

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

June 19, 2006

**BOARD MEMBERS:**

Susan Salter, Chair  
Julie McMahan (for Mary Mincer Hansen)  
Dann Stevens (for Judy Jeffrey)  
Angela Burke Boston (for Susan Voss)  
Jim Yeast  
John Baker  
Angelita Ramirez

**LEGISLATIVE BOARD MEMBERS:**

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

**DEPARTMENT OF HUMAN SERVICES:**

Shellie Goldman  
Anna Ruggle

**GUESTS:**

Diane Schroeder  
Kerri Johannsen  
Lynn Tague  
Tracy Rodgers  
Dee Bradley  
Diane Ellis  
Tina Hansen  
Erin Paugh  
Nancy Lind  
Jenny Untiedt  
Joe Estes  
Sarah Dixon  
Pat Swartz  
Nan Colin  
Meghan Wolfe

**AFFILIATION:**

Delta Dental  
Legislative Service Agency  
Wellmark Blue Cross Blue Shield of Iowa  
Iowa Dept. of Public Health  
Empowerment – Jefferson – Keokuk Counties  
CHS Marion County Covering Kids & Families  
Iowa Dept. of Public Health Intern  
Visiting Nurse Services – HCKC  
John Deere Health  
Iowa Dept. of Public Health  
MAXIMUS  
Outlooks/SPPG  
Medical Associates Clinic  
Dubuque Visiting Nurse Association  
Johnson County Public Health

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

The Healthy and Well Kids in Iowa (*hawk-i*) Board met on Monday, June 19, 2006, in the Levitt Room, Des Moines Botanical Center, 909 E. River Drive, Des Moines, Iowa. Susan Salter, Chair, called the meeting to order at 12:35 p.m. A quorum was present.

### **WELCOME, INTRODUCTIONS:**

Ms. Salter welcomed new Board member Angelita Ramirez. Ms. Ramirez was appointed to fill the vacant seat on the Board previously held by Wanda Wyatt Hardwick. The appointment was effective May 1, 2006. Ms. Ramirez is from the Des Moines area and is a nurse at Broadlawns Medical Center in Des Moines.

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 MINUTES OF APRIL 17, and May 8, 2006, MEETINGS:**

Dann Stevens asked for a correction on page 4 of the minutes from April 17<sup>th</sup>. Mr. Stevens said that in the first complete paragraph, last sentence, the word “have” should be inserted after the word “complaints” in the fifth line of that paragraph.

Angela Burke Boston made a motion to approve the April 17, 2006, minutes with that correction. John Baker seconded the motion. Unanimous approval was made by Dann Stevens, Angela Burke Boston, Angelita Ramirez, John Baker, Jim Yeast, Julie McMahon, and Susan Salter.

Dann Stevens made a motion to approve the May 8, 2006, minutes as written. John Baker seconded the motion. Unanimous approval was made by Dann Stevens, Angela Burke Boston, Angelita Ramirez, John Baker, Jim Yeast, Julie McMahon, and Susan Salter.

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

Shellie Goldman discussed SCHIP news from other states:

Illinois- Three articles profile Illinois’ new All Kids program expansion that will begin July 1<sup>st</sup> to cover all children. Parents are charged a sliding fee scale based on their income. Illinois is the first state to implement this broad of a program. New Mexico will cover all kids up to the age of 6 beginning July 1, and at least 8 other states are considering ways to guarantee affordable health care coverage to kids.

Indiana – Democratic legislators are proposing a plan that will provide coverage to everyone by 2008. If the Republican legislators will not support the proposal, Democratic legislators will propose a “skeleton” benefit package for SFY 07.

Maryland – A lawsuit was filed on behalf of 12 immigrant families against Maryland’s Governor who eliminated a program that provided health care coverage for low-income immigrant children. The lawyers for the plaintiffs contend that the Governor discriminated against non-citizens, which is a violation of the state constitution’s equal protection clause. When the Welfare Act of 1996 was passed, Medicaid could no longer be used to provide coverage to immigrants who had been in the country less than five years. However, Maryland chose to continue the coverage with state-only funding. Now lawyers argue that when Maryland began covering legal immigrant children with

state funds, it established a right that could not be taken away without a compelling reason.

Massachusetts- Is one of the states in the forefront of providing universal health care. However, their Governor has vetoed parts of the legislation that some legislators felt was critical to the success of the effort. Specifically, an employer mandate that would have required employers with 11 or more employees to either provide coverage or pay an annual fee of \$295 per worker.

Minnesota – A Children’s Defense Fund report show an increase in the number of uninsured Minnesota children between 2000 and 2004. The legislature proposes to expand coverage and conduct better outreach to parents. They believe 75 percent of the uninsured children are eligible under existing plans, but just are not aware of it.

New Jersey – Assuming that federal funding, including SCHIP redistribution dollars, would continue to be available, Governor Corzine vowed during last year’s gubernatorial campaign to provide coverage to an additional 760,000 children and adults for \$15 million. A study now shows that the Governor severely underestimated the cost of covering an additional 50,000 children through New Jersey’s FamilyCare program. The Governor’s projections would have funded the expansion with \$5 million in state and \$9.3 million in federal funds. Estimates now show that it will cost \$10 million in state funds and over \$29 million in federal funding, assuming it is available.

Oregon – A recent study shows that Oregon is fifth from the bottom in covering kids. This report comes on the eve of a special legislative session to address a \$65 million gap in the Oregon Health Plan budget. Legislators want Oregon to look at the new Massachusetts plan as a model.

Rhode Island – Received \$9 million in redistributed SCHIP funds. The Governor announced that some of this money might be used to continue coverage for non-citizen children. However, since federal funds cannot be used for non-citizen children, they most likely will replace state funds for their CHIP program with the additional federal dollars and use those state funds to cover the non-citizen children.

Texas- Another 9,000 Texas children dropped from their SCHIP program in April, for a total of over 30,000 since December 1, 2005. Half of the children lost coverage because their families didn’t pay the \$50 enrollment fee that is replacing premiums. Enrollment is now at the lowest level since the program began. As a result, the state will begin an outreach campaign to explain the enrollment requirements. Some of the enrollment drop is attributed to their new administrative contractor, Texas Access Alliance, who is being accused of losing documents or failure to process them. A wrong number was printed on a form that resulted in hundreds of applications containing personal health information, social security numbers, and other confidential information to be faxed to a warehouse in Seattle, Washington instead of the Texas company. Legislators are angry and concerned with the ongoing problems in the state’s efforts to streamline application processing they have made a move to have state employees perform the intake functions that have been done by a Bermuda-based private company called Accenture LLP. Some legislators want the contract cancelled.

Vermont – A compromise agreement will allow two years for the uninsured to be covered by private companies that voluntarily offer coverage or are required by the state to offer coverage. If the private model does not work by 2009, a health care commission will revisit the issue.

West Virginia – Their Medicaid plan calls for “personal responsibility contracts” which provide incentives to do things to improve health. If members don’t follow the plan, services could be cut. A report by the Center for Budget and Policy Priorities indicates that this new plan violates federal law, would hurt children, and probably won’t save any money.

#### Other News:

HIPAA Privacy Law – Since the implementation of HIPAA in 2003, HHS has leveled no fines, although there have been over 19,000 complaints. For example, the Texas company with misdirected faxes was a clear violation of HIPAA privacy laws. HHS indicates that they are working on a voluntary compliance concept but the Office of Civil Rights and others criticize HHS for not enforcing the law and making it meaningless.

A Kaiser Commission on Medicaid and the Uninsured report compares populations, coverage, and structures of Medicaid and SCHIP. The report discusses concerns with the new options allowed under the Deficit Reduction Act that allows states flexibility to redesign their Medicaid programs to look more like SCHIP programs. This includes reduced benefits.

### **ADMINISTRATOR’S REPORT:**

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

Ms. Goldman reported that MAXIMUS has been working diligently on their new computer system and has just provided updated enrollment numbers. Total SCHIP enrollment for May 2006 was 35,732. There were 15,716 enrolled in expanded Medicaid and 20,016 ***hawk-i*** enrollees.

Mr. Baker asked if these numbers have been validated and can the Board trust these new numbers to be accurate? Ms. Goldman responded that the Department has been told that these are good numbers.

Mr. Stevens noted that the ***hawk-i*** program shows a decline every month since December and asked the reason for it. Ms. Goldman explained that the reason it appears there has been a fall-off is due to retroactive eligibility. This happens when applicants are referred to Medicaid, Medicaid processes them, and then they are sent back to ***hawk-i***. The enrollment numbers will continue to fluctuate as retroactive enrollments are made. Mr. Stevens noted that Medicaid enrollment increased every month. Staff explained that they do not receive retroactive Medicaid numbers like they do for ***hawk-i***. Also, had these reports for 2006 come on a monthly basis, as is the norm, rather than all at once like they did this year, then the Board would have seen the

gradual shifting of the *hawk-i* numbers as they grew. When the June reports come out, the May 2006 enrollment will probably have increased by several hundred enrollees.

Ms. Salter asked if the estimated number of uninsured children in Iowa has changed. Ms. Goldman responded that she is currently working with statistics and staff is putting together some trend lines. A significant number of children and adults are losing health care coverage and there has also been a reduction in the child population in Iowa. Staff is trying to use other sources such as Kaiser and the University of Iowa to try to establish trends. Ms. Goldman told the Board that she hopes to have these trends and projections available to present to the Board at their August meeting.

### ***SFY '06 Budget Update***

The budget continues to be on track with projected expenditures. Thus far \$13,725,323 has been spent of the \$17,919,689 projected expenditures. Interest earned from the *hawk-i* trust fund is \$214,855.

### ***SFY '07 Budget***

The state budget request for SFY 07 was \$23,413,283. The legislature appropriated \$19,703,715. Even though the appropriation is less than requested, the Department anticipates it will be sufficient. The SCHIP program is up for reauthorization in Congress and the SFY '08 budget request is being prepared and submitted assuming the program will be reauthorized.

### ***Update on MAXIMUS Implementation***

Ms. Goldman told the Board that even though MAXIMUS continues to work very hard to get their new system operating correctly, the Department continues to assess penalties for failure to meet the requirements of the contract they have with the Department.

Mr. Stevens asked what the next step is after assessing the penalties. Would that be terminating the contract, or is there a step in between? Ms. Ruggle responded that there was not a next step, the contract provides for assessing penalties or terminating the contract.

Mr. Baker asked about customer complaints and whether anyone has incurred medical costs for failure to be enrolled. Ms. Goldman responded that they have received some complaints, and they are resolving those issues as quickly as they can. If there was a mistake within the system and enrollment did not take place as it should have, then the child would be enrolled and a capitation payment paid to the health plan from the time enrollment should have taken place, and any claims would then be resubmitted and paid by the health plan.

Mr. Stevens stated that at their April meeting the Board was told that DHS staff would be meeting with MAXIMUS officials to resolve these issues. Mr. Stevens said it is now two months later and he is hearing that these problems were not resolved. He asked if the right people were not a part of the discussion, or has a timeline been set for

resolving the issues. Ms. Goldman responded that yes, a timeline was in place and June 30, 2006, is the date to have most, if not all, of the problems resolved. There are some issues that will go into July. The President and Vice-President of MAXIMUS have requested to come to the August Board meeting to have a discussion with the Board if the Board is interested. The Board members indicated that they would like to have them present at their August meeting.

### ***Outreach to Schools***

Ms. Goldman said that three years ago Director Concannon corresponded with school principals and asked them to distribute **hawk-i** applications to each member of their student body. Director Concannon has asked that this be done again this year. In July a letter will once again be sent to school principals asking for their assistance and in August 497,000 **hawk-i** applications will be distributed to the schools.

In addition to that project, anyone eligible for the free and reduced lunch program receives information so that they can request information about the **hawk-i** program. Those lists are referred to MAXIMUS and they follow up with those families.

### **CONTRACTS FOR APPROVAL:**

#### ***Wellmark Classic Blue***

Ms. Ruggle explained to the Board that this contract was basically the same as in past years, except that this time it is for a three-year period rather than one year. The contract reflects the capitation payment amounts the Board approved in May.

John Baker made a motion to approve the contract between the Department and Wellmark Classic Blue. Angela Burke Boston seconded the motion. Unanimous approval was made by Dann Stevens, Angela Burke Boston, Angelita Ramirez, John Baker, Jim Yeast, Julie McMahon, and Susan Salter.

#### ***Wellmark Health Plan of Iowa (WHPI):***

This contract is for Wellmark's new managed care product. The final contract has a few minor changes in wording from the draft copy sent to the Board, but none of the changes are significant. This contract is also for a three-year period, July 1, 2006, through June 30, 2009.

John Baker made a motion to approve the contract between the Department and Wellmark Health Plan of Iowa (WHPI). Angelita Ramirez seconded the motion. Unanimous approval was made by Dann Stevens, Angela Burke Boston, Angelita Ramirez, John Baker, Jim Yeast, Julie McMahon, and Susan Salter.

#### ***Iowa Department of Public Health – Outreach:***

Ms. Ruggle indicated that although the Board had received a draft copy of this contract, just this morning three different budget options were submitted to DHS by the

Department of Public Health. Since no one has had the opportunity to review these contract proposals, this contract will need to be considered at the August Board meeting. The current contract will end June 30<sup>th</sup>.

Mr. Baker asked what problems that would cause. Ms. Ruggle responded that no outreach would occur in July. The Board has the option of calling a special meeting for the Board to review the contract.

Mr. Yeast asked if delaying the contract would affect any salaries. Ms. Ruggle responded that yes, it would affect Angie Doyle Scar.

After discussion, the Board has asked that once the Department and the Attorney General's office has reviewed the proposal and contract negotiations are completed, the Board would like to hold a special meeting to vote on the contract.

### **CONTRACT AMENDMENTS FOR APPROVAL:**

#### ***John Deere Health Plan***

This is the Fifth Amendment to the Contract. This amendment changes the name from John Deere Health Plan, Inc. to UnitedHealthcare Plan of the River Valley, Inc. It also includes the new capitation rates approved by the Board in May.

John Baker made a motion to approve the contract amendment. Jim Yeast seconded the motion. Unanimous approval was made by Dann Stevens, Angela Burke Boston, Angelita Ramirez, John Baker, Jim Yeast, Julie McMahan, and Susan Salter.

#### ***Delta Dental of Iowa:***

This is the Fifth Amendment to the contract with the Department. This amendment sets the capitation rates that the Board approved in May. The draft copy does contain an error in the date that will be corrected before the parties sign.

John Baker made a motion to approve the contract between the Department and Delta Dental of Iowa. Angelita Ramirez seconded the motion. Unanimous approval was made by Dann Stevens, Angela Burke Boston, Angelita Ramirez, John Baker, Jim Yeast, Julie McMahan, and Susan Salter.

### **PUBLIC COMMENT:**

Diane Ellis, CHS Marion County Covering Kids & Families, addressed the Board. Ms. Ellis expressed her concern about the possibility of a two-month period without an outreach contract in place. Ms. Ellis said this was bad timing, because this would be right in the middle of back-to-school campaigns and the outreach staff needs to be available for follow up. Ms. Ellis stated that although the problems with MAXIMUS have improved, the outreach staff does feel the effects of that and the outreach coordinators are still doing extra contacts with families.

Tracy Rodgers, Department of Public Health, asked to address the Board about oral health. Ms. Rodgers told the Board that for about a year now they have been working with Covering Kids, the **hawk-i** outreach coordinator, Ms. Doyle Scar, and DHS. An informal survey was made of public health clients of their perception of dental health. The results were overwhelmingly positive, but they also received a lot of comments that dental offices just do not understand **hawk-i**. They do not understand that they very easily could provide services to **hawk-i** members. Ms. Rodgers said they have a two-page informational brochure that they will send to all dental offices in the state to educate dentists about the **hawk-i** program. They are hopeful that this outreach will increase the number of dental providers for **hawk-i**.

Nan Colin, Dubuque Visiting Nurse Association, and Pat Swartz from Medical Associates Clinic in Dubuque, asked to address the Board. They were concerned about Medical Associates Clinic not being able to serve **hawk-i** kids because they are not contract providers with John Deere.

Ms. Ruggle responded that the **hawk-i** program contracts with the health plans only. The health plans contract with their providers. Ms. Ruggle said that if Medical Associates wants to be a provider with John Deere, then they need to contact John Deere. The **hawk-i** program does not interfere with contracts between the plans and providers. What the Department looks at, is they make sure that the health plans have adequate access in each county before they approve the plan's participation in the county.

Ms. Burke Boston stated that the Department determines whether the health plan's access is adequate for **hawk-i**. By revisiting this, the Board would be second-guessing the Department's decision that there is an adequate network in Dubuque County. If that is what you want to do, then it is not just looking at the insurance companies as to whether they are doing business. Ms. Burke Boston said that maybe the Board shouldn't expend too much energy at this time, but rather give Medical Associates time to have some dialog with John Deere to see what they can work out. If at that time it is revealed that there really is an access issue, then the Board can revisit it. Ms. Salter stated that she agrees with that statement. But because the Board members have little knowledge of the insurance industry, she thought it would be helpful if the Board knew how the decisions are made, not that they would suggest changes.

### **OUTREACH UPDATE:**

Meghan Wolfe, Johnson County Public Health, spoke to the Board about recent outreach efforts.

Ms. Wolfe says she has a very good working relationship with the schools in Iowa City and some social service agencies in the community.

Outreach efforts include distributing over 1,000 applications through the schools. Over 1,500 stuffers will go out with pay stubs in July and she will be visible at some of the back-to-school activities during the state's annual "tax free" shopping days in August.

Ms. Wolfe has been working with former *hawk-i* Board member Susie Poulton, the district nurse, and has designed a referral form for nurses to use so outreach workers can work individually with families. Ms. Wolfe stated that this one-on-one relationship results in a better success rate for successful enrollment.

She has worked with approximately 47 area churches and has a good relationship with the parish nurses.

Mercy Hospital has been a good partner and were active during the Covering the Uninsured Week activities this spring. Their finance department keeps a supply of *hawk-i* applications to provide to families.

Ms. Wolfe has also been working with the managers of mobile home parks in the community to distribute brochures and other *hawk-i* information. Some have even included *hawk-i* flyers in their newsletters to their residents. She is now working with neighborhood associations to distribute information through their neighborhoods.

Area hotels, fast food restaurants, and nursing homes have been contacted to place *hawk-i* materials in their break rooms.

In July she will be at the Johnson County Fair.

Ms. Salter asked if they track these outreach efforts to determine which are successful. Ms. Wolfe responded that yes they do. Also, in Johnson County they are at 48 percent of their enrollment goal. When Ms. Wolfe started, they were only at 20 percent so they have been making progress. Ms. Salter noted that Johnson County has always struggled with enrollment and asked Ms. Wolfe if she had any insight as to the reason. Ms. Wolfe responded that it was due to the University of Iowa, which is their biggest employer and state employees are not eligible to participate. Students are in transit moving in and out. Ms. Wolfe stated that she goes to the free medical clinic every week and a lot of children are now enrolled in Medicaid as a result.

### **NEW BUSINESS:**

There was no new business to present before the Board.

The meeting was adjourned.

The next *hawk-i* Board meeting is scheduled for Monday, August 21, 2006, at 12:30 p.m. at the Des Moines Botanical Center, Levitt Room, 909 Robert D. Ray Drive, Des Moines, Iowa.