

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

August 18, 2008

BOARD MEMBERS:

Susan Salter, Chair
Julie McMahon, Vice Chair (for Thomas Newton)
Angela Burke Boston (for Susan Voss)
Steve Crew (for Judy Jeffrey) (absent)
Dr. Selden Spencer
Kim Carson (absent)
John Ortega

LEGISLATIVE BOARD MEMBERS:

Senator Amanda Ragan
Senator Dave Mulder (absent)
Representative Polly Granzow (absent)
Representative Ako Abdul-Samad (absent)

DEPARTMENT OF HUMAN SERVICES:

Anita Smith
Anna Ruggle

GUESTS:

Diane Schroeder
Brenda Freshour-Johnston
Nancy Lind
Gina Livingston
Lynn Tague
Suzanne Heckenliable
Kelly Peiper
Sandy Smitherman
Diane Ellis
Jenny Hodges
Carrie Fitzgerald
Tracy Smith
Donn Hutchins

AFFILIATION:

Delta Dental of Iowa
Iowa Department of Human Services
AmeriChoice
AmeriChoice
Wellmark Blue Cross Blue Shield of Iowa
Delta Dental of Iowa
Policy Studies, Inc. (PSI)
Delta Dental of Iowa
Marion County Public Health
Iowa Department of Public Health
Child & Family Policy Center
ZLR Ignition
Delta Dental of Iowa

MEETING CALLED TO ORDER AND ROLL CALL:

The Healthy and Well Kids in Iowa (*hawk-i*) Board met on Monday, August 18, 2008, in the Levitt Room, Des Moines Botanical Center, 909 Robert D. Ray Drive, Des Moines, Iowa. Susan Salter, Chair, called the meeting to order at 12:35 p.m. A quorum was not present.

Due to a lack of quorum, Ms. Salter asked that the Welcome and Roll Call be delayed.

CORRESPONDENCE, REPORTS & OTHER STATE NEWS:

Anita Smith reported on SCHIP news from other states:

Illinois- Implemented a new outreach program in June offering \$50 gas cards to the first 1,000 to enroll in their new All Kids Program.

Montana – A measure to increase SCHIP eligibility from 175% to 250% of Federal Poverty Level (FPL) will be on the November ballot. If passed, an estimated 30,000 additional children will be covered.

New Jersey – The Governor signed a bill mandating that every child under the age of 18 have health insurance coverage and expands coverage to their parents up to 200% of FPL. However, the bill contained no enforcement provisions or penalties.

Tennessee – Is increasing outreach efforts in a back-to-school campaign that includes media advertising, statewide “call-in” events, and 1.5 million fliers distributed to Tennessee public school students.

Utah – Advocates are concerned that a federal waiver the state is seeking for their premium subsidy plan will push out children currently covered under SCHIP. The waiver also increases the waiting period for enrollment from 90 days to six months.

Other News – The Senate Finance Committee cancelled a vote to block implementation of the August 17, 2007, guidance letter issued by CMS. It would have become effective yesterday (August 17, 2008), but the motion to block it was filed too late. CMS has issued an announcement that they will not enforce the 2007 directive at this time. Some states have indicated they will continue to pursue lawsuits against CMS.

An editorial published on July 20, 2008, by “The Hill”, a publication from Washington D.C., speculates that SCHIP reauthorization could be the first law signed by the new administration in 2009.

Representative Charles Boustany of Louisiana introduced HR6506, a bill that would require all states to submit annual reports on SCHIP enrollment, the number of children receiving primary care visits, and outreach efforts. The bill would also encourage states to survey parents to see if their children are receiving adequate care. Ms. Smith told the Board that Iowa already reports on these things, so it is believed there would be no impact to Iowa if the bill were passed.

A Congressional Research Services report entitled “What Happens to SCHIP After March 31, 2009” discusses what will happen if SCHIP is not reauthorized after the March 2009 extension. There is no more federal funding after March, 2009 and only a few states have unspent 2007 funding that they could continue to use. Iowa has sufficient funding through March, but at that point there would be no funding and is projecting a shortfall of \$32.9 million.

ADMINISTRATOR'S REPORT:

Enrollment and Statistics:

Ms. Smith said there has been a slight upswing in **hawk-i** enrollment, reaching 22,078 in July. Total SCHIP enrollment for July was 38,524.

Governor Culver wants to increase enrollment to cover all uninsured children by the end of his first term in office. The goal for SFY 08 was to cover an additional 6,250 children; 8,832 kids were covered, exceeding the goal by 41%. Ms. Smith reported that almost all of the increase was in Medicaid. There was very little growth in **hawk-i** or Medicaid expansion. The 8,832 enrollment increase was attributed to 7,889 kids in the very lowest income levels and, therefore, covered under Medicaid. The net gain in enrollment since the ad campaign started is 6,707. Enrollment had only increased by 1,100 prior to the ad campaign.

Dr. Spencer arrived at the meeting at this time. A quorum is now present.

SFY '08 Budget Update:

At the end of SFY 08 (June 30, 2008), total expenditures were 77% of projections. Claims are continuing to be processed, so the final budget report is not available at this time. However, a \$5 million carryover to SFY 09 is anticipated.

DHS Disaster Response:

In June and July the Department was addressing issues resulting from the effects of the tornados and flooding that affected most of the State. Eighty-six of Iowa's 99 counties were declared disaster areas. The Department redeployed staff in unaffected counties to other areas of the state to assist with delivering benefits.

Federal waivers were requested for food assistance, TANF, Medicaid, and SCHIP to delay reviews that were due in July, July, or August for one year. Only five counties were affected in June, so only 25 **hawk-i** cases were not disenrolled for failure to renew. In July this increased to 430. For programs where a premium is due, if families sent their premium it was accepted. If families failed to pay their premium, no negative action was taken. In June 412 children from 83 counties were not disenrolled, totaling \$6,190 in premiums the State did not collect. In July there were 711 cases for a total of 1,271 children in 89 counties. Unpaid premiums totaled \$9,250.00. Iowa did receive approval for the state plan amendment to waive the premiums and also received approval for the waiver to delay the review dates for one year. Families will have to pay premiums in August for September coverage or they will be disenrolled. The State will not pursue payment from those that did not pay premiums during that period.

Ms. Smith discussed how these changes might impact **hawk-i** enrollment. Referrals to **hawk-i** from Medicaid for the first part of 2008 were January 557, February 554, March 498, April 592, and May 601. The referrals dropped to 479 in June and 276 in July. Generally, referrals are a result of those losing Medicaid eligibility because they went

over income, or because they applied for Medicaid and were denied for having too much income. The drop for June was attributed to the fact that Medicaid renewals were not conducted. Continuous eligibility in Medicaid was implemented July 1 and referrals dropped significantly. Ms. Smith said that because the flooding and continuous eligibility implementation happened about the same time, it is hard to know what the net impact of continuous eligibility will be.

H.F. 2539 Update:

H.F. 2539 directs the Department to:

- Expand Medicaid to infants up to 300% of FPL effective July 1, 2009. A state plan amendment will be filed in January.
- Implement continuous eligibility for children on Medicaid. Continuous eligibility was implemented on July 1, 2008.
- Partner with the Department of Revenue to conduct outreach through state income tax returns. A question will be added to the 2008 Iowa Income Tax Form asking about dependent child insurance coverage. Because changes also need to be made to software programs such as Turbo Tax, extensive changes won't be possible the first year. Taxpayers indicating their dependents are uninsured will receive a letter and ***hawk-i*** application from the Department of Revenue. The applications, as well as the website, will have a line added indicating the information was received from the Department of Revenue so the number of referrals resulting can be monitored.
- Work with other state agencies and requires other state agencies to cooperate with the Department in outreach efforts. In addition to working with the Department of Revenue, the Department is working with the Department of Education to increase participation from schools in the Free and Reduced Meal Programs.
- Expand ***hawk-i*** to 300% of FPL effective July 2009. A state plan amendment will be submitted in January.
- Develop options and recommendation to allow children eligible for ***hawk-i*** to participate in employer plans through a premium assistance program. A report is due to the Governor and Legislature on December 1, 2008.
- Make recommendations on strategies to maximize enrollment and retention to include streamlined enrollment, conditional eligibility, and expedited renewals for ***hawk-i*** and Medicaid.

The legislation requires the Department to work with advocates, the ***hawk-i*** Board, and key stakeholders in developing recommendations. The Children and Family Policy Center has offered to fund a summit in September with their Finish Line Grant funds to bring the parties together. The Department's policy

staff have been gathering data, will be doing some presentations, and representatives from other states have been invited to make presentations and share their experience.

- Voluntary employer-sponsored health care coverage demonstration project – direct care workers. A report is due to the Governor and General Assembly on December 15th.
- Implement the Family Opportunity Act on January 1, 2009.

Transition to Policy Studies, Inc.:

Ms. Smith said that staff has spent significant time reviewing reports, system specifications, and providing feedback and approvals. The last day of processing for MAXIMUS will be December 24th, with the following week being transition time to PSI.

PSI has a site location, 200 Army Post Road in Des Moines, adjacent to the Iowa Medicaid Enterprise offices.

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.

REPORT FROM NOMINATING COMMITTEE AND ELECTION OF OFFICERS FOR SFY 09:

Julie McMahon chaired the Nominating Committee, which included Selden Spencer and Angela Burke Boston. The Committee recommends Susan Salter as Chair and Selden Spencer as Vice-Chair.

Julie McMahon made a motion to approve the slate of officers. John Ortega seconded the motion. Unanimous approval was made by Angela Burke Boston, Selden Spencer, John Ortega, Julie McMahon and Susan Salter.

APPROVAL OF JUNE 16 AND JULY 8, 2008, MINUTES:

Angela Burke Boston made a motion to approve the June 16, 2008, minutes as written. Selden Spencer seconded the motion. Unanimous approval was made by Angela Burke Boston, Selden Spencer, John Ortega, Julie McMahon and Susan Salter.

John Ortega made a motion to approve the July 8, 2008, minutes as written. Julie McMahon seconded the motion. Unanimous approval was made by Angela Burke Boston, Selden Spencer, John Ortega, Julie McMahon and Susan Salter.

DELTA DENTAL EXPANSION:

Anna Ruggle told the Board that Delta Dental of Iowa has requested that **hawk-i** families be allowed to choose Delta Dental as their dental benefit provider effective January 1, 2009, regardless of whom they choose for their health care coverage. Currently Delta Dental is only offered as the dental benefit in counties with United Healthcare coverage. This expansion would require approval by the **hawk-i** Board.

Ms. Smith explained to the Board that Delta Dental expressed their desire to expand statewide some time ago. At that time the Department was in the process of securing a new contract for **hawk-i**'s third party administrator and the Department was not in a position to entertain a change of this magnitude at the same time. Because the Department had to go through the bid process for a third party administrator a second time, this delayed the implementation date for that contract from July 1, 2008, to January 1, 2009.

Donn Hutchins, President of Delta Dental of Iowa, explained their proposal to the Board and provided some history of the company. Highlights included:

- Delta Dental was founded in 1970 and serves 3,200 employer groups, including State of Iowa employees, for a total of 740,000 enrollees.
- 90 percent of Iowa dentists participate in the Delta Dental network, the largest in Iowa.
- Delta Dental is a not-for-profit organization and exists to improve the oral health of Iowans.
- They fund projects that focus on education, access to care, prevention, and resources.
- Currently **hawk-i** enrollees in 35 counties are not able to choose Delta Dental due to the current structure of the **hawk-i** program, which links the dental carrier to the medical carrier.
- The current contract strategy does not offer **hawk-i** members a choice and limits the number of network dentists available to serve **hawk-i** members.
- The original intent of the **hawk-i** legislation was to provide a choice to **hawk-i** members.
- Delta Dental covers more Iowans than any other dental carrier in the state and he believes that **hawk-i** enrollees should have a choice for their dental care.
- They are willing to work the Board, the Department, and PSI to implement a schedule to accommodate this request.

Ms. Smith said her immediate concern was that the January 1, 2009, implementation date requested by Delta Dental was not feasible because PSI needed to know all the system rules last July in order to program their system. Discussions should also be held with Wellmark to see how this will impact them.

Ms. Smith said that the law is written so that any willing insurer can participate, so it will not require a competitive procurement.

Ms. Salter stated that she doesn't see any reason why the request should not be approved.

Dr. Spencer asked why Delta Dental wasn't offered statewide before. Mr. Hutchins responded that they came in as a provider through an agreement with John Deere Health Plan in 2005. Mr. Hutchins said he wasn't sure if the request to be offered to all *hawk-i* enrollees has been made before because the intent of the law was clarified in 2005 to offer choice.

Ms. Smith stated that when the *hawk-i* program began, dental coverage was offered through the health plans, either directly or as a subcontract. In 2005 John Deere Health Plan stopped offering dental as part of their health plan and subcontracted with Delta Dental. Subsequently, John Deere no longer subcontracts with Delta Dental and the Department has a contract with Delta Dental directly to provide dental benefits to those enrolled in the United Healthcare plan. Wellmark has its own dental subcontract that provides the dental benefits to their enrollees. Ms. Smith explained that Delta Dental's proposal would allow Wellmark health plan enrollees the choice of either Blue Dental or Delta Dental.

Dr. Spencer asked if there was any fiscal impact if this change were approved or would it limit the opportunities for health care offered in any way. Ms. Smith responded that the Department would have to work with Wellmark to carve out separate premiums for health care and dental rather than the one payment made currently that includes both.

Julie McMahon made a motion to direct the Department to move forward with discussions with Delta Dental to expand their network statewide. The Department will bring back additional information for further Board action at a later date. Angela Burke Boston seconded the motion. A roll call vote was taken. Susan Salter, aye; Julie McMahon, aye; Angela Burke Boston, aye; Selden Spencer, aye; John Ortega, aye. Motion passed unanimously.

PUBLIC COMMENT:

Carrie Fitzgerald of the Child & Family Policy Center said that last week was the first meeting of the Iowa Choice Health Care Coverage Advisory Council, which was created as a result of the recent health care legislation. Ms. Fitzgerald was elected as chair of the council with John Aschenbrenner, from Principal Financial, vice-chair. Other members of the council include Governor Terry Branstad; Governor Tom Vilsack; Janet Griffin, representing the Federation of Iowa Insurers; Deb Brewer, director of the YWCA; Jan Laue, AFL-CIO; Jan Knaack-Esbeck, HyVee; Joe Teeling, Iowa Association of

Health Underwriters; State Senators Hatch and Seymour; and State Representative Heddens. The Directors of the Department of Public Health and DHS, and the State Insurance Commissioner are ex officio members. One of the assignments of the group is to come up with a plan to cover all children who are not currently eligible for Medicaid or SCHIP. Governor Vilsack stated to him this means it includes immigrant children, both those not eligible because of the 5-year bar and those that are undocumented. The group will work on a plan to cover children over 300% of FPL and a plan to cover all adults.

Ms. Fitzgerald said that Angela Burke Boston is working with the committee as well as legislative staff. Because this group has to make so many decisions so fast for the report due to the Governor in December, they would like to have someone attend the meetings to answer questions about *hawk-i*.

OUTREACH UPDATE:

New hawk-i Website Demo:

Tracy Smith of ZLR Ignition told the Board that the new *hawk-i* website was just launched. The website has been updated to reflect the “new look” developed for the program. The site can be navigated in several different ways; with menu search options across the top and specific questions to select from across the bottom of the home page.

Ms. Smith stated that the media ads would run through September. Before the campaign started, a telephone survey was conducted of 400 households, 100 from each quadrant of the state, to gauge their awareness of *hawk-i* and their support of the program. At that time, over 50 percent of the respondents were aware of the program and overwhelmingly positive that the State of Iowa has this type of program available. In mid-September ZLR Ignition will conduct another telephone survey to measure how much the awareness and familiarity of the program has increased.

Public relations activities included an outreach to churches campaign on August 3. Every church in Iowa was asked to participate in “Cover the Kids Day”. Churches were asked to mention from the pulpit that it is back to school time and to make sure your kids are healthy. They referred families without health insurance to the *hawk-i* and Medicaid programs. Over 1,000 churches responded to the news release and a packet of materials was furnished to them.

ZLR will be back at the October meeting to recap the media campaign.

Covering Kids and Families and State hawk-i Outreach:

Jenny Hodges reported that they held their third annual back-to-school health fair at McKinley Elementary in Des Moines. Again it was a huge success. The event took place largely because of partnerships made this year. There was very little funding, but served more kids than ever. Partners included Van Meter Industries, Mercy Hospital, and Delta Dental. About 800 bags were given away in two hours. Approximately 400

physicals were conducted as well as dental screenings, nutrition education, lead screenings, and immunizations.

Angie Doyle Scar reported that the Department of Public Health once again let a corner of their booth at the State Fair be used for *hawk-i* outreach activities. Although there were no give-aways available this year, the booth was still busy, which Ms. Doyle Scar attributes to the media campaign and people wanting more information.

NEW BUSINESS:

There was no new business.

The next regular *hawk-i* Board meeting is scheduled for Monday, October 20, 2008, at 12:30 p.m. at the Des Moines Botanical Center, Levitt Room, 909 Robert D. Ray Drive, Des Moines, Iowa.