



Iowa General Assembly

Health Policy Oversight Committee Briefings

Legislative Services Agency – Legal Services Division

HEALTH POLICY OVERSIGHT COMMITTEE

Meeting Dates: [December 13, 2016](#) | [November 3, 2015](#) | [December 7, 2015](#) | [September 22, 2016](#)

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 <https://www.legis.iowa.gov/>, or from the agency connected with the meeting or topic described.*

HEALTH POLICY OVERSIGHT COMMITTEE

December 13, 2016

Co-chairperson: Senator Amanda Ragan

Co-chairperson: Representative David Heaton

Background. The Health Policy Oversight Committee (HPOC) of the Legislative Council was established as a permanent legislative committee of the Legislative Council under Iowa Code section 2.45 in 2015 Iowa Acts, chapter 137, section 64, as amended by 2016 Iowa Acts, chapter 1139, section 97:

“The legislative health policy oversight committee, which shall be composed of ten members of the general assembly, consisting of five members from each house, to be appointed by the legislative council. The legislative health policy oversight committee shall meet at least two times, annually, during the legislative interim to provide continuing oversight for Medicaid managed care, and to ensure effective and efficient administration of the program, address stakeholder concerns, monitor program costs and expenditures, and make recommendations.”

In addition, under 2015 Iowa Acts, chapter 137, section 63, as amended by 2016 Iowa Acts, chapter 1139, section 102, the committee is tasked with receiving the quarterly compilations of the input and recommendations of the monthly public meetings convened by the Department of Human Services (DHS) beginning in March 2016, and the bi-monthly meetings beginning March 2017 and continuing through December 31, 2017. The Legislative Council appointed the 10 members of the committee, including Senator Amanda Ragan and Representative David Heaton as co-chairpersons.

Department of Human Services (DHS) Review of Iowa Health Link Quarterly Report. Mr. Chuck Palmer, Director, DHS; Ms. Mikki Stier, Medicaid Director, DHS; Ms. Jean Slaybaugh, Chief Financial Officer, DHS; and Ms. Liz Matney, Managed Care Organization (MCO) Oversight and Supports, Bureau Chief, DHS, reviewed the MCO Report on the first quarter of state FY 2016-2017, published November 30, 2016. The report reflects the second quarter of the Medicaid managed care program. Ms. Stier noted that refinements have already been made to the data collection process and that the executive summary include additional details. Ms. Matney noted that during the first quarter of state FY 2016-2017, the department worked with the MCOs to move more members off the home and community-based services waivers waiting lists; had weekly Strengths, Weaknesses, Opportunities, and Threats (SWOT) meetings; continued to work on, but decided to push back the implementation date of the Eligibility and Verification Information System (ELVS) until late in calendar year 2017; and worked with the State Innovation Model grantees to increase the number of value-based contracts. The department updated and clarified the methodology of data reporting for several of the data elements in the current report compared with the initial report. Data elements highlighted by DHS representatives included adult members assigned to a health care coordinator; the number of community-based case manager contacts and community-based case management ratios for adult members; MCO member grievances and appeals; timely completion of services plans; timely completion of level of care assessments; timely answering of helpline calls and the top reasons for members contacting helplines; medical claims and pharmacy claims payment; utilization of value-added services; provider network access; prior authorization; medical loss ratio and administrative loss ratio; and program savings.

Discussion with Managed Care Organizations (MCOS). The committee discussed various issues with the representatives of the MCOS: Ms. Cheryl Harding, Market President, AmeriHealth Caritas Iowa; Ms. Cynthia McDonald,

Plan President, Amerigroup; and Ms. Kim Foltz, Chief Executive Officer, UnitedHealthcare Plan of the River Valley, Inc.

Report of Public Input Sessions and Other Activities of the Medical Assistance Advisory Council (MAAC). Mr. Gerd Claybaugh, Director of Public Health and Co-chairperson of the MAAC and of the MAAC executive committee, and Mr. David Hudson, public member and Co-chairperson of the MAAC and the MAAC executive committee, provided information and the schedule regarding the public input sessions that will continue to be held throughout the state in 2017 to provide for input and feedback on Medicaid managed care. Director Claybaugh also reported that the MAAC and the MAAC executive committee are continuing to work on action items and a recommendations document.

Update from the Managed Care Ombudsman Program. Ms. Lynzey Kenworthy, Legislative Liaison and Policy Coordinator, Office of the State Long-Term Care Ombudsman, provided an overview of the Managed Care Ombudsman Program, created in 2015 to advocate for Medicaid managed care members who receive long-term services and supports in health care facilities or through one of the seven home and community-based services waiver programs.

Public Comment. The committee received public comment in person and through submissions in writing. The public comments submitted in writing will be posted on the committee's webpage. Those public comments not submitted in writing will be summarized in the minutes of the meeting.

Committee Discussion and Next Steps. The committee discussed the need to continue to meet to provide oversight for Medicaid managed care.

Committee Documents. Documents distributed at the meeting are posted on the committee's webpage: <https://www.legis.iowa.gov/committees/meetings/documents?committee=24165&ga=ALL>

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HEALTH POLICY OVERSIGHT COMMITTEE

August 29, 2016

Co-chairperson: Senator Amanda Ragan

Co-chairperson: Representative David Heaton

Background. The Health Policy Oversight Committee (HPOC) of the Legislative Council was established as a permanent legislative committee of the Legislative Council under Iowa Code section 2.45 in 2015 Iowa Acts, chapter 137, section 64, as amended by 2016 Iowa Acts, chapter 1139, section 97:

"The legislative health policy oversight committee, which shall be composed of ten members of the general assembly, consisting of five members from each house, to be appointed by the legislative council. The legislative health policy oversight committee shall meet at least two times, annually, during the legislative interim to provide continuing oversight for Medicaid managed care, and to ensure effective and efficient administration of the program, address stakeholder concerns, monitor program costs and expenditures, and make recommendations."

In addition, under 2015 Iowa Acts, chapter 137, section 63, as amended by 2016 Iowa Acts, chapter 1139, section 102, the committee is tasked with receiving the quarterly compilations of the input and recommendations of the monthly public meetings convened by the Department of Human Services (DHS) beginning in March 2016, and the bi-monthly meetings beginning March 2017 and continuing through December 31, 2017. The Legislative Council appointed the 10 members of the committee, including Senator Amanda Ragan and Representative David Heaton as co-chairpersons.

Department of Human Services (DHS) Review of Iowa Health Link Quarterly Report. Mr. Chuck Palmer, Director, DHS; Ms. Mikki Stier, Medicaid Director, DHS; Ms. Jean Slaybaugh, Chief Financial Officer, DHS; and Ms. Liz Matney, Managed Care Organization (MCO) Oversight and Supports, Bureau Chief, DHS, reviewed the MCO Report on First Quarter Performance Data, published on August 26, 2016. The report reflects the initial three months of Medicaid managed care. Ms. Matney noted that as time moves forward and additional data is collected, DHS will have more robust data to better measure outcomes, identify trends, and adjust information reported. Data elements reviewed included member enrollment; population reporting including special needs populations; case management ratios; grievance and appeals processes and outcomes; critical incidents reports; timely completion of service plans for members receiving waiver services; level of care assessments; helpline services; medical and pharmacy claims paid, denied, or suspended; utilization of value-added services; provider network adequacy; prior authorization; minimum medical loss ratio and administrative loss ratio; program cost savings to date; value-based purchasing; health care outcomes; and remedies.

Report of Public Input Sessions. Mr. Gerd Claybaugh, Director of Public Health and current Chairperson of the Medical Assistance Advisory Council (MAAC) and of the MAAC Executive Committee, and Mr. Anthony Carroll, current member of the MAAC and of the Executive Committee, provided a report regarding implementation of changes to the MAAC and MAAC Executive Committee required pursuant to 2016 Iowa Acts, chapter 1139, sections 99 through 102,

and the results of the public input sessions being held throughout the state to provide for input and feedback on Medicaid managed care.

Updates on Managed Care Processes and Committee Discussion with the MCOs. The committee received updates on electronic billing versus paper billing, clearinghouses, and claims submissions and processing time frames and discussed various issues with representatives of the MCOs including Ms. Cheryl Harding, Market President, AmeriHealth Caritas Iowa; Ms. Cynthia McDonald, Plan President, Amerigroup; and Ms. Kim Foltz, Chief Executive Officer, UnitedHealthcare Plan of the River Valley, Inc.

Public Comment. The committee received public comment. Additional public comments were submitted in writing and are posted on the committee's webpage. Those public comments not submitted in writing will be summarized in the minutes of the meeting.

Committee Discussion and Next Steps. The committee discussed the format and length of the second meeting to be held during the 2016 interim following receipt of the second Iowa Health Link quarterly report. The co-chairpersons agreed that the second meeting would be longer in length and provide sufficient time for discussion.

Committee Documents. Documents distributed at the meeting, including the written presentations submitted by DHS and the MCOs, are posted on the committee's webpage: <https://www.legis.iowa.gov/committees/committee?ga=86&groupID=24165>.

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Health Policy Oversight Committee

December 7, 2015

Co-chairperson: Senator Amanda Ragan

Co-chairperson: Representative David Heaton

Background. The Health Policy Oversight Committee (HPOC) of the Legislative Council was established as a permanent legislative committee of the Legislative Council under Iowa Code section 2.45 in 2015 Iowa Acts, chapter 137, section 64:

"The legislative health policy oversight committee, which shall be composed of members appointed by the legislative council. The legislative health policy oversight committee shall receive updates and review data, public input and concerns, and make recommendations for improvements to and changes in law or rule regarding Medicaid managed care."

In addition, under 2015 Iowa Acts, chapter 137, section 63, the committee is tasked with receiving the compilation of the input and recommendations of the public meetings convened by the Department of Human Services (DHS) beginning in March 2016.

The Legislative Council appointed the 10 members of the committee, including Senator Amanda Ragan and Representative David Heaton, as co-chairpersons.

Procedural Business. The meeting was called to order at 10:11 a.m., and was adjourned at 3:42 p.m. The committee approved the minutes of the November 3, 2015, meeting of the committee as distributed.

Department of Human Services (DHS)/Managed Care Organization (MCO) Panel. Ms. Mikki Stier, Iowa Medicaid Director, DHS; Ms. Liz Matney, Managed Care Director, Division of Managed Care, DHS; Mr. Jeffrey Jones, Chief Operating Officer, Amerigroup Iowa, Inc.; Ms. Cheryl Harding, Market President, AmeriHealth Caritas Iowa; Ms. Kim Foltz, Chief Executive Officer, UnitedHealthcare Plan of the River Valley, Inc.; and Ms. Lauralie Rubel, President, WellCare of Iowa, provided an update on the implementation status of Medicaid Managed Care and answered questions posed by the committee members. DHS also provided a copy of the MCO comparison chart of value-added services, a document entitled "Medicaid Modernization," and a copy of the Governor's announcement of a safe harbor time period extending until April 1, 2016, the time period during which Medicaid providers will receive 100 percent of the current Medicaid rate for the respective provider.

Update from Medical Assistance Advisory Council (MAAC) Executive Committee. Mr. Gerd Clabaugh, Director, Department of Public Health and Chairperson of the MAAC and the MAAC Executive Committee; Ms. Shelly Chandler, Executive Director, Iowa Association of Community Providers; Mr. Dennis Tibben, Director, State Government Affairs, Iowa Medical Society; and other members of the MAAC and the MAAC Executive Committee, provided background regarding MAAC, the MAAC Executive Committee, recent meetings of the MAAC and the MAAC Executive Committee relating to the topic of Medicaid Managed Care, and the listening sessions scheduled to begin in March 2016 to provide oversight for Medicaid Managed Care.

Motion to Request a Delay of Implementation of Medicaid Privatization. Senator Joe Bolckom moved that the HPOC request the White House and the Centers for Medicare and Medicaid Services (CMS) of the United States

Department of Health and Human Services delay privatization of the Medicaid program until July 1, 2016. The motion was seconded by Senator Liz Mathis. Following recess for a caucus and discussion, on a vote of three-to-two in the Senate and two-to-three in the House, the motion failed.

Public Comment. The committee received public comment. The majority of the public comments were submitted in writing and are posted on the committee's webpage. Those public comments not submitted in writing will be summarized in the minutes of the meeting.

Committee Discussion and Next Steps. Following additional discussion, the committee considered the possibility of holding another meeting prior to the beginning of the legislative session. The co-chairpersons determined they would need to speak with leadership regarding the possibility of holding another meeting.

Committee Documents. Documents distributed at the meeting, including the written presentations submitted by DHS and the MCO are posted on the Committee's webpage: <https://www.legis.iowa.gov/committees/committee?qa=86&groupID=24165>.

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HEALTH POLICY OVERSIGHT COMMITTEE OF THE LEGISLATIVE COUNCIL

November 3, 2015

Co-chairperson: Senator Amanda Ragan

Co-chairperson: Representative David Heaton

Background. The Health Policy Oversight Committee (HPOC) of the Legislative Council was established as a permanent legislative committee of the Legislative Council under Iowa Code section 2.45 in 2015 Iowa Acts, chapter 137, section 64:

"The legislative health policy oversight committee, which shall be composed of members appointed by the legislative council. The legislative health policy oversight committee shall receive updates and review data, public input and concerns, and make recommendations for improvements to and changes in law or rule regarding Medicaid managed care."

In addition, under 2015 Iowa Acts, chapter 137, section 63, the committee is tasked with receiving the compilation of the input and recommendations of the public meetings convened by the Department of Human Services (DHS) beginning in March 2016.

The Legislative Council appointed the 10 members of the committee, including Senator Amanda Ragan and Representative David Heaton, as co-chairpersons.

Procedural Business. The meeting was called to order at 10:06 a.m., and was adjourned at 3:41 p.m. The committee adopted the rules of the committee as distributed.

Department of Human Services Panel Discussion of Medicaid Managed Care. Ms. Sally Titus, Deputy Director, DHS; Ms. Mikki Stier, Division Administrator, Iowa Medicaid Enterprise, DHS; and Ms. Jean Slaybaugh, Chief Financial Officer, DHS; presented information regarding Medicaid Managed Care. Subject areas covered during the presentation included the following:

- **Federal Waiver Approval.** Ms. Stier noted that DHS submitted multiple waiver amendments to the Centers for Medicare and Medicaid of the United States Department of Health and Human Services (CMS) for approval in September 2015. The waiver amendments included a new section 1915(b) Iowa High Quality Health Care Initiative Waiver, nine section 1915(c) Home and Community-Based Services (HCBS) waivers, and two section 1115 waiver amendments relating to changes in the Iowa Wellness Plan and Family Planning demonstration waivers. DHS expects CMS to approve the new Iowa High Quality Health Care Initiative Waiver in early December 2015 and the remaining waivers at the end of December 2015.
- **Managed Care Organization Selection and Contracts.** DHS announced the awarding of contracts on August 17, 2015, to the following four managed care organizations (MCOs): Americagroup Iowa, Inc.; AmeriHealth Caritas, Iowa; United Healthcare Plan of the River Valley, Inc.; and WellCare of Iowa, Inc. Ms. Stier discussed MCO contract terms, onboarding measures, readiness review timelines and status, and provider networks.
- **Member and Provider Outreach.** Ms. Stier discussed the strategy to provide member and provider outreach,

communications with members and providers and the timelines for these communications, member enrollment support provided by the enrollment broker Maximus which is tasked with providing information and conflict-free choice counseling in the selection of a member's MCO; the member enrollment timeline and ongoing member rights and supports including support from the State Long-Term Care Ombudsman for members who receive long-term services and supports; the transition of Magellan and Healthy and Well Kids in Iowa (hawk-i) members to one of the four MCOs and continuity of care provisions; provisions to sustain member and provider relationships including a six-month transition period for physical and behavioral health providers, a 12-month transition period for HCBS case managers, and a two-year transition period for facility and HCBS providers.

- **Provider Information.** Ms. Stier discussed the tools available to providers for contracting, including DHS-approved template agreements to be signed and executed between providers and MCOs, provider manuals, universal applications, baseline rate information, and a provider network fact sheet. Using the experience of Kansas as a model, DHS developed a universal enrollment and credentialing process for new providers and existing providers.
- **Managed Care Oversight.** Ms. Stier reviewed the various entities providing oversight for Medicaid Managed Care including the HPOC, DHS and the Iowa Medicaid Enterprise (IME), an External Quality Review Organization, and stakeholder oversight through the Medical Assistance Advisory Council (MAAC). Ms. Stier provided an overview of a new table of organization for the IME demonstrating the realigning and resizing of positions. She noted that there will be no state layoffs, IME will add seven new FTE positions, and the MCOs will add approximately 2,000 jobs in the state. IME will provide oversight by collecting data to monitor individual MCOs and perform comparative analyses. IME will develop and publish a comprehensive public reporting dashboard which will include quality measures. DHS is also contracting with an External Quality Review Organization (EQRO) to validate MCO data performance, improvement projects, encounter data for quality and operational processes, and public interfacing materials. The MAAC Executive Committee will act as the primary stakeholder group to receive input and submit recommendations to DHS based on monthly stakeholder meetings to begin in March 2016. The recommendations will be compiled by DHS and submitted to the HPOC.
- **Administrative Rules and Code Revisions.** DHS is submitting two administrative rules packets to implement Medicaid Managed Care. One package is managed care-specific and the other is a combination of technical clean-up changes and substantive changes. There are a total of 135 items. The rules were submitted to the Legislative Services Agency (LSA) on October 21, 2015; the DHS Council on Human Services reviewed the notice of intended action on November 10, 2015; the rules were published in the Iowa Administrative Bulletin on November 11, 2015; there will be oral presentations on the proposed rules on December 2-4, 2015; the Legislative Administrative Rules Review Committee reviewed the notice of intended action on December 8, 2015; the DHS Council on Human Services will hold a special telephonic meeting to adopt the proposed rules on December 16, 2015; and the rules will be adopted on an emergency basis after notice, to become effective January 1, 2016.
- **MCO Capitation Rates.** Ms. Slaybaugh reviewed the basis for the development of MCO capitation rates, noting that the rates must comply with federal requirements to be actuarially sound. The capitation rates were set for the initial 18-month rate period to distribute the savings evenly since savings are smaller in the earlier part of the 18-month period and to coincide with the state fiscal year. Ms. Slaybaugh noted that legislative changes will impact capitation rates and that the capitation rates must be approved by CMS. Ms. Slaybaugh also reviewed managed care strategies to reduce costs, the breakdown of the capitation rates and current savings projections attributable to each portion of the overall rate, the medical loss ratio, the administrative loss ratio, and MCO administrative expenses. She also reviewed a comparison of Iowa's provider reimbursement rates relative to national results.

Motion to Delay Implementation of Medicaid Managed Care. Senator Joe Bolkcom moved that the HPOC request that Governor Branstad delay privatization of the Medicaid program. The motion was seconded by Senator Liz Mathis. Following recess for a caucus and discussion, Co-chairperson Heaton called the question. On a vote of 3-1 in the Senate and 2-3 in the House, the motion failed.

MCO Presentations. Representatives of each of the four MCOs presented an overview, followed by questions from the committee.

Public Comment. The committee received public comment. The majority of the public comments were submitted in writing and are posted on the committee's webpage. Those public comments not submitted in writing will be

summarized in the minutes of the meeting.

Committee Discussion and Next Steps. Following additional questions of the DHS panel, the committee discussed the possibility of including provider and consumer panel presentations and the enrollment process for consumers at the next meeting of the committee scheduled for December 7, 2015.

Committee Documents. Documents distributed at the meeting, including the written presentations submitted by DHS and the MCOs, are posted on the committee's webpage.

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