

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

August 17, 2009

**BOARD MEMBERS:**

Susan Salter, Chair  
Dr. Selden Spencer, Vice Chair  
Angela Burke Boston (for Susan Voss)  
Jim Donoghue (for Judy Jeffrey)  
Julie McMahon (for Thomas Newton)  
Kim Carson

**LEGISLATIVE BOARD MEMBERS:**

Senator Amanda Ragan  
Senator David Hartsuch (absent)  
Representative Linda Upmeyer (absent)  
Representative Eric Palmer (absent)

**DEPARTMENT OF HUMAN SERVICES:**

Anita Smith  
Anna Ruggle  
Shellie Goldman  
Mike Baldwin

**GUESTS:**

Diane Schroeder  
Lynn Tague  
Michelle Lickteig  
Nancy Lind  
Jess Benson  
Patty Funaro  
Kris Bell  
Kristine Klauer  
Ed Schooley  
Carrie Fitzgerald  
Andrew Berg  
Molly Kottmeyer  
Brenda Freshour-Johnston

**AFFILIATION:**

Delta Dental of Iowa  
Wellmark Blue Cross Blue Shield of Iowa  
Delta Dental of Iowa  
UnitedHealthCare  
Legislative Service Agency  
Legislative Service Agency  
Senate Democratic Staff  
UnitedHealthCare  
Delta Dental of Iowa  
Child & Family Policy Center  
Child & Family Policy Center  
Department of Human Services  
Department of Human Services

**MEETING CALLED TO ORDER AND ROLL CALL:**

The Healthy and Well Kids in Iowa (*hawk-i*) Board met on Monday, August 17, 2009, at the Iowa Insurance Division offices, 330 Maple, 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 JUNE 15, 2009, MINUTES:**

Jim Donoghue made a motion to approve the June 15, 2009, minutes. Selden Spencer seconded the motion. Angela Burke Boston, Selden Spencer, Jim Donoghue, Julie McMahon, and Susan Salter unanimously approved the minutes as written.

**CORRESPONDENCE, REPORTS & OTHER STATE NEWS:**

Anita Smith reported on SCHIP news from other states.

Alabama – The Alabama legislature passed a bill to expand their ALL Kids program to 300 percent of the federal poverty level (FPL) effective October 1. Governor Bob Riley was not in favor of the expansion because funding to pay for it came at the expense of funding for other state agencies. The expansion is expected to add 12,000 – 14,000 more children to ALL Kids.

California – Governor Schwarzenegger signed a bill to close the state's \$24 billion budget shortfall. The bill includes a \$1.4 billion cut to Medicaid and a \$176 million cut to CHIP. Estimates are that the cuts will result in doubling the number of uninsured children in California to 2 million. New applicants, approximately 33,000 per month, are being put on waiting lists until at least June 2010. It is anticipated that thousands of children will be disenrolled beginning in October as they come up for renewal.

Montana – Income limits for Montana's CHIP program are expanding from 175 to 250 percent of FPL and an aggressive outreach campaign is beginning. Their CHIP program is at the center of a lawsuit by Planned Parenthood because Montana is one of four states that do not provide prescription birth control as a covered service. Planned Parenthood filed the complaint with the Human Rights Commission on the basis of discrimination against women. Proponents of the suit say it doesn't make sense not to cover birth control when Montana has one of the highest teen pregnancy rates in the country. Senate Republicans argue that this is an important issue for those that promote abstinence before marriage.

New Hampshire – Governor Lynch signed a law that allows uninsured young adults, 19 through 25, to buy insurance through their Healthy Kids program. This program will be funded entirely through the premiums and estimates are that 21,000 young adults will be eligible.

Oregon – An estimated 80,000 more kids will become eligible under their universal health care for children legislation. They anticipate that insuring all kids will result in better health outcomes, including better vaccination rates, less dental decay, better management of asthma, and earlier detection of autism. Expanded coverage is being funded by a 1 percent tax on health insurance premiums and a tax on hospitals and commercial insurers. Beginning October 1 they will expand to 200 percent and then begin subsidizing employer-sponsored coverage for families between 200 and 300 percent in January. Families that don't have employer insurance available can buy into the new state program. Undocumented children are not eligible for coverage.

Texas – Will be implementing a new program, ChildLink, designed to provide more insurance to children through child support orders. This program is not mandatory, parents can choose between ChildLink and insurance through employers. The program will cost parents about \$100 per month in premiums.

Washington – New budget forecast estimates indicate that over \$89 million in additional funding will be needed to for the increased number of children in their CHIP program. An additional \$113 million will be needed for Medicaid.

West Virginia – Income limits were increased July 1 from 220 to 250 percent of FPL. West Virginia is one of thirteen states that have expanded income limits. Others are: Alabama, Arkansas, Colorado, Indiana, Iowa, Kansas, Montana, Nebraska, North Dakota, Oklahoma, Oregon and Washington.

***Kim Carson arrived at the meeting at this time.***

### **ADMINISTRATOR'S REPORT:**

#### ***Enrollment and Statistics:***

Ms. Smith reported that between July, 2008, and July, 2009, there was a 9 percent increase in CHIP enrollment. In the Spring of 2009 there was a shift in enrollment and more kids were enrolled in Medicaid Expansion than in ***hawk-i***. However, that trend has started to reverse and ***hawk-i*** enrollment is rising.

To date there are 341 children enrolled in expanded ***hawk-i*** between 201 and 300 percent of FPL. Another 107 have been approved but not yet enrolled.

Total CHIP enrollment in July was 43,208; 21,592 enrolled in Medicaid expansion and 21,616 in ***hawk-i***.

#### ***SFY '09 Budget Review:***

The budget update for July was not yet available.

#### ***State Legislative Update:***

Senate File 389 directed the Department to apply for a CHIPRA outreach grant. The CHIPRA legislation authorized \$80 million for outreach grants; \$40 million in the first year's cycle and \$40 in the second. CMS expected approximately 2,000 requests and they anticipate awarding 200 grants of \$25,000 to \$1 million. The announcements are scheduled to be made on September 30<sup>th</sup>.

Brenda Freshour-Johnston, Carrie Fitzgerald, Jane Borst, and Lindsay Miller assisted with the grant application for Iowa. Total asking for the grant is \$984,353. The application included two goals.

Goal 1 - Increase enrollment of diverse populations in Iowa's CHIP and Medicaid programs through targeted outreach strategies.

- Geographically identify where there are high numbers of uninsured children. This will be done through a provider survey conducted by grassroots outreach workers.
- Targeted outreach to diverse populations including lawfully residing resident children, citizen children in families with mixed immigration status, and rural populations, specifically farm families.
- Implement the presumptive eligibility system. Partner with the Iowa-Nebraska Primary Care Association to become one of the first presumptive providers. Staff will be hired to target presumptive families and assist them with the enrollment process. The purpose is to demonstrate the impact of application assistors who help families with the process (e.g. get paperwork, etc.) with the hope that those children will ultimately become eligible on an ongoing basis for Medicaid or *hawk-i*.

Goal 2 - Increase retention and enrollment through increased use of technology and procedural simplification.

- In addition to funding the presumptive system IT costs, the grant application requests funding to implement a data brokering system; also referred to as "e-Find". Currently, eligibility workers have to manually look at several systems for each individual applying to verify if they receive child support, social security, unemployment benefits, etc. The process is very labor intensive and takes 7 to 12 minutes per person on the application. It is also error-prone. With a data brokering system the worker can enter information, most likely a social security number, and the system will search all other systems and bring back information pertinent to the eligibility determination. This system will decrease the manual effort and help set the stage for paperless and ex parte renewals, also a component of SF 389. Utah developed an e-Find system. The software is free to other states because federal money was used to pay for it. However, the platform on which it was developed is not compatible with Iowa's system and it would cost more to try to adapt it to our system than to develop a new one.
- Develop and implement an on-line renewal process. The Department recently implemented an online application for Medicaid, Food Assistance, FIP, and child care assistance called OASIS. This can be adapted for on-line renewals.
- Implement the system changes needed to extend Medicaid renewals out 30 days, another requirement of SF 389.

***Presumptive Eligibility:***

Ms. Smith said that the Department is moving forward on presumptive eligibility, starting to develop the system specifications, and identifying all the systems that will be touched

by this system. At this point there is no reason to believe that the January 1, 2010, target date will not be met.

***CMS Site Visit Report:***

The regional office visited the Department the week of June 8 and conducted a site visit of the CHIP program. Their draft report was received on July 27 and there were no findings. Four best practices were identified and two recommendations.

Best practices included:

- the outreach contract with ZLR Ignition for media, particularly the strong evaluation component of the contract.
- the partnership with the Department of Revenue for identifying uninsured children via tax forms. CMS was interested that data can be tracked and best practices can be shared with other states.
- Iowa's approach to conducting the insurance match. Several states conduct a match when children apply for CHIP, but CMS was unaware of any state that also did a quarterly match in order to identify children who have obtained other coverage since enrollment. Iowa's experience has been that other insurance is identified on 8 percent of applications and 2 percent of enrollees after becoming eligible for CHIP.
- compliments because Iowa consistently submits their annual report on time and notifies CMS in advance of any delays.

Recommendations:

- Continue to develop ways to evaluate the effectiveness of outreach methods and look for ways to refine current evaluation efforts. Encourages data matching wherever possible.
- Continue to work with CMS to strengthen CHIP quality improvement activities and performance measures related to increasing access to care and the use of preventive care.

***State Outreach Coordinator:***

Ms. Smith told the Board that state outreach coordinator Angie Doyle Scar has accepted another position within the Department of Public Health. The Department of Public Health is currently in the process of filing the vacancy.

***Delta Dental Contracting Concerns:***

Ms. Smith said that Board members and some Legislators have been contacted by some dentists with concerns because Wellmark is no longer offering dental coverage through *hawk-i* and Delta Dental is the only dental carrier for the program. Ms. Smith said there seems to be some misunderstanding among the dentists as to what Delta Dental's "premier contract" means.

Diane Schroeder, a representative from Delta Dental, explained that Delta Dental is not administering the benefit any differently than they did when there were two dental carriers. What they refer to as their "premier network" is supported by a credentialing process and over 90 percent of the dentists in Iowa are contracted under this network. Providers who have chosen not to go through the credentialing process or providers who did not meet the credentialing criteria are not included in the network. Ms. Schroeder said that dentists are always welcome to apply and Delta will evaluate their credentials.

Ms. Salter asked if the network includes specialty dentists. Ms. Schroeder responded that it does. The 90 percent would hold true for endodontists, but not for orthodontists. Dr. Spencer asked if there is a credentialing fee for providers. Ms. Schroeder responded that there is no fee, the credentialing is part of the application process where Delta reviews the personal and professional background of the provider.

Ms. Salter said she was contacted by a specialty dentist who indicated that a child could not get that service anywhere else in the area. Ms. Schroeder responded that she had provided *hawk-i* staff with network information specific to that issue. There was coverage, it meant that the subscriber had to drive a little farther, but they were driving to a provider who had been credentialed. Ms. Schroeder said that some specialists are so sophisticated in their areas of specialty that they may be located at the University of Iowa, and even someone in the Des Moines market may have to be referred to Iowa City for a specialized case.

**ADMINISTRATIVE RULE AMENDMENTS:**

***Adopted & Filed – Lawful Permanent Resident:***

In order to comply with SF 389, passed by the 2009 Iowa General Assembly, the *hawk-i* Board adopted and filed emergency rules to amend subrule 86.2(7) at the May 18, 2009, meeting. SF 389 directs the Department to provide coverage to all eligible children for whom federal funding is available effective July 1, 2009. The amendment was also filed as Notice of Intended Action in order to provide time for public comment. No comments were received and the Board can now formally adopt those rule amendments.

Previously, children who entered the United States on or after August 22, 1996, were barred from participating in any federal means-tested program for five years from their

date of entry. CHIPRA allows states the option to extend CHIP coverage to all children who are lawful permanent residents of the United States.

Angela Burke Boston made motion to adopt the amendments. Selden Spencer seconded the motion. Unanimous approval was made by Angela Burke Boston, Selden Spencer, Jim Donoghue, Julie McMahon, Kim Carson, and Susan Salter.

### ***Noticed Rules – Citizenship and Identity & SS#***

These amendments are being made to implement new requirements under CHIPRA that require applicants and enrollees to provide acceptable proof of their citizenship status and identity and provide a social security number. The new requirement is effective January 1, 2010.

Ms. Smith told the Board that a data match will be conducted with the Medicaid files so that anyone that has already verified citizenship and identity as part of their Medicaid eligibility will not have to provide the information again. Current enrollees will be notified that they will need to provide the information at the time of renewal.

Jim Donoghue made motion to approve the Notice of Intended Action. Kim Carson seconded the motion. Unanimous approval was made by Angela Burke Boston, Selden Spencer, Jim Donoghue, Julie McMahon, Kim Carson, and Susan Salter.

### ***Emergency Filed and Adopted Rules – Crowd Out***

Mike Baldwin told the Board that amendments to 86.2(4)"b" are proposed to implement a crowd out strategy that CMS is requiring be implemented as a condition of approving the state plan amendment to expand to 300 percent of FPL.

The amendment implements a 30-day period of uninsurance for children in families with income within the expanded *hawk-i* range. This 30-day period will apply to children for whom health insurance coverage was dropped in the month a *hawk-i* application is filed, for a reason not specifically exempted in the rule.

Mr. Baldwin said that these rules need to be emergency filed and adopted with an effective date retroactive to July 1, 2009.

Selden Spencer made motion to approve the rule amendments. Julie McMahon seconded the motion. Unanimous approval was made by Angela Burke Boston, Selden Spencer, Jim Donoghue, Julie McMahon, Kim Carson, and Susan Salter.

### ***Noticed Rules – Dental***

SF 389 directed the Department to implement a supplemental dental only program based on the CHIPRA legislation that allows states this option. The proposed amendments clarify that there are separate health and dental plans participating in the *hawk-i* program and implement a new program to provide dental only coverage to children who would be eligible for *hawk-i* benefits except that they have health

insurance. Eligible children will receive necessary preventive and restorative dental services; orthodontia is not a covered service. Families will be charged a premium based on their income.

Ms. Smith said that the Board would need to determine the amount of the dental only premium. In order to get the rule amendments ready to be filed, staff included amounts using the rationale that the dental coverage should not cost more than health coverage. The amounts staff used are:

<u>Income - % of FPL</u>	<u>Monthly Premium</u>	
150 – 200%	\$5 per child	\$10 maximum per family per month
201 – 250%	\$10 per child	\$15 maximum per family per month
251 – 300%	\$15 per child	\$20 maximum per family per month

In blended families, the total premium would never exceed what their maximum would be if they had full benefits. For example, if 3 kids were on dental only and 2 kids on full *hawk-i*, the most the family is going to pay is either \$20 or \$40 per month, depending on their income.

Ms. Smith said that currently the Department pays approximately \$21 per month to Delta Dental per child for dental coverage.

The Board discussed rates and the tier levels suggested in the rules. The Board wants to make sure to promote preventive care and to keep premiums at a level so there is an incentive to have dental coverage.

Kim Carson made motion to approve these rule amendments with the rates that staff has suggested. Selden Spencer seconded the motion. Unanimous approval was made by Angela Burke Boston, Selden Spencer, Jim Donoghue, Julie McMahan, Kim Carson, and Susan Salter.

## **CONTRACTS:**

### ***Wellmark Health Plan of Iowa:***

Ms. Ruggle said that the Department and Wellmark have agreed on all of the outstanding issues, except they are still working on some of the certifications. The contract is basically the same past contracts, all of the same services, and Wellmark Health Plan of Iowa will be available in all 99 counties in Iowa. This contract will be effective October 1, 2009, through June 30, 2012.

Lynn Tague from Wellmark told the Board that Wellmark has no problem with certifying that they comply with all of the certifications. However, some of those certifications have some fairly stiff financial penalties and they have some flow down language requirements indicating that all Wellmark's lower tier coverage transaction partners would need to include specific language. Wellmark's legal review does not believe those words apply to their provider contracts. DHS's legal counsel has their interpretation as to what those flow down requirements apply to, so they are trying to

come to an agreement. Ms. Tague said that if that language has to be verbatim in Wellmark's contracts they would have to redo all of their providers contracts; a very costly and lengthy process. Ms. Tague said Wellmark does not believe this language applies to their provider contracts and they do have processes in place with regard to debarment and suspension and have processes in place within their credentialing department to make sure Wellmark is compliant with that regulation.

Kim Carson made motion to approve the contract and allow the Department and Wellmark to continue to resolve the certification issues. Jim Donoghue seconded the motion. Unanimous approval was made by Angela Burke Boston, Selden Spencer, Jim Donoghue, Julie McMahon, Kim Carson, and Susan Salter.

### **PUBLIC COMMENT:**

Carrie Fitzgerald, Child and Family Policy Center, requested to speak to the Board.

Ms. Fitzgerald told the Board that they were pleased to have been able to assist the Department of Human Services on the grant application Ms. Smith spoke about earlier. She feels the application is very strong as are the outreach strategies detailed in the grant request.

Ms. Fitzgerald said that the Center is also very excited about the dental-only option for *hawk-i*. Ms. Fitzgerald said she is contacted several times a week by other states making inquiries about the program.

Ms. Fitzgerald said that as a child advocacy agency, they are working very hard at the national level on health care reform to make sure children are included. For example, the House bill eliminates CHIP in 2013. Ms. Fitzgerald said her group worked very hard the last several weeks as the House committees were marking up their bills to try to get some protections in for CHIP. One is quality measures for kids, and the other is that if CHIP is eliminated and they move the kids from CHIP and/or Medicaid to the "exchange" or "gateway", they cannot move children into those systems unless the HHS secretary has determined that the new plans cover the same things and that there are cost protections so they are affordable. The Senate Finance Committee's bill has not come out yet, so what they may be thinking of for CHIP and Medicaid isn't known at this time. Ms. Fitzgerald said she is working very hard to try to protect the option to cover lawfully residing kids because they may not be protected in these bills.

***Selden Spencer left the meeting at this time.***

### **2009 ANNUAL REPORT:**

Shellie Goldman asked the Board for guidance on how they would like this year's report structured. A big part of this year's report will be CHIPRA, how it impacts Iowa, the allocation formula, and the changes in premium assistance. It will also discuss some of the programs that have not been put in place because the federal government did not authorize Iowa to do so.

Ms. Goldman said she also plans to include *hawk-i's* SFY '11 budget request and the impacts that SF 389 has had on the *hawk-i* program, such as the supplemental dental program.

Mr. Donoghue said he would like to see a list of the "innovations" Iowa has been implementing (dental only, 300%, presumptive eligibility, employer buy-in) so that the details of these are not lost in the body of the report.

Ms. Boston also wants to make sure the joint outreach effort with the Department of Revenue is highlighted in the report.

#### **ELECTION OF OFFICERS FOR SFY '09:**

Julie McMahon chaired the nominating committee. The slate of officers is Susan Salter as Chair, and Kim Carson as Vice-chair. Both are willing to serve.

Julie McMahon made a motion to approve the officers. Jim Donoghue seconded the motion. Unanimous approval was made by Angela Burke Boston, Jim Donoghue, Julie McMahon, Kim Carson, and Susan Salter.

#### **NEW BUSINESS:**

There was no new business.

The next regular *hawk-i* Board meeting is scheduled for Monday, October 19, 2009, at 12:30 p.m. The meeting will be held at the Insurance Commission Office at 330 Maple in Des Moines, Iowa.