

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

October 18, 2010

**BOARD MEMBERS:**

Kim Carson, Chair  
Dr. Selden Spencer, Vice Chair (absent)  
Angela Burke Boston (for Susan Voss)  
Jim Donoghue (for Kevin Fangman)  
Julie McMahon (for Thomas Newton)  
Joe Hutter  
Susan Salter (absent)

**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  
Anna Ruggle  
Shellie Goldman

**GUESTS:**

Lynn Tague  
Melissa Ellis  
Nancy Lind  
Jeremy Morgan  
Susan Heckenlaible  
Danielle Oswald  
Carrie Fitzgerald  
Tracy Smith  
Kris Bell

**AFFILIATION:**

Wellmark Blue Cross Blue Shield of Iowa  
Iowa Dept. Public Health, *hawk-i* Outreach  
United Healthcare  
MAXIMUS  
Delta Dental of Iowa  
Child and Family Policy Center  
Child and Family Policy Center  
ZLR Ignition  
Senate Majority Caucus Staff

**CALL TO ORDER AND ROLL CALL:**

The Healthy and Well Kids in Iowa (*hawk-i*) Board met on Monday, October 18, 2010, at the Iowa Insurance Division offices, 330 Maple, Des Moines, Iowa. Kim Carson, Chair, called the meeting to order at 12:35 p.m. Anita Smith called the roll. A quorum was present.

## WELCOME, INTRODUCTIONS:

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

## APPROVAL OF AUGUST 16, 2010, MINUTES:

Angela Burke Boston noted a misspelling of reporter Tony Leys name on page two of the minutes. Jim Donoghue made a motion to approve the August 16, 2010, minutes with that correction. Joe Hutter seconded the motion. Angela Burke Boston, Joe Hutter, Julie McMahon, Jim Donoghue, and Kim Carson, unanimously approved the minutes with that one correction.

## CORRESPONDENCE, REPORTS & OTHER STATE NEWS:

Ms. Smith reported on CHIP news:

An article entitled, "Future of Children's Healthcare Program Already Under Debate", was published by "The Hill", a publication out of Washington DC. The article focused on a reference made by Senator Bacus about CHIP assuming a different role as health care reform evolves. This statement has advocates concerned that kids will be shifted to exchanges with fewer benefits. There are reports that some liberal House Democrats who had supported the original CHIP legislation are now supporting its repeal.

An article in the "Des Moines Register" about Iowa's uninsured rate was based on the American Community Survey. This data is more detailed than the U.S. Census data and reports that in 2009 the total uninsured in Iowa was 254,902, or 8.6 percent. Of that number, 222,138 were adults between the ages of 18 and 64, and 32,312 were children. The breakdown by Iowa Congressional District:

|                          |        |      |
|--------------------------|--------|------|
| 1 <sup>st</sup> District | 48,717 | 8.3% |
| 2 <sup>nd</sup> District | 57,754 | 9.5% |
| 3 <sup>rd</sup> District | 49,116 | 7.9% |
| 4 <sup>th</sup> District | 43,902 | 7.5% |
| 5 <sup>th</sup> District | 55,412 | 10%  |

Ms. Smith also shared with the Board a report that appeared in the "State Health Access Reform Evaluation" a program of the Robert Wood Johnson Foundation. The report was about Iowa's income tax return and CHIP project and was written by DHS employee Brenda Freshour-Johnston. As a result of the question on the 2008 Iowa individual income tax return (filed in 2009) asking if dependents had health care coverage, a total of 57,450 **hawk-i** brochures were mailed to Iowa households. Of those, 475 (1%) were completed and returned. From those applications, 140 were approved for **hawk-i** and 191 were referred to Medicaid. In all, 471 previously

uninsured children obtained health coverage as a result of Iowa's 2008 income tax return outreach. Materials costs translated to \$83.16 per enrollee.

## **ADMINISTRATOR'S REPORT:**

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

Ms. Smith reported total CHIP enrollment as of September was 53,143, with 22,264 enrolled in Medicaid expansion, and 28,485 in *hawk-i*. Currently, 2,394 children are enrolled in the dental-only program.

### ***SFY '10 Budget:***

Ms. Smith reported that the final budget report for SFY 2010 showed that almost \$5.7 million will be carried over in the trust fund to SFY 2011. The total state appropriation for SFY 10 was \$29,088,922, projected expenditures were \$23,583,287, and actual were \$23,417,212. Although the total expenditures were very close to actual, projections were off in some line items. For example, *hawk-i* premiums were projected to be \$12,893,679 and actual expenditures (\$14,884,689) were almost \$2 million more than projected. This was attributed to expanding to 300 percent of poverty. Original projections were that the expansion would result in 750 additional children being enrolled, but 4,206 were added. This was offset due to actual enrollment in the dental-only program being less than projected. Only \$90,256 was spent, rather than the projected \$315,910. Ms. Smith said that when reviewing the projected and actual expenditures for outreach, it would appear that outreach expenditures exceeded the amount budgeted by over \$120,000. However, additional outreach funding through PERM and Medicaid was received in the amount of \$166,600. Interest earned from the *hawk-i* trust fund totaled \$64,461.

The Fiscal Committee final report for SFY 10 shows that enrollment in Medicaid expansion was projected to be 16,311; actual enrollment was 15,153. For *hawk-i* projected enrollment was 25,875, and actual enrollment was 27,573.

### ***Federal Update:***

Iowa submitted a request for a CHIPRA bonus last week. The CHIPRA bonus is authorized by the CHIPRA law and gives states a bonus if they meet five out of eight criteria and an increase in enrollment that meets certain targets can be demonstrated. The eight criteria are:

- Implementing continuous eligibility in both Medicaid and CHIP
- Presumptive eligibility
- Elimination of an asset test
- No face-to-face interview
- The same application form and process for both programs
- Implementing express lane eligibility
- Simplified renewal process, which can include ex parte renewals where other data sources are used

- Premium assistance program that meets CHIPRA criteria

Iowa believes they meet six of the eight criteria.

- Continuous eligibility
- No asset test
- No face-to-face interview
- Presumptive eligibility (however, CMS has not approved the state plan amendment at this time)
- Express lane eligibility
- Same forms for application and renewal and the same processes

Ms. Smith said that guidance was received from CMS that indicated they would accept a “no wrong door” policy, so even if different application forms are used, but are interchangeable between programs, it is accepted. Iowa has always had the policy that if a child applies for Medicaid and is found ineligible, they automatically go to *hawk-i* and vice versa without the family having to fill out a separate form. Ms. Smith said she believes the bonus will be in excess of \$2 million, but it all goes to Medicaid, not to CHIP.

Ms. Smith said that there are two state plan amendments (SPA) that have been submitted to CMS and awaiting their approval.

SPA #14 has to do with implementation of the dental-only program as well as implementation of the 30-day grace period. Ms. Smith reported that she met with CMS staff recently and believes that the differences have been resolved, and the SPA will be approved soon.

SPA #15 has to do with presumptive eligibility and was submitted in July 2009. Ms. Smith said the problem stems from the fact that there are rules about what must be on a Medicaid application. For most states, including Iowa, if a presumptive application is filed, it automatically becomes a Medicaid application, the family doesn't have to complete another form. During a discussion with CMS, an issue arose whether under presumptive the question can be asked if the child is a citizen or not. The presumptive criteria say a child can be determined presumptively eligible based on the family's income. However, there is a provision in ARRA that there are no federal funds available for providing services to undocumented immigrants except a provision for three-day emergency services. If the question about citizenship is not asked, then how can the state demonstrate good faith or due diligence that they are meeting that provision? The response from CMS was that eligibility is determined only on income. Ms. Smith said other states were polled, and the majority of the states that responded do ask about citizenship. The problem is due to the fact that there are rules about what must be on a Medicaid application and in most states, including Iowa, when a presumptive application is filed, it automatically becomes a Medicaid application.

***State Projects Update:***

The dental-only phase two has been implemented. In March when the program was implemented, all kids were put into the dental-only program until it could be established whether they qualified for full-benefits or just dental. This created a lot of confusion for enrollees and was not working well. Now applicants are not enrolled into anything until it is clear whether they will be eligible for full-coverage or dental-only.

The 30-day premium grace period has been implemented. This grace period was required under CHIPRA. Examples of the change were provided to the Board:

Previously, an invoice was sent September 20 with a due date of October 10 for November coverage. If the payment was not received by October 19, then a disenrollment letter was sent and on October 31 the child would be disenrolled for failure to pay the November premium. Once a year a family was given a 30-day grace period. If they paid a premium late, they were reinstated without a break in coverage. Otherwise they would have to reapply.

Under the new law, the 30-day grace must be the month of coverage and a notice of decision with appeal rights must be sent no later than the 8<sup>th</sup> day of the month. So under the new policy, an invoice is sent September 20 for the November premium which is due October 5. On October 6 a reminder is sent. On October 20 the invoice for the December premium which is due November 5 will be sent. The invoice will also show that the November premium is past due. On November 8 a reminder/cancellation letter will be sent. On November 17 a disenrollment letter will be sent and the child will be disenrolled on November 30 for failure to pay the November premium.

With this change and the implementation, no one should be disenrolled in October for failure to pay the premium; this will not happen until November.

Ms. McMahon asked if a family is disenrolled for failure to pay a premium, then later reapplies, will they be required to pay the debt. Ms. Smith said yes, but it wouldn't be more than the family's premium for one month, unless there was an insufficient funds check and bank fees are involved. If there has been a change in income when the family reapplies and they would no longer be subject to a premium, the debt will be written off. Also, any debt will be written off after two years. The Board was given a sample copy of the new invoice. Very soon families will be able to pay their premium online.

The next focus will be on quality and improving communications. MAXIMUS has been asked to design a new letter with variable text fields so that when they have to request additional information from families the letter will state specifically what is needed from them. Currently the letter used has checked boxes, but it isn't as specific. This results in oftentimes not getting all of the information, and then sending another letter requesting the information.

#### **PUBLIC COMMENT:**

There were no requests for public comment.

**CONNECTING KIDS TO COVERAGE OVERVIEW:**

Melissa Ellis, state outreach coordinator, was asked to provide the Board with an overview of Secretary of Health and Human Services Kathleen Sebelius's "Connecting Kids to Coverage" challenge. The challenge is to enroll all five million uninsured children currently eligible for Medicaid and CHIP over the next five years. Iowa was one of three states asked to participate in the news conference by submitting video to be shared at the news conference. Iowa was asked to share what they were doing under presumptive eligibility.

Ms. Ellis showed the clips submitted by Oregon, Rhode Island, and Iowa.

Mr. Donoghue and Ms. Ellis announced that school nurses are now eligible to do presumptive eligibility. If interested, the nurses contact provider services at the Iowa Medicaid Enterprise and they will be provided with an identification number and access to a website where they will be trained on how to do presumptive eligibility. They sign a confidentiality agreement, which must be renewed once a year.

Mr. Hutter wanted to be sure that all school nurses know about this new process and was concerned that not all of them would be aware of it if they did not attend the conference. Mr. Donoghue said that the Department of Education would send out an announcement via their school nurse list-serve that will include the details of what was presented at the conference.

**NEW BUSINESS:**

Mr. Hutter noted that according to the Board's Bylaws, it takes a majority of five of the seven members to have a quorum. He asked why it takes five, when a majority would be four. Ms. Smith said that at the time the Bylaws were adopted by the Board, that is the way the Board wanted it. If the Board would like to review their Bylaws, that can be an agenda item in December.

There was no other new business.

The next regular *hawk-i* Board meeting is scheduled for Monday, December 20, 2010, at 12:30 p.m. The meeting will be held at the Insurance Commission Office at 330 Maple in Des Moines, Iowa.