



Iowa General Assembly

2006 Committee Briefings

Legislative Services Agency – Legal Services Division

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MEDICAL ASSISTANCE PROJECTIONS AND ASSESSMENT COUNCIL

Meeting Dates: [October 3, 2006](#) | [June 30, 2006](#)

Purpose. *This compilation of briefings on legislative interim committee meetings and other meetings and topics of interest to the Iowa General Assembly, written by the Legal Services Division staff of the nonpartisan Legislative Services Agency, describes committee activities or topics. The briefings were originally distributed in the Iowa Legislative Interim Calendar and Briefing. Official minutes, reports, and other detailed information concerning the committee or topic addressed by a briefing can be obtained from the committee's Internet page listed above, from the Iowa General Assembly's Internet page at <http://www.legis.state.ia.us>, or from the agency connected with the meeting or topic described.*

MEDICAL ASSISTANCE PROJECTIONS AND ASSESSMENT COUNCIL

October 3, 2006

Co-chairperson: Senator Jack Hatch

Co-chairperson: Senator Maggie Tinsman

Co-chairperson: Representative Danny Carroll

Background. The Medical Assistance Projections and Assessment Council (MAPAC) was established in 2005 Iowa Acts, H.F. 841, section 21, to provide oversight for the IowaCare Program and the Medical Assistance (Medicaid) Program. The Council is required to meet at least quarterly.

Department of Human Services (DHS) update on IowaCare and Medicaid. Assistant Medicaid Director Ms. Jennifer Vermeer, accompanied by DHS Medicaid Director Gene Gessow and DHS Director Kevin Concannon, presented a status report regarding the IowaCare Program. Ms. Vermeer reported that enrollment as of September 7, 2006, was 14,530, which is lower than previous enrollment. She attributed much of the current decline in enrollment to the annual process of reenrollment. Ms. Vermeer also reported that the program goal of covering the intergovernmental transfer loss of \$65 million will be met. She reminded the Council that the University of Iowa Hospitals and Clinics (UIHC) had received an additional \$10 million appropriation for FY 2005-2006, which helped to draw down more federal funding. Even if all of the additional funding is not expended for FY2005-2006 claims, the remainder will be carried forward to the next fiscal year.

Collection of premiums at Broadlawns Medical Center (BMC) began on September 5, 2006, with Iowa Medicaid Enterprise (IME) staffing the collection unit. The staff accepts cash, checks, money orders, and travelers checks. Ms. Vermeer reported that the Code chapter 28E agreements with UIHC and BMC have been signed, the contract for the Child and Family Policy Center to conduct a survey of the disenrolled has been signed, and the UIHC pilot program for prescription drugs and durable medical equipment (DME) began on August 14, 2006.

Ms. Vermeer also reviewed the various health care reform projects that were mandated under 2005 Iowa Acts, ch 167, H.F. 841. The 24-hour nurse helpline provided through UIHC began on October 2, 2006. The Electronic Medical Records Project is being tested and will be available this Fall. The request for proposals for the dental home project is being drafted with the start of the project scheduled for 2008.

With regard to the Medicaid Program in general, Ms. Vermeer reported that the Remedial Services Program, which will replace the ARO will begin November 1, 2006, with a transition period lasting until January 1, 2007. Additionally, H.F. 2734, enacted by the 2006 General Assembly, requires DHS to apply for certain grant opportunities under the federal Deficit Reduction Act. The IME proposes applying for four grant projects, including a \$1.5 million grant for outreach to assure preventive screenings and early diagnosis of chronic disease partnering with Des Moines University; instead of a \$4.0 million grant to provide Medicaid coverage of services to parents in the child welfare system, a grant relating to electronic medical records and the Medicaid Management Information System (MMIS); a \$1.0 million grant to improve training and compliance of documentation requirements in Home and Community-Based Services (HCBS) and other programs; and a \$.5 million grant to create a fiscal agent for wage deductions and to set up a health insurance pool for independent consumer directed care attendants partnering with AFSCME. Ms. Vermeer also mentioned that the federal Deficit Reduction Act included \$50 million for a Centers for Medicare and Medicaid Fraud and Abuse Program, which will

allow national contractors to conduct audits of providers.

Broadlawns Medical Center (BMC) Update on IowaCare. Ms. Mikki Steir, BMC Senior Vice President, Government and External Relations, presented information for BMC as a provider under the IowaCare Program. Ms. Steir reported that BMC provides 36 percent of the care to IowaCare enrollees and has the largest percentage of enrollees in the state. Ms. Steir thanked legislators for supporting the collection of premiums at BMC. Even though BMC verified citizenship prior to the institution of the IowaCare Program, BMC is working with DHS to develop a process whereby citizenship would not have to be verified more than once for the various programs. The first annual re-enrollment period is beginning and BMC is finding that the average length an account may be pending for re-enrollment, due to citizenship verification, is 30 or more days. DHS is allowing 20 days for provision of information for reenrollment and a client may ask for an extension. The issue of transfer of IowaCare patients from BMC to UIHC for tertiary care is ongoing. BMC has provided \$2,547,620 in pharmaceuticals and \$72,855 in DME to IowaCare patients since July 2005. BMC is excited about the opportunity of providing health risk assessments as an incentive to patients and about the electronic medical records project. Ms. Steir noted that the first year of implementing IowaCare Program has been a learning experience for BMC, but that communication has always been open with DHS.

University of Iowa Hospitals and Clinics (UIHC) Update on IowaCare. Dr. Stacey Cyphert, Special Advisor to the President for Health Science Government Relations, UIHC, provided information for UIHC as one of the IowaCare providers. Dr. Cyphert reported that there is an issue of individuals being enrolled in IowaCare who also have access to group health insurance. Volume of IowaCare patients at UIHC remains brisk, with 3,900 unique IowaCare and Chronic Care patients having made 11,112 visits through September 21, 2006. Over 149,000 miles have been logged on UIHC vans in transporting IowaCare patients to UIHC, and patients have come from all 99 counties. On August 14, 2006, UIHC implemented pilot pharmaceutical and DME programs. Over 8,600 prescriptions have been filled at a cost of approximately \$199,000, and 90 patients have received DME at a cost in excess of \$25,000. In general, the pharmaceutical program covers generic pharmaceuticals unless an IowaCare patient requires a brand name pharmaceutical, in which case a 30-day supply of the brand name pharmaceutical will be provided.

Electronic Medical Records Demonstration. Mr. Randy Clemenson, IME, provided a demonstration of the Electronic Medical Records Project which provides information to Medicaid providers regarding eligible Medicaid clients based on processed Medicaid claims. The project is designed to provide information to improve patient care and to help reduce duplication of services. Medicaid Director Gessow noted that the system is a start in that it does not provide current records or all information about a patient, but that it does have the advantage that IME owns all of the data and that the system structure can be built upon and will be compatible with other systems. Mr. Clemenson also provided assurances that the system is secure.

Next Meeting. The next meeting of the Council will be held during the second quarter of the fiscal year, with the date and location of the meeting to be announced at a later date.

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MEDICAL ASSISTANCE PROJECTIONS AND ASSESSMENT COUNCIL

June 30, 2006

Co-chairperson: Senator Jack Hatch

Co-chairperson: Senator Maggie Tinsman

Co-chairperson: Representative Danny Carroll

Background. The Medical Assistance Projections and Assessment Council (MAPAC) was established in 2005 Iowa Acts, H.F. 841, section 21, to provide oversight for the IowaCare Program and the Medical Assistance (Medicaid) Program. The Council is required to meet at least quarterly.

Presentation by the Department of Human Services (DHS). Assistant Medicaid Director Jennifer Vermeer, accompanied by DHS Director Kevin Concannon and Medicaid Director Gene Gessow, presented a status report regarding the IowaCare Program. Ms. Vermeer reported that current enrollment in the program is 17,641 and that 64 percent of the active enrollees have remained in the program for six months or more. All program expenditures are being matched by federal funds, which results in the program goal of covering the loss of intergovernmental transfer revenue in the amount of \$65 million. Ms. Vermeer also discussed premiums, disenrollments, and the various health care reform projects that were included in H.F. 841. Ms. Vermeer noted that other issues relating to the Medicaid Program are the new federal requirements relating to documentation of citizenship for the program and the Centers for Medicare and Medicaid Services Demonstration to Maintain Independence and Employment Grant for which DHS has applied. The grant would provide \$27 million to the state over a three-year period to provide medical coverage and other supports to parolees with serious mental illness to maintain employment and prevent dependence on SSI and other public assistance programs. The program would be implemented in partnership with the Department of Corrections and vocational rehabilitation.

Presentation by University of Iowa Hospitals and Clinics (UIHC). Dr. Stacey Cyphert, Special Advisor to the President for Health Science Government Relations, UIHC, provided information for UIHC as one of the IowaCare providers. Dr. Cyphert reported that 7,764 unique IowaCare and Chronic Care Program patients have been seen at the UIHC as of June 22, 2006, and these patients have made in excess of 40,000 visits. Eighty-nine percent of counties had the same or a greater number of enrolled IowaCare and Chronic Care Program beneficiaries through May compared with the State Papers and Orthopedic Papers utilization in the previous fiscal year. Overall UIHC has seen 3,273 more unique IowaCare and Chronic Care patients through June 22, 2006, than State Papers and Orthopedic Papers patients in the previous fiscal year. The 2006 General Assembly authorized an increase of \$10.6 million over the original \$27.3 million appropriation for the UIHC program for fiscal year 2005-2006 and nearly \$32 million has already been paid to the UIHC with millions in claims still outstanding. Dr. Cyphert noted that the appropriation of \$27.3 million for fiscal year 2006-2007 is unlikely to be sufficient; new federal requirements for documentation of citizenship will likely result in delays in authorization of IowaCare coverage status, which may create hardships for patients and nonnetwork providers; if IowaCare enrollment continues to grow it may challenge the UIHC's ability to meet demand in a timely manner; the UIHC is planning to enhance access to pharmaceuticals and durable medical equipment for IowaCare beneficiaries contingent upon completion of a Chapter 28E agreement; implementation of the nurse helpline for IowaCare beneficiaries is contingent on completion of a separate Chapter 28E agreement between the UIHC and DHS; and plans for the handling of the comprehensive medical examination, personal health improvement plan, and health risk assessment are unclear.

Presentation by Broadlawns Medical Center (BMC). Ms. Mikki Steir, BMC Senior Vice President, Government and External Relations, presented information for BMC as a provider under the IowaCare Program.

Ms. Steir noted that under the IowaCare program, patients do not receive mental health services or pharmaceuticals, but if the patient is also eligible for BMC's Community Care Program (with income up to 200 percent of the federal poverty level) the patient is provided with outpatient pharmaceuticals and Polk County Health Services provides mental health care services.

As of June 30, 2006, 9,047 IowaCare enrollees were Polk County residents and eligible for care at BMC. BMC is providing 37 percent of the care to IowaCare enrollees. With regard to disenrollments, of the 4,887 individuals who disenrolled from IowaCare, 1,976 are residents of Polk County. There were issues with patients understanding the hardship declaration that allows an enrollee to forego the premium payment requirement, but one-on-one communication as well as having DHS staff on-site has helped with this issue. Collection of premiums has been an ongoing issue, but DHS and BMC are working on rules to enable the collection of cash payments at BMC. BMC and DHS are working on facilitating reenrollment of current IowaCare patients as well as provisions for the new federal requirements for verification of citizenship and identity. BMC and UIHC are still working on the issue of transfer of patients from BMC to UIHC for tertiary care. BMC is also working on how to provide dental care under the IowaCare Program.

Medicaid Forecast Update. Ms. Kerri Johannsen, Legislative Services Agency (LSA), Fiscal Division, discussed the most recent Medicaid Forecast agreed upon by DHS, LSA, and the Department of Management. For fiscal year 2005-2006, an ending balance range of negative \$3.0 million to positive \$5.0 million is projected. For fiscal year 2006-2007, the state appropriation total of \$759.2 million is projected to be short in the range of \$25.0 to \$52.0 million with a midpoint of \$38.5 million.

Other Council Discussion. Co-chairperson Tinsman noted that the issue of options to unify services to elder Iowans had been referred to MAPAC in 2005 by the Legislative Council, and she asked if the Council wanted to review this issue. Members expressed concern that there are many programmatic issues that might need to be overcome in order to unify services that are currently under the purview of various departments. Members determined that the issue might be one of communication and coordination and asked for more information regarding ongoing attempts to provide enhanced communication and coordination. Co-chairperson Tinsman asked that the information provided to the Council also include the report of the 2005 legislative interim discussion regarding long-term care.

Recognition of Senator Tinsman. At the request of Co-Chairperson Hatch, the Council expressed its gratitude to Senator Tinsman for her service to the state, including her dedication to health and human services issues, during her tenure in the Iowa Senate.

Next Meeting. The next meeting of the Council will be held during the first quarter of the new fiscal year, with the date and location of the meeting to be announced at a later date.

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