

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

December 21, 2009

BOARD MEMBERS:

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

LEGISLATIVE BOARD MEMBERS:

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

DEPARTMENT OF HUMAN SERVICES:

Anita Smith
Mike Baldwin
Shellie Goldman
Anna Ruggle

GUESTS:

Nancy Lind
Lynn Tague
Kristine Klauer
Vicky Bauman
Michelle Lickteig
Tracy Rodgers
Jeremy Morgan
Jeni Hanselmas

AFFILIATION:

United Healthcare
Wellmark Blue Cross Blue Shield of Iowa
United Healthcare
United Healthcare
Delta Dental of Iowa
Iowa Department of Public Health
MAXIMUS
United Healthcare

CALL TO ORDER AND ROLL CALL:

The Healthy and Well Kids in Iowa (*hawk-i*) Board met on Monday, December 21, 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 OCTOBER 19, 2009, MINUTES:

Jim Donoghue made a motion to approve the October 19, 2009, minutes. Angela Burke Boston seconded the motion. Angela Burke Boston, Kim Carson, Jim Donoghue, Selden Spencer, Julie McMahon, and Susan Salter unanimously approved the minutes as written.

ADMINISTRATIVE RULE AMENDMENTS:***Adopted and Filed – Dental***

These amendments were published as Notice of Intended Action on September 9, 2009, as ARC 8112B. The amendments are being made to implement a dental-only program for qualified children who have health benefits, but no dental benefits. Existing rules are being amended to clarify that there are separate health and dental plans participating in the *hawk-i* program.

At their October 19, 2009, meeting, the Board tabled any action on the proposed amendments until the December meeting. In October, the Department was still waiting to receive clarification from CMS and no decision had been made by the Governor as to whether he would accept or reject the Department's suggestion of deferring implementation of SF 389 due to his 10 percent across-the-board budget reduction.

Ms. Smith told the Board that the Governor did reject deferring the implementation of SF 389, so the Department is moving forward with a new implementation date of March 1, 2010.

Some minor changes have been made to the rules since they were published under Notice. The Department did receive clarification from CMS that a child can have other dental insurance and still be enrolled in a dental-only program. *hawk-i* would be the secondary coverage. Medically necessary orthodontia will be covered, but no cosmetic orthodontia. Medicaid currently covers medically necessary orthodontia using a Salzmann Index scale of 21. *hawk-i* and Medicaid staff have been working with Delta Dental to come up with a reasonable orthodontia package and the package will be a little more restrictive at a Salzmann Index scale of 26. This has been submitted to CMS for approval.

The clarification also indicated that CMS will not allow a dental-only program if the regular CHIP program has a waiting list. In the event that *hawk-i* would need to go to a waiting list, all children in the dental-only program would be disenrolled.

Jim Donoghue made motion to adopt the rule amendments. Kim Carson seconded the motion. Angela Burke Boston, Kim Carson, Jim Donoghue, Selden Spencer, Julie McMahon, and Susan Salter unanimously approved the adoption of these rule amendments.

Notice of Intended Action – Reasonable Period of Opportunity

Mike Baldwin told the Board that the proposed amendments allow children claiming to be U.S. citizens, who meet all other eligibility criteria except for proof of citizenship, to be enrolled in ***hawk-i*** for up to 90 days pending proof of citizenship. If verification is not received within the 90 days, enrollment will be cancelled. If an enrollment has been canceled for failure to provide proof and the family reapplies, a second reasonable period of time to obtain verification will not be allowed. The Department will be implementing a data match with the Social Security Administration to verify citizenship. This should markedly reduce the number of cases where a birth certificate or other documentation verifying citizenship is required.

Medicaid is also implementing this reasonable period of opportunity. If a child has filed for Medicaid benefits and did not provide the proof during the reasonable period of opportunity, they cannot apply for ***hawk-i*** and receive another 90-day period of time. They can reapply at any time and furnish proof of citizenship.

The effective date of these rule amendments is May 1, 2010. However, citizenship verification for ***hawk-i*** begins January 1, 2010, to be compliant with CHIPRA. For Medicaid, the cost will be approximately \$400,000 state dollars for people that receive benefits and ultimately don't provide the information and are disenrolled. For ***hawk-i***, there is no additional cost because currently they are not required to submit proof of citizenship, they are enrolled.

Selden Spencer made a motion to approve the Notice of Intended Action. Kim Carson seconded the motion. Angela Burke Boston, Kim Carson, Jim Donoghue, Selden Spencer, Julie McMahon, and Susan Salter unanimously approved the rule amendments.

CORRESPONDENCE, REPORTS & OTHER STATE NEWS:

Anita Smith reported that Americhoice is now United Healthcare.

U. S. News and World Report magazine ranked Wellmark's Health Plan of Iowa (WHPI) among the top 100 health insurance plans in the United States.

SCHIP news from other states:

Missouri – Missouri's Governor is receiving criticism for resisting the implementation of express lane eligibility. He ran on a platform of covering all kids, but although he refers to express lane eligibility as "an interesting idea", he is not going to pursue it at this time.

Oregon – Began imposing a 1 percent tax on health care premiums in order to pay for expanding coverage to children up to 200 percent of FPL. Since October 1 10,000 children have been enrolled. Beginning in January subsidized coverage up to 300 percent will be implemented.

Tennessee – Has become the only state to freeze enrollment in CHIP. Enrollment of adults in TennCare has also stopped. Both are a result of budgetary issues.

Washington – Even though his goal is to cover all kids by 2010, the Governor will be reviewing recommendations by DHS to rollback eligibility for children in the Apple Health for Kids program from 300 percent to 205 percent of FPL. This is the same Governor who threatened to sue President Bush in 2007 for not allowing Washington to expand to 300 percent.

Reports – The Kaiser Family Foundation has published a report, “Findings of a 50 State Survey of Eligibility Rules, Enrollment and Renewal Procedures, and Cost-Sharing Practices in Medicaid and CHIP for Children and Parents During 2009”.

ADMINISTRATOR’S REPORT:

Enrollment and Statistics:

Ms. Smith reported that since July, 2008 over 36,000 children have been added to Medicaid. Enrollment in Medicaid expansion has decreased during this same time. Total CHIP enrollment in November was 45,555; 21,162 in Medicaid expansion and 24,393 in ***hawk-i***.

Ms. Smith said that for the first time, the number of kids enrolled in ***hawk-i*** in November actually exceeds the enrollment in the previous month. Usually the current month’s enrollment is less than the previous month until the adjustment is made by adding retroactive enrollments.

Ms. Smith told the Board that there has been a 14 percent increase in CHIP enrollment this past year which exceeded projections by 1,351. Medicaid expansion enrollment is 768 below the projection.

United Healthcare has informed the Department that they have contracted for provider networks in all 99 counties and anticipate having the contracts in place effective February 1, 2010. At that time, ***hawk-i*** enrollees will have a choice of plans in each county.

SFY ’10 Budget Update:

Thus far, 38 percent of projected expenditures have been spent. Interest earned from the ***hawk-i*** trust fund totals \$18,689.

Ms. Smith said that because caseloads are above the projection, they do not anticipate any carryover dollars in SFY ’11. Additionally, the federal matching percentage is decreasing from 74.46 to 73.84 percent. The Department’s budget request is for an additional \$5 million for SFY ’11.

State Legislative Update:

Ms. Smith told the Board that presumptive eligibility for Medicaid and *hawk-i* has been delayed until March 1, 2010. Express lane eligibility for children on food assistance, but not on Medicaid or *hawk-i*, is targeted for June 1.

DHS Reorganization:

Ms. Smith said that employees were notified that the Department would be undergoing reorganization and the DHS Council has approved the plan. The Department will be going from nine divisions to six. Ms. Smith said that her Bureau has been split with the Medicaid component staying with the Bureau of Financial & Work Supports. HIPP and *hawk-i* will be moving to the Iowa Medicaid Enterprise under Jennifer Vermeer. Staff has been notified as to whom the new division administrators are, but most of the bureau chiefs have not been identified.

Federal Health Care Reform Update:

The U. S. Senate passed a bill on December 20th that would expand Medicaid eligibility to 133 percent of FPL for everyone that is not eligible for Medicare. It does not continue the CHIP program as currently written. There is a manager's amendment that will be taken up that will extend CHIP to 2015 and provide the funding.

Ms. Smith said that although a fight between the House and Senate conference committees is anticipated, it is felt that the Senate version will be the framework that is used for any legislation that is passed. The House bill extends Medicaid to 150 percent of FPL for people below the age for Medicare. It does not extend the CHIP program, but does require a study of the impact of children going into the health exchange.

There are some maintenance of effort provisions in the Senate bill, states are required to keep current Medicaid eligibility rules until 2016.

PUBLIC COMMENT:

There were no requests for public comment.

ANNUAL REPORT:

A draft of the 2009 annual report was sent to the Board for review and comment. If Board members have comments or changes, they are to provide them by December 28th. At that time, the report will be finalized and transmitted to the Governor, General Assembly, and Council on Human Services as required.

OUTREACH UPDATE:

Free & Reduced Meal Mailing

Brenda Freshour-Johnston reported that over 31,000 **hawk-i** applications were mailed as a result of the free and reduced meal program. Even though the Department of Education requires all public schools to report, only 240 schools out of a total of 364 have reported at this time. In addition, 6 private schools and 9 other entities that serve children have reported.

Ms. Salter asked why schools are not complying. Ms. Freshour-Johnston said that the Department of Education has told her that although mandated, there are no rewards or punishment for complying. She has been working with the Department of Education and MAXIMUS to simplify the process and make it easier to transmit the information. Some schools have no students wishing to participate. Mr. Donoghue said he knows that reminders are being sent to schools to submit the information.

Update to State Income Tax Form

As a result of the question on the 2008 Iowa income tax return, 57,040 **hawk-i** applications were mailed. A total of 475 applications were received and 471 children were enrolled.

The media advertising has tapered off for now, but will be increasing in January and February.

Dr. Spencer asked which outreach activity seems to be the most successful. Jeremy Morgan from MAXIMUS responded that the **hawk-i** application includes an inquiry as to how they heard of **hawk-i**. The highest response is media.

Ms. Smith said that MAXIMUS recently installed a new web platform and since that time has seen an increase in on-line applications. Prior to the installation, there was an average of 421 applications per month. In October there were over 800, and in November over 1,000. Meanwhile, paper applications continue at the same rate.

Ms. Smith said that the printing and mailing of the **hawk-i** application is very expensive and there doesn't seem to be a very good return on those that are mailed out. As a result, an informational flyer is being developed directing families to the website to apply. Hopefully more families will apply online.

NEW BUSINESS:

There was no new business.

The next regular **hawk-i** Board meeting is scheduled for Monday, February 15, 2010, at 12:30 p.m. The meeting will be held at the Insurance Commission Office at 330 Maple in Des Moines, Iowa.