nurse Services in Dubuque was invited to tell the Board about outreach activities in her area. Ms. Killian conducts ***hawk-i*** outreach in Allamakee, Chickasaw, Clayton, Delaware, Dubuque, Fayette, Howard, and Winneshiek Counties.

Ms. Killian reported that one of the main focuses recently has been with youth groups and activities.

- Health packets that included ***hawk-i*** information, the guide to childhood illness, and some information about local providers were distributed to 2,500 Girl Scouts in Dubuque and Delaware Counties.
- ***hawk-i*** information was also distributed to 1,600 youth enrolled in a local soccer organization, and plans are to continue this effort through the local little league.
- ***hawk-i*** information was displayed and provided at an annual bike rodeo promoting bicycle safety.
- Summer safety packets are given to all new 1st graders in the Dubuque and Western Dubuque School Districts.
- Bookmarks and stickers have been provided to local vacation bible schools.

Ms. Killian said she has also been working to get ***hawk-i*** information on some local websites. A link is now available on two county, four school district, and the City of Dubuque's websites. Many of the empowerment websites already had ***hawk-i*** information, but Ms. Killian has provided them with updated information.

Ms. Killian provided the Board with some written comments she has received from families. All of the comments are very positive and they are happy with ***hawk-i***. They wish this program were available for adults, that it covered orthodontia, or offered dental only coverage. Ms. Killian said she receives very few complaints about the program.

Ms. Smith said that the dental-only coverage is something the State has recommended for reauthorization of the federal program. If dental only were offered, then families would not be enticed into dropping health care coverage in order to pick up the dental and health through SCHIP. Ms. Smith said she has been working with staff from Delta

Dental of Iowa and providing them with information to help them lobby for this effort in Washington.

CONTRACTS FOR APPROVAL:

Ms. McMahon said that due to not having a quorum the Board would not be able to take action on the contracts today. However, they could continue with a discussion. Ms. McMahon asked Ms. Smith to provide an overview of the contracts before the Board.

Ms. Smith noted that legal counsel has reviewed all of these contracts.

Wellmark:

This is a new contract for the period July 1, 2005 to June 30, 2006. Essentially this is the same contract as previous years. There were some technical changes made and it increases the per member/per month (pm/pm) rate the Board voted on earlier. The increase of 3.9% brings the total pm/pm rate to \$176.13. This language can be found on page 15.

Board members had no questions or concerns with this contract.

John Deere:

This is an existing contract and the Board will be voting on the "Third Amendment" to that contract to be effective July 1, 2005.

At the last Board meeting, the Board was told that John Deere was in the processing of updating all of their provider contracts and there were still some outstanding issues with Iowa Health Systems, which includes Allen Memorial Hospital in Waterloo, St. Lukes in Cedar Rapids, Methodist, Blank, and Lutheran Hospitals in Des Moines. If John Deere were not able to renegotiated those contracts their options would be that those providers would not be in the provider network, or for the Des Moines area there would be a higher rate increase if it was important to the Board that those providers were included in the network. Ms. Smith said that John Deere was successful in renegotiating those contracts to those facilities listed above will continue to see **hawk-i** children. The rate increase will be 8% statewide.

John Deere provided a list of 11 individual providers that they were not able to successfully negotiate with and the volume of **hawk-i** patients they had over the past year. Eight of these providers only saw one **hawk-i** patient, one saw 2 patients, Hammer Medical Supply, 8; and The Outpatient Surgery Center in Cedar Rapids 9 patients. Ms. Smith said that this appears to have minimal impact on **hawk-i** enrollees.

Nancy from JD said that these are facilities that do not do ongoing care. The surgery center is one time surgery. John Deere will help transition members to other network providers.

Ms. Smith said this amendment includes some technical changes regarding provider directory format, trading partner agreement through HIPAA and encounter data. It also includes the statewide rate increase of 8%.

Julie McMahon asked about the family practice providers in Conrad and Redfield that will no longer be contracted providers, are there other options. Nancy said yes, for instance in Conrad there are 5 other physicians.

The Board members had no other questions or concerns.

Delta Dental:

This is the "Second Amendment" to their contract.

Ms. Smith said this amendment reflects last month's Board action to consider an increase of up to 4% in November based on experience of the plan, but no increase for July 1, 2005. This language is added in Section 1 of the amendment. The amendment also contains technical language regarding encounter data and trading partner agreement.

Iowa Foundation for Medical Care:

This is the new contract for Data Analysis issued as a result of the Request for Proposal. This contract is for the period July 1, 2005 through June 30, 2008. This contract is for

- Provider network analysis
- Functional health assessment survey
- Medical chart reviews
- Encounter data analysis

The payment terms are found on page 5.

Board members had no questions or concerns

Iowa Department of Public Health:

This is an extension of the contract with the Department of Public Health for outreach services. This is the "Second Amendment" to that initial contract which will extend those outreach services for one year.

Board members had no questions or concerns.

Julie McMahon asked that a summary of this discussion be prepared and provided to the Board members. A conference call will be scheduled for sometime this week (June 20-24) for Board members to vote.

ELECTION OF OFFICERS FOR SFY 06:

According to the Board's bylaws, election of officers shall take place at the first meeting of the fiscal year. Ms. McMahon named a nominating committee of herself, Charlotte Burt, and John Baker to select the slate of officers to go before the Board at their August meeting.

NEW BUSINESS:

Ms. McMahon drew the Board's attention to the next three meeting dates in 2005 and encouraged them to make every effort to be able to attend:

August 15
October 17
December 19

Ms. McMahon reminded all Board members that if they are not able to attend they should contact either Dee Johnson or Anita Smith to let them know.

There was no new business to present before the Board.

The next regularly scheduled meeting is Monday, August 15, 2005, at 12:30 p.m. in the Oak Room, Des Moines Botanical Center in Des Moines.