



Iowa Department of Human Services

Terry E. Branstad
Governor

Kim Reynolds
Lt. Governor

Charles M. Palmer
Director

December 21, 2012

Michael Marshall
Secretary of the Senate
State Capitol Building
LOCAL

Carmine Boal
Chief Clerk of the House
State Capitol Building
LOCAL

Dear Mr. Marshall and Ms. Boal:

Enclosed please find the Annual Report of the Healthy and Well Kids in Iowa (*hawk-i*) Board.

This report was prepared pursuant to Iowa Code Section 514I.5 (7) (g) and reflects the activities of the *hawk-i* Board for state fiscal year 2012.

This report is also available on the Department of Human Services website at <http://www.dhs.state.ia.us/Partners/Reports/PeriodicReports/HawkI/HawkiAnnual.html>.

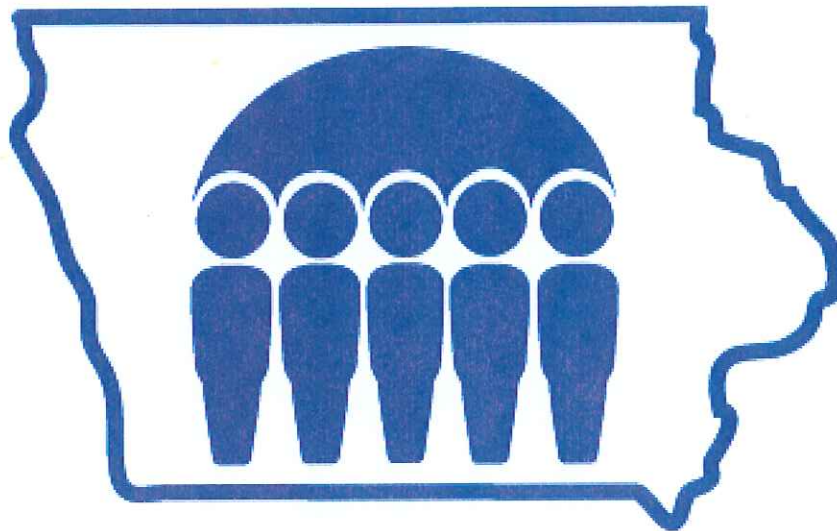
Sincerely,

Jennifer Davis Harbison
Policy Advisor

Enclosure

cc: Governor Terry E. Branstad
Senator Jack Hatch
Senator David Johnson
Representative David Heaton
Representative Lisa Heddens
Legislative Services Agency
Aaron Todd, Senate Majority Staff
Josh Bronsink, Senate Minority Staff
Carrie Kobrinetz, House Majority Staff
Zeke Furlong, House Minority Staff

Iowa Department of Human Services



Annual Report of the hawk-i Board

*To the Governor, General Assembly, and
Council on Human Services*

January 2013

**Annual Report of the *hawk-i* Board SFY12
(July 1, 2011 through June 30, 2012)**

Contents

	<u>PAGE</u>
I. Program Description.....	2
a. Federal History.....	2
b. Iowa’s CHIP Program.....	3
c. Key Characteristics of the <i>hawk-i</i> Program.....	4
II. Budget.....	5
a. Federal Funding History.....	5
b. Contingency Fund.....	6
c. State Funding.....	7
d. CHIPRA Performance Bonus.....	7
III. Enrollment and Disenrollment.....	8
a. Number of Applications.....	9
b. Number of Children Enrolled.....	9
c. Number of Children Disenrolled.....	10
IV. Quality.....	11
V. Outreach.....	14
VI. Presumptive Eligibility.....	16
VII. Payment Error Rate Measurement (PERM).....	17
VIII. CHIPRA Grant.....	19
IX. Participating Health and Dental Plans.....	20
X. Board Membership.....	21
XI. Board Activities and Milestones.....	21

Attachments

Attachment One: Federal Funding and Expenditure History, SFY12 Final Budget, SFY13 Budget, Orthodontia Cases

Attachment Two: Organization of the *hawk-i* Program, Referral Sources/ Outreach Points, History of Participation, Iowa’s Health Care Program for Non-Disabled Children

Attachment Three: How Applicants Heard About *hawk-i* in SFY12

Attachment Four: Presumptive Eligibility for Medicaid

Attachment Five: History of Per-Member-Per-Month Capitation Rate

Attachment Six: *hawk-i* Board Bylaws, *hawk-i* Board Members

Annual Report of the *hawk-i* Board SFY12

To The Governor, General Assembly, and Council on Human Services

Iowa Code Section 514I.5 (g) directs the *hawk-i* Board to submit an annual report to the Governor, General Assembly, and Council on Human Services concerning the Board's activities, findings, and recommendations. This report has been developed for the purposes of the above referenced Iowa Code section.

I. PROGRAM DESCRIPTION

Title XXI of the Social Security act enables states to provide health care coverage to uninsured, targeted low-income children. In Iowa, targeted low-income children are those children covered by a Medicaid Expansion, a separate program called Healthy and Well Kids in Iowa (*hawk-i*), and the *hawk-i* Dental-Only Program which was implemented on March 1, 2010.

The Medicaid Expansion component covers children ages 6 to 19 years of age whose countable family income is between 100 and 133 percent of the Federal Poverty Level (FPL) and infants 0 to 1 year of age whose countable family income is between 185 and 300 percent of the FPL. The *hawk-i* program provides healthcare coverage to children under the age of 19 whose countable family income is between 133 and 300 percent of the FPL, who are not eligible for Medicaid and who are not covered under a group health plan or other health insurance. The *hawk-i* Dental-Only Program covers children who meet the financial requirements of the *hawk-i* program but are not eligible because they have health insurance. The Dental-Only program provides preventive and restorative dental care services as well as medically-necessary orthodontia.

A. Federal History

Congress established the State Children's Health Insurance Program (SCHIP) with passage of the Balanced Budget Act of 1997, which authorized \$40 billion for the SCHIP program through Federal Fiscal Year (FFY) 2007. Under the program, a federal block grant was awarded to states to provide health insurance to children of families with income above Medicaid eligibility levels.

On February 4, 2009, President Obama signed the Children's Health Insurance Program Reauthorization Act of 2009 (CHIPRA), Public Law 111-3, into law. The CHIPRA legislation reauthorized CHIP for four and a half years through FFY 2013 and authorizes approximately \$44 billion in new funding for the program. Through CHIPRA, Iowa has been able to strengthen existing programs and continue providing coverage to thousands of low-income, uninsured children.

Note: The CHIPRA legislation changed the name of the State Children's Health Insurance Program (SCHIP) to Children's Health Insurance Program (CHIP) upon enactment.

The Patient Protection and Affordable Care Act (ACA) was signed into law on March 23, 2010, and continues CHIP programs through September 30, 2019. Federal funding is authorized through 2015. While the full impact of the ACA is not yet known, there will likely be substantial changes to the program as a result. Noteworthy changes will include a single streamlined application as part of the enrollment process and switching to the Modified Adjusted Gross Income (MAGI) methodology to determine family income. The new law prohibits states from reducing their current eligibility standards, referred to as maintenance of effort (MOE), until September 30, 2019.

B. Iowa's CHIP Program

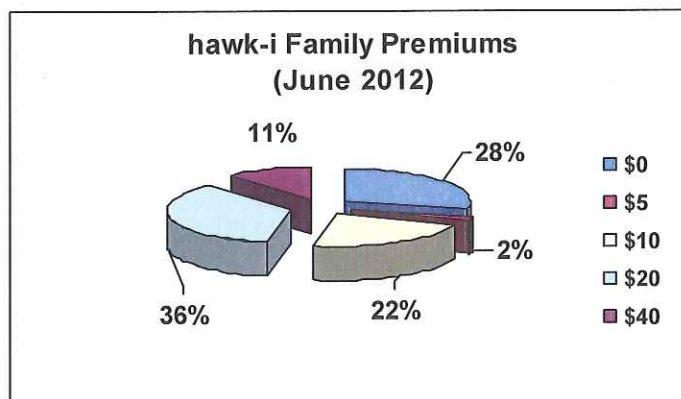
CHIP is a federal program operated by the state, financed with state and federal funds at a match rate of approximately 3 to 1. CHIP was enacted to cover uninsured children whose family income is above the income limits for Medicaid. As noted previously, Iowa's CHIP program has three components:

- **Medicaid Expansion** (Implemented 1998) – Provides health and dental services to infants 0 to 1 year of age and qualified children ages 6 – 19 through the state's Medicaid program at the enhanced federal matching rate. The children covered have income that is higher than regular Medicaid but lower than the income criteria for the *hawk-i* program.
- ***hawk-i*** (Implemented 1999)– Children are covered through contracts with commercial managed care health and dental plans to deliver a full array of health and dental services to qualified children. The *hawk-i* program covers preventative care (immunizations), primary care, hospital and emergency care, chiropractic care, vision, skilled nursing care, dental care, medically necessary orthodontia, and behavioral care including substance abuse and mental health treatment. The coverage package is similar to a comprehensive commercial health and dental insurance plan. The children covered are those with family income higher than the Medicaid Expansion program, and below 300 percent of the Federal Poverty Level (FPL).
- **Dental-Only Program** (Implemented 2010) - Senate File 389 required the implementation of a new federal option to create a CHIP Dental-Only Program. The *hawk-i* Dental-Only Program provides preventive and restorative dental care services as well as medically necessary orthodontia to children with income under 300 percent of the FPL that do not qualify for healthcare benefits under *hawk-i* because they have health insurance.

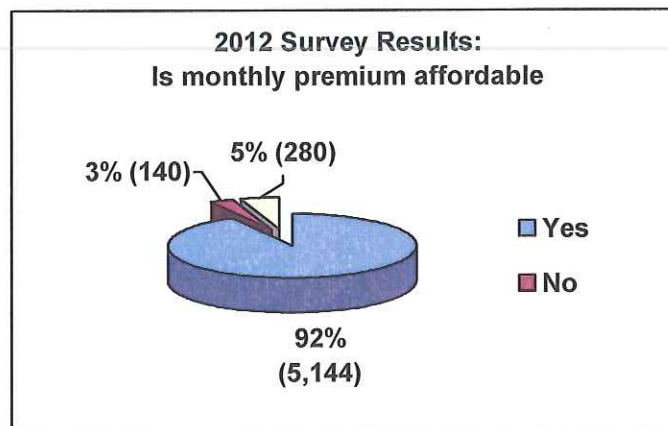
C. Key Characteristics of the *hawk-i* Program

The department pays monthly capitation premiums to commercial insurers and *hawk-i* program benefits are provided in the same manner as for commercial beneficiaries. The covered services under *hawk-i* are different from regular Medicaid and are approximately equivalent to the benefit package of the state's largest Health Management Organization (HMO).

Within the *hawk-i* program, families with income over 150 percent of the FPL pay a monthly premium of \$10- \$20 per child with a maximum of \$40 based on family income. Premiums have not been increased since the program's implementation and Iowa's monthly premium compared to established federal poverty levels are consistently lower than most other states charging a monthly enrollee premium. In June of 2012, 52 percent (11,437) of enrolled *hawk-i* families paid a monthly premium of \$10 or less and 11 percent (2,451) paid the \$40 monthly premium amount.



According to the SFY2012 *hawk-i* enrollee satisfaction survey conducted by the *hawk-i* third party administrator, 92 percent of respondents reported that the monthly premium was affordable while only 3 percent responded that the premium was not affordable.



Unlike Medicaid, the department contracts with a third party administrator for all aspects of application processing, eligibility determination, customer service, management of information systems, premium billing and collection, and health and dental plan enrollment. State staff provides policy guidance, contract management, and general program oversight.

Enrollment in Iowa's CHIP program has been instrumental in providing coverage to thousands of uninsured children since 1998 and Iowa has historically been among the top five states with the lowest uninsured rate among children.

II. BUDGET

A. Federal Funding History

The CHIP program is authorized and funded through Title XXI of the Social Security Act. The program is capped with a fixed annual appropriation established by the legislation authorizing the program. Since implementation in 1997, state CHIP programs across the nation have provided healthcare coverage to millions of uninsured children.

From the initial total annual appropriation, every state was provided an allotment for the year based on a statutory formula established in the original legislation. Prior to FFY05, states were allocated federal funding based on the estimated number of uninsured children in the state estimated to be eligible for the program. In FFY06, the allocation formula was based on 50 percent of the number of low-income children for a fiscal year and 50 percent of the number of low-income uninsured children defined in the three most recent population surveys of the Bureau of Census, with an adjustment for duplication.

States were allowed three years to spend each year's original allotment. At the end of the three-year-period, any unused funds were redistributed to other states. States receiving redistributed funds had one year to spend them. Unused funds remaining at the end of the year were returned to the U.S. Treasury.

With the passage of CHIPRA in 2009, the annual allotment formula was revised to more accurately reflect projected state and program spending. The new allotment formula for each of the 50 states and District of Columbia was determined as 110 percent of the highest of the following three amounts:

- Total federal payments under Title XXI to the state for FFY08, multiplied by an "allotment increase factor" for FFY09;
- FFY08 CHIP allotment multiplied by the "allotment increase factor" for FFY09; or
- The projected FFY09 payments under Title XXI as determined on the basis of the February 2009 estimates submitted and certified by states no later than March 31, 2009.

CHIPRA allowed states to maintain the three-year availability of funds for FFY98-FFY08 allotments, but changed to two-year availability of funds for allotments beginning with FFY09. Additionally, unexpended allotments for FFY07 and subsequent years were redistributed to states that were projected to have funding shortfalls after considering all available allotments and contingency fund payments.

Section 2104(m) (2) (A) (ii) of CHIPRA added a “re-basing” process in determining the FFY11 allotments. This requirement meant that the state payments, rather than their allotments, for FFY10 must be considered in calculating the FFY11 allotments. Specifically, the FFY11 allotments are determined by multiplying the increase factor for FFY11 by the sum of:

- Federal payments made from states available allotments in FFY10;
- Amounts provided as redistributed allotments in FFY10 to the state; and
- Federal payments attributable to any contingency fund payments made to the state for FFY10 determined under Section 2104(n) of the Act.

The next re-basing year will be FFY13.

B. Contingency Fund

Section 2104(n) of the Social Security Act allows a state experiencing a shortfall beginning in FFY09 and every year thereafter, including FFY15, to apply for a contingency fund payment. The criterion to receive the contingency payment is that the state must run out of the annual allocated federal CHIP allotment. Once the criteria are met, there is a formula outlined in the Act that is used to calculate the contingency fund payment the state will receive. The formula is based upon enrollment increases above a targeted enrollment amount and projected per capita expenditures. The payment is not based on the actual state need to cover the shortfall they are experiencing.

Iowa met the criteria for the contingency fund payment on September 7, 2011, and was the first state to qualify for and receive funding. In September 2011, Iowa’s CHIP program projected it would need \$3.8 million federal dollars to cover expenditures through the end of FFY11 (9/30/11). Iowa received an additional \$28 million in Title XXI federal contingency funding for FFY11 (10/1/10 – 9/30/11), \$24.2 million above the shortfall amount requested. The additional contingency funds served useful however as Iowa had a projected \$17 million shortfall, going into FFY12.

An added benefit of the contingency fund payment is that it was used to recalculate Iowa’s FFY12 allotment amount. The original estimate by CMS allotted \$78.8 million to Iowa in FFY12. The contingency fund payment from FFY11 was added to this amount, providing an additional \$28 million to Iowa in FFY12. This helped keep Iowa from being in a shortfall position the year following the contingency fund payment and eliminated the situation created under the original funding formula that resulted in

some states having more money than they could spend while others had shortfalls. The Department did not apply for a contingency fund payment in SFY12.

C. State Funding:

The total original appropriation of state funds for SFY12 was: \$32,806,102.

Available state funding for SFY12 appropriation includes:

General Fund	\$32,806,102
SFY11 <i>hawk-i</i> trust fund carried over to SFY12	<u>\$ 3,587,805</u>
Total State Funding	\$36,393,907

Of this amount, \$34,130,988 was expended. Thus, the program ended SFY12 with a balance of \$2,247,294 in the *hawk-i* trust fund that will be used as carry forward revenue to cover costs in SFY13.

Available state funding for SFY13 appropriation includes:

General Fund	\$36,806,102
SFY12 <i>hawk-i</i> trust fund carried over to SFY13	\$ 2,247,294
Express Lane Eligibility (ELE) Revenue	<u>\$ 15,625</u>
Total State Funding	\$39,069,021

See Attachment One: Federal Funding and Expenditure History, SFY12 Final Budget, SFY13 Budget, and Orthodontia Cases.

D. CHIPRA Performance Bonus

The Children's Health Insurance Program Reauthorization Act of 2009 (CHIPRA) provides performance bonus payments for Federal Fiscal Years (FFY) 2009 through 2013 to help states offset the cost of increased enrollment. To qualify for the bonus payment states must implement five of eight program features and meet enrollment targets established by the CHIPRA legislation. The eight program features include:

- Continuous Eligibility
- Liberalization of Asset (or Resource) Requirements
- Elimination of In-Person Interviews
- The Same Application and Renewal Process for Medicaid and CHIP
- Automatic/Administrative Renewal
- Presumptive Eligibility for Children
- Express Lane Eligibility (ELE)
- Premium Assistance

These program features must be fully operational for a minimum of six months in the fiscal year for which a state is seeking a bonus payment. States can qualify for a bonus payment in each fiscal year, but must actively apply in order to be considered.

The bonus payment calculation is complex, but is primarily based on the number of children enrolled in Medicaid and the per capita cost per child. Iowa did not qualify for a bonus payment in FFY09, but did qualify in FFY10 and FFY11 after implementing presumptive eligibility for children.

The five program features that were operational in FFY10 include:

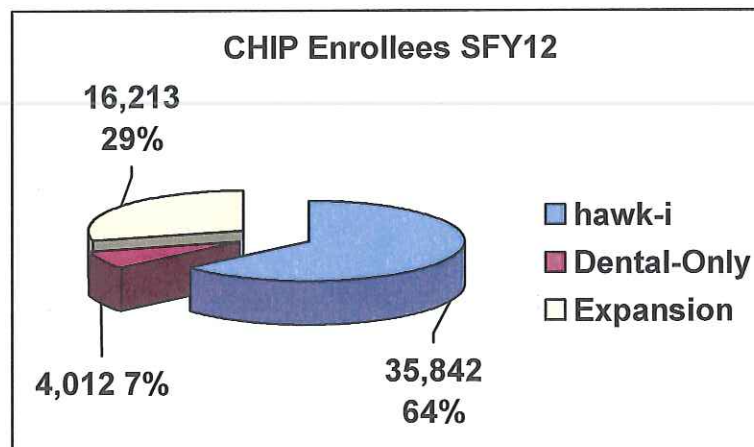
- Continuous Eligibility
- Liberalization of Asset (or Resource) Requirements
- Elimination of In-Person Interviews
- The Same Application and Renewal Process for Medicaid and CHIP
- Presumptive Eligibility for Children

The FFY10 bonus payment totaled \$6,760,901 and was used by the state to offset the costs of individuals enrolled in the Medicaid program, but for whom federal participation was not available. The bonus payment was later adjusted to account for retroactive eligibility which resulted in an additional payment of \$941,743.

In SFY11, the state added express lane eligibility as a sixth program feature implemented. Iowa received a bonus payment of \$9,575,525 in this federal fiscal year. The FFY12 bonus payment was applied for in October 2012 and if successful is expected to be received in December 2012.

III. ENROLLMENT AND DISENROLLMENT

As of June 30, 2012, 56,067 children were enrolled in Iowa's CHIP program. Of the total number enrolled, 16,213 (29%) were enrolled in Medicaid Expansion (M-CHIP), 35,842 (64%) in *hawk-i*, and 4,012 (7%) in the *hawk-i* Dental-Only program. It is projected that by June 30, 2013, the total number of children enrolled in CHIP will reach 60,500. Enrollment is projected to increase to approximately 65,000 in SFY14 and over 69,000 in SFY15.



Total enrollment in the *hawk-i*, *hawk-i* Dental-Only, Medicaid Expansion, and Medicaid programs has increased since the publication of the SFY11 Annual Report. In the twelve-month period between July 1, 2011, and June 30, 2012, total growth equaled 10,879 children. Growth for the Medicaid and CHIP programs in the last year is seen in the table below.

**Enrollment Growth
July 1, 2011 to June 30, 2012**

Program	Enrollment July 1, 2011	Enrollment June 30, 2012	Enrollment Increase
Medicaid	220,930	228,560	7,630/ 3.5%
Medicaid Expansion	16,148	16,213	65/ 0.4%
<i>hawk-i</i>	33,195	35,842	2,647/ 8.0%
Dental-Only	3,475	4,012	537/ 15.5%
Total Enrollment	273,748	284,627	10,879/ 4.0%

A. Number of Applications

From July 1, 2011, to June 30, 2012, the *hawk-i* program received 13,651 new or initial applications and 15,651 renewal applications; totaling 29,302 applications. Approximately 3,684 (12.57%) of these applications were referred to Medicaid.

In addition, 9,931 applications were referred from Medicaid to *hawk-i*. The total number of all applications including new, referrals and renewals received in the twelve-month period was 39,233.

See Attachment Two: Organization of the hawk-i Program, Referral Sources/ Outreach Points, History of Participation, Iowa's Health Care Programs for Non-Disabled Children

B. Number of Children Enrolled

The table below reflects the history of the unduplicated number of children ever enrolled in the *hawk-i* program by Federal Fiscal Year (October 1st through September 30th) and by Federal Poverty Level (FPL) since FFY00. Each child is counted once regardless of the number of times a child was enrolled or reenrolled in the program during the year. This unduplicated count represents the total children served by the *hawk-i* program rather than a point-in-time enrollment.

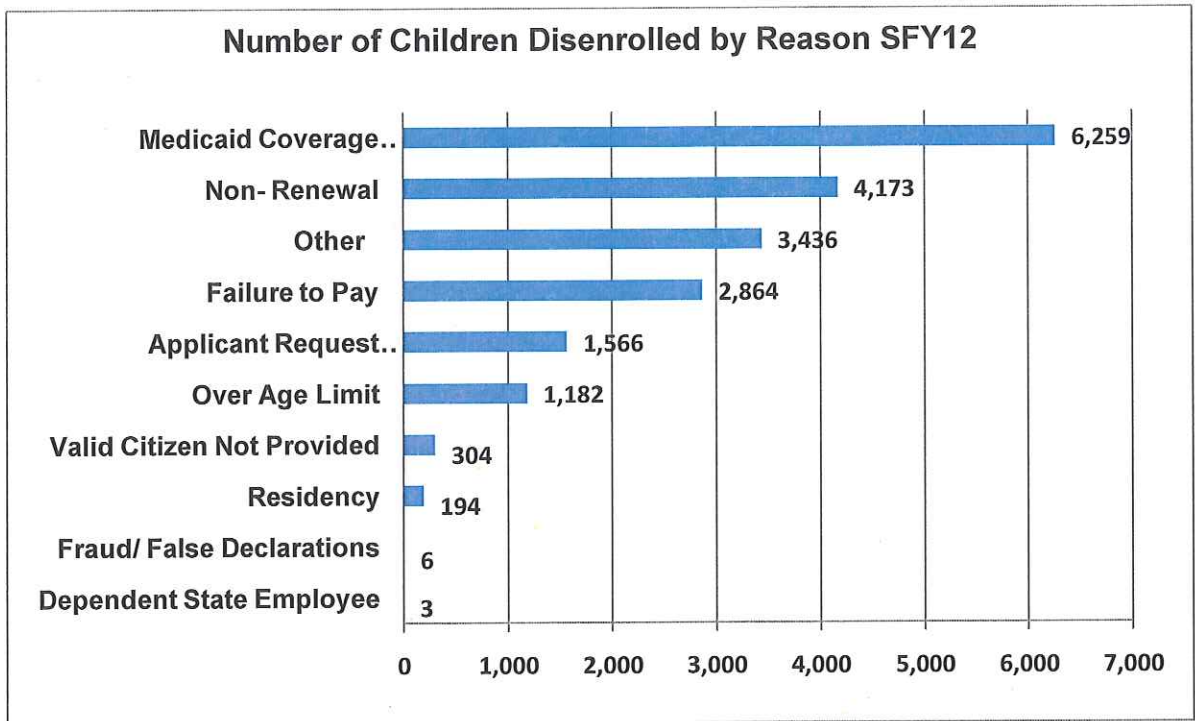
Unduplicated Children Ever Enrolled in *hawk-i* (including *hawk-i* Dental-Only)

Federal Fiscal Year	Federal Poverty Level				Total Children Served
	<=100%	>=101% <=200%	>=201% <=250%	>=251% <=300%	
FFY00	285	8,414	-	-	8,699
FFY01	679	15,993	-	-	16,672
FFY02	682	20,452	-	-	21,134
FFY03	956	22,103	-	-	23,059
FFY04	1,235	25,405	-	-	26,640
FFY05	1,236	28,873	-	-	30,109
FFY06	1,018	30,801	-	-	31,819
FFY07	1,143	31,169	-	-	32,312
FFY08	1,468	31,213	-	-	32,681
FFY09	1,840	27,178	198	881	30,097
FFY10	2,550	35,844	986	5,463	44,843
FFY11	2,230	41,428	1,439	9,019	54,116
FFY12	1,854	44,777	1,474	11,085	59,190

C. Number of Children Disenrolled

To better understand why children are disenrolled from the *hawk-i* program a monthly report is generated that identifies the specific disenrollment reasons. From July 1, 2011, to June 30, 2012, a total of 19,987 children were disenrolled from the *hawk-i* program. For the same time period in SFY11, 23,292 children were disenrolled. This represents a 14 percent decrease in disenrollment, or 3,305 less children disenrolled, comparing SFY12 to SFY 11.

The most common reason for children being disenrolled from the *hawk-i* program in SFY12 was due to obtaining Medicaid coverage. In SFY12, 6,529 children were disenrolled due to obtaining Medicaid coverage. The next highest reasons for being disenrolled were failure to renew coverage (4,173), other (3,436), and failure to pay premiums (2,864). The category "other" contains reasons such as child no longer living in household or not able to reach. The full list of reasons for disenrollment and numbers of children disenrolled is found in the chart below.



IV. QUALITY

The Department contracts with Telligen (formerly Iowa Foundation for Medical Care) to conduct a number of ongoing quality tasks including encounter data analysis, medical records reviews, health and dental outcome measurements, provider geo-mapping analysis, and external review of the health plans. The *hawk-i* program is required by CHIPRA to have a Quality Strategy Plan in place and Telligen is responsible for developing that plan, subject to approval by the *hawk-i* Board prior to implementation. All of the quality functions provided by Telligen, including input from the Clinical Quality Committee, contribute to the content of the Quality Plan.

The above mentioned quality functions are all used to measure the impact of the program, ensure the availability of quality health care providers, and ensure children are receiving appropriate care according to clinical guidelines. Specific quality activities performed in SFY12 are discussed below.

➤ Annual *hawk-i* Provider Network Analysis

In March of 2012, Telligen completed the Annual *hawk-i* Provider Network Analysis which assesses the proximity of *hawk-i* health plan provider networks to *hawk-i* enrollees. Essentially, accessibility standards for different provider types are compared to the location of providers within the plan. Provider types that are assessed include primary care providers, hospitals, behavioral health, pediatric, OB/GYN, and dental providers. The established guidelines are that 95 percent of

members will have access to a provider within an established radius which is 30 miles to a primary care physician, hospital, dentist, and within 60 miles for specialty and mental health providers.

Telligen concluded from their analysis that all the *hawk-i* health plans met accessibility guidelines for the majority of the provider types. Accessibility areas that scored very highly and met the guideline were access to primary care providers, hospital and mental health services, and dental services. Specifically, in the areas of primary care and mental health, 100 percent of UnitedHealthcare and Wellmark Health Plan of Iowa enrollees were within 30 miles of at least one mental health and primary care provider. Dental services through Delta Dental of Iowa were also found to be accessible to 100 percent of enrollees per the guideline (1 provider within 30 miles).

The two areas where the health plans were found to have lower accessibility and in some cases did not meet the guideline were access to pediatric and OB/GYN providers. Accessibility to pediatric providers was found to be within the guideline for 73.3 percent of enrollees with UnitedHealthcare and 66.6 percent among enrollees with Wellmark Health Plan of Iowa. Access to OB/GYN providers was found to be within the guideline for 82.9 percent with enrollees with UnitedHealthcare and 88.3 percent with enrollees with Wellmark Health Plan of Iowa.

➤ **External Quality Review**

May 15 and 16 of 2012, Telligen completed the first review in the three-year External Quality Review (EQR) of UnitedHealth Care (UHC). The EQR for Wellmark Health Plan of Iowa (WHPI) was conducted October 15-17, 2012. The external quality review is completed in accordance with the Balanced Budget Act (BBA) of 1997 as defined in federal regulations (CFR 433 and 438).

The purpose of the review is to assure that each contracted managed care organization providing *hawk-i* coverage is providing quality services for members in accordance with managed care regulations. The reviews completed in SFY12 were for the time period of October 1, 2010 through September 30, 2011. Reviews will be completed for UHC and WHPI each year.

Overall, UHC and WHPI both demonstrated proficiency in the majority of components reviewed. A summary of the compliance review is demonstrated in the following table.

Proficient Compliance Rating				
Measure	Outcome (UHC)		Outcome (WHPI)	
	Enrollee Rights and Protections	26/28	92.9%	25/28
Grievance System	25/27	92.6%	26/27	96.3%
Access and Availability	12/12	100%	12/12	100%

Coordination and Continuity of Care	8/8	100%	8/8	100%
Coverage and Authorization of Services	6/6	100%	6/6	100%
Credentialing and Recredentialing	3/3	100%	3/3	100%
Enrollment and Disenrollment	n/a	n/a	n/a	n/a
Sub-Contractual Relationships and Delegation	n/a	n/a	2/2	100%
Practice Guidelines	6/6	100%	6/6	100%
Quality Assessment	15/15	100%	15/15	100%
Health Information Systems	3/3	100%	3/3	100%
Overall Rating	104/108	96.3%	106/110	96.4%

A review of selected Performance Improvement Projects (PIPs) and Performance Measures (PMs) was completed for each of the health plans as well.

UHC received an overall compliance rating of “C-Confidence in reported plan PIP results” for *Weight Assessment/ Counseling for Nutrition/Physical Activity for Child/Adolescents* and *Adolescent Well Care Visits* and a rating of “LC-Low confidence in reported Plan PIP results” for *Follow-up Care for Children Prescribed ADHD Medication*. Performance measures for *Weight Assessment and Counseling for Nutrition/Physical Activity for Child/Adolescents* and *Lead Screening* were rated as “Not Valid” because data for the PM could not be validated.

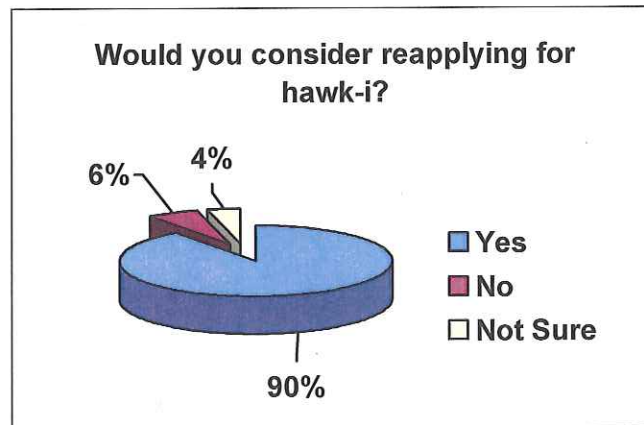
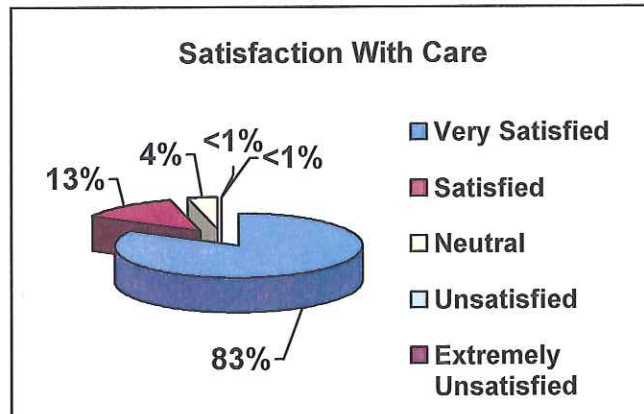
WHPI received an overall compliance rating of “C-Confidence in reported Plan PIP results” for *Telephone Accessibility* and *Prior Approval/Pre-Service Review*. Performance measures for *Childhood Immunizations* and *Asthma* were rated as “SC-Substantially Compliant.” The measure was substantially compliant with State specifications and had only minor deviations that did not significantly bias the reported rate.

➤ **SFY12 *hawk-i* Annual Satisfaction Survey**

The Department conducts an annual satisfaction survey through third party administrator, MAXIMUS. Responses are generated for program areas such as how long children have been in the *hawk-i* program, ease of the application process, satisfaction with care, affordability of monthly premiums, etc.

In SFY12, 96 percent of survey respondents reported being either “very satisfied” or “satisfied” with care. In this survey response, 4,357 *hawk-i* enrollees responded they were very satisfied or satisfied with care while only 29 responded they were “unsatisfied” or “extremely unsatisfied” with care. Also from the survey, 90 percent (869) of survey responders said that they would consider reapplying for *hawk-i* in the future, while only 6 percent (58) said no to consider reapplying for *hawk-i* in the future.

FY12 *hawk-i* Annual Satisfaction Survey Results



V. OUTREACH

Below is a summary of outreach strategies implemented at a statewide and local level in SFY12.

Outreach to Schools:

Providing outreach to schools at both the local and statewide level continues to be important in reaching uninsured, eligible children. Local coordinators from across the state work directly with school nurses as one method of finding these children. Many school nurses refer uninsured children to the *hawk-i* outreach coordinators for enrollment assistance. In addition, brochures and application assistance is available at back-to-school fairs and at kindergarten round ups.

- In central Iowa, a local outreach coordinator sent out an annual mailing to 42 school nurses within the five county service area regarding *hawk-i*. The mailing included a poster and the most current income guidelines. This

outreach coordinator also met with the high school nurses in Madrid (Boone County) and Nevada (Story County) to discuss the *hawk-i* program.

Outreach to the Faith-Based Community:

Outreach coordinators have established relationships within their service areas with faith-based organizations. Outreach coordinators collaborate and partner with their local ministerial associations and churches across Iowa to promote the *hawk-i* program.

- In western Iowa, an outreach coordinator regularly contacts county churches and faith based organizations to provide education on *hawk-i* insurance. Information about *hawk-i* is accessible to families through weekly church bulletins and applications, fact sheets, income guideline inserts, and *hawk-i* dental only factsheets are also available to faith based organizations in Spanish and English.

Outreach to Medical Providers:

Outreach coordinators provide direct outreach to Iowa's medical and dental providers to educate them about *hawk-i*. In addition, outreach coordinators work to recruit staff employed by these medical providers to become Qualified Entities in determining Presumptive Medicaid Eligibility for Children. There is a continued emphasis on engaging hospitals, medical clinics, dental offices, and pharmacists across the state and asking these trusted community leaders to talk to families about the *hawk-i* program.

- In northwest and southwest Iowa, the local outreach coordinator met with staff of local hospitals and medical clinics in Spirit Lake, Milford, Spencer, Storm Lake, Sheldon, Mt Ayr, Greenfield, Fontanelle, and Creston. She presented *hawk-i* information and provided applications to each of the local hospitals and medical clinics. The agency provided additional outreach to Trimark-Family Health Center & Buena Vista Clinic, Storm Lake, and Avera Medical Center in Spirit Lake.

Outreach to Diverse Ethnic Populations:

Outreach coordinators continue to partner with and provide outreach to multicultural and diverse populations across Iowa. Outreach continues to be conducted at local and statewide ethnic health fairs, conferences, festivals, ethnic radio stations, and numerous other events that target ethnic populations. Coordinators are offered culturally competent resources and information throughout the year to help in their local outreach efforts. These resources are usually print/web resources, face-to-face trainings, and webinars.

- In eastern Iowa, as part of the **hawk-i** outreach activity plan, the local outreach coordinator provided outreach to the minority populations through the Minority Health Coalition, neighborhood associations, and the “Culturefest” event in Black Hawk County.

Additional Outreach Activities:

Every year outreach coordinators go beyond the four focus areas to reach families who may have eligible uninsured children. With the recent implementation of Presumptive Medicaid Eligibility for children, many outreach coordinators help families enroll their eligible children in coverage. This process allows for children to enroll in temporary Medicaid coverage while their Medicaid or **hawk-i** eligibility is being determined; and not experience a delay in receiving the urgent care they need.

- The IDPH state coordinator presented two separate 2.5 hour presentations to State Farm Insurance representatives. The presentation included information about the **hawk-i** program and how they could partner with the local **hawk-i** outreach coordinators to assist eligible families in enrolling their eligible children.
- The IDPH state coordinator exhibited **hawk-i** outreach information to self-employed farm families at the Iowa Farm Progress Show.
- The state **hawk-i** outreach coordinator exhibited **hawk-i** information at the Iowa School Nurse Organization’s conference in Iowa City and the Risky Business conference in Ames. This conference brings high school teens, youth serving professionals and concerned community members together to develop skills and increase knowledge of community youth development while addressing critical issues that confront young people and families.

*See Attachment Three: How applicants heard about **hawk-i** in SFY12*

VI. PRESUMPTIVE ELIGIBILITY

Iowa Senate File 389 (2009 Iowa Acts, Chapter 118, Section 38) required the DHS to utilize presumptive eligibility when determining a child’s eligibility for the medical assistance program. Effective March 1, 2010, Iowa implemented presumptive Medicaid eligibility for children under age 19.

Within the presumptive eligibility program, only qualified entities can enroll applicants into the program. A qualified entity is defined in 42 CFR 435.1101 and qualified entities must be determined by the DHS to be capable of making presumptive eligibility determinations. Based on other states’ experience implementing presumptive eligibility, certification of qualified entities was initially limited to a select number of **hawk-i** outreach coordinators.

To date, Iowa has gradually expanded qualified entities and continues to add qualified entities in provider categories including: Head Start programs, WIC clinics, physicians, rural health clinics, general hospitals, federally qualified health centers,

local area education agencies, maternal health centers, and birthing centers. As of November 30, 2012, there are 257 qualified entities that have been authorized to sign up children for the presumptive eligibility program. In SFY12, a total of 2,124 children were approved for presumptive eligibility. Enrollment of children in presumptive Medicaid is expected to continue to grow as the number of qualified entities determining presumptive Medicaid eligibility increases.

All presumptive eligibility applications are also automatically forwarded from the qualified entity to the DHS for a determination of ongoing Medicaid coverage or *hawk-i*. Of the 2,124 children approved for presumptive eligibility, 1,144 were approved for Medicaid, 142 were already eligible for Medicaid, 686 children have been denied for Medicaid, 49 have been approved for *hawk-i* coverage, and 15 were denied for *hawk-i* coverage. The remaining children are pending for final disposition.

See Attachment Four: Presumptive eligibility for Medicaid and hawk-i program design concept.

VII. PAYMENT ERROR RATE MEASUREMENT (PERM)

The Improper Payments Information Act of 2002 (IPIA), Public Law 107-300, requires the Center for Medicare and Medicaid Services (CMS) to estimate improper payments (due to overpayments, underpayments, and payments made to ineligible persons) in the Medicaid and CHIP programs. To implement the requirements of IPIA, CMS developed the PERM project.

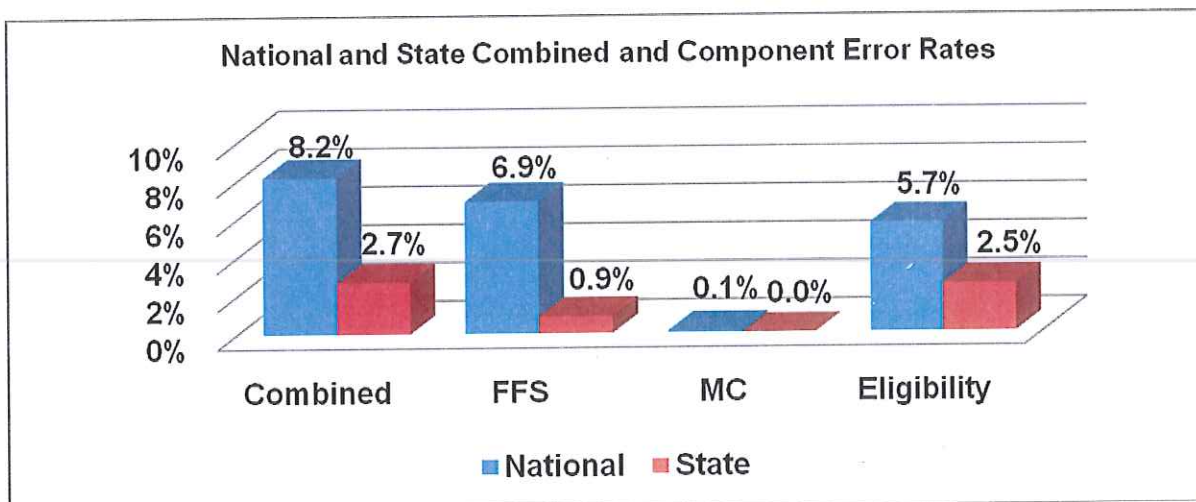
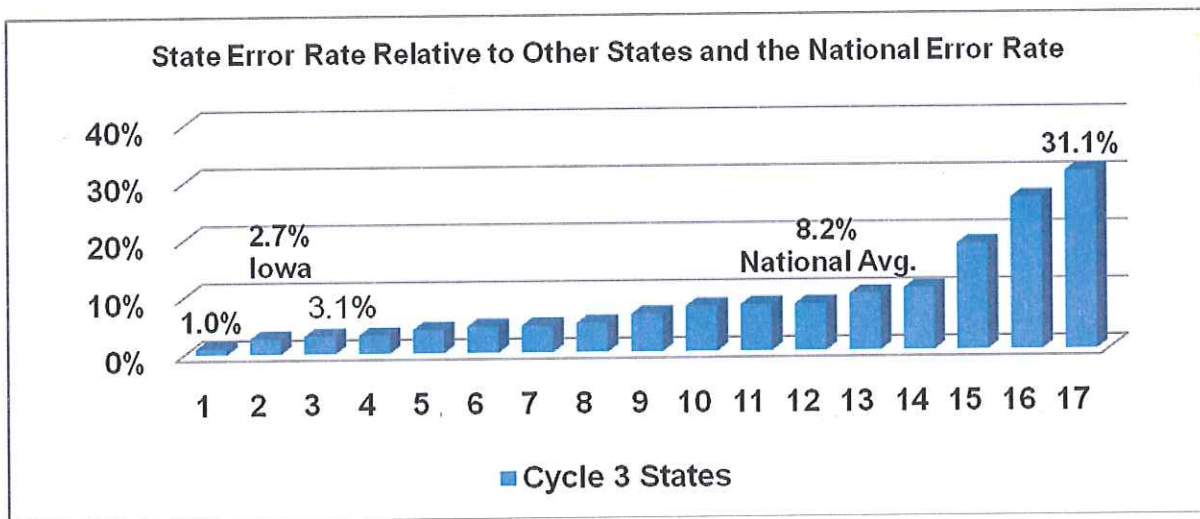
The PERM project is a quality initiative where the Department's Bureau of Quality Control, outside of the policy development, eligibility, and administrative arm of the agency, review both Medicaid and CHIP cases to determine if eligibility and payments were determined correctly. The intended effect of this project is to reduce the rate of improper payments and produce an increase in program savings at both the state and federal levels. The project is an unfunded mandate of the federal government.

Under PERM, reviews are conducted in three areas: 1) fee-for-service (FFS), 2) managed care, and 3) program eligibility. CMS has developed a national contracting strategy for measuring the first two areas, FFS and managed care. States are responsible for measuring the third area, program eligibility. The results of these reviews are used to produce national program error rates, as required under IPIA, as well as state-specific program error rates.

The PERM reviews operate on a federal fiscal year (October 1, 2010 – September 30, 2011) and occur in three- year, 17-state cycles, with every state being reviewed once every three years. Iowa participated in the first PERM reviews in FFY08 and most recently in FFY11. The FFY08 CHIP results were not reported due to CHIPRA legislation.

Federal fiscal year 2011 results were very positive for Iowa's CHIP program. Iowa's overall error rate was 2.7 percent, which was significantly lower than the national rate of 8.2 percent. Error rates ranged from 1.0 to 31.1 percent and Iowa's overall CHIP rate was the second lowest of the 17 states in the group. Iowa's fee-for-service (FFS) error rate was 0.9 percent while the national average was 6.9 percent. Iowa had seven errors totaling \$11,007 within the FFS area. Iowa's eligibility error rate was 2.5 percent while the national error rate was 5.7 percent. Iowa had 34 errors totaling \$2,259 within the eligibility area. The next review will occur in FFY14.

Iowa FY11 CHIP Payment Error Rate Measurement (PERM) Findings



VIII. CHIPRA GRANT

Section 503 of the Children's Health Insurance Program Reauthorization Act of 2009 (CHIPRA) amends section 2107 (e)(1) to make section 1902(bb) applicable to CHIP in the same manner as it applies to Medicaid. Section 1902(bb) governs payment for Federally Qualified Health Centers (FQHCs) and Rural Health Clinics (RHCs) requiring Medicaid programs to make payments for FQHC and RHC services in an amount calculated on a per-visit basis that is equal to the reasonable cost of such services documented for a baseline period, with certain adjustments, or to use an alternative payment methodology to pay for FQHC and RHC services.

CMS has released two rounds of grants totaling \$5 million to aid in the implementation of the above legislation. As part of the second release, the department applied for and was awarded a one-year grant in the amount of \$200,000. The time period of the grant is 07/01/2012 to 06/30/2013. The purpose of the grant is to implement a Prospective Payment System (PPS) or alternate payment methodology ensuring payment for CHIP enrollees receiving services at FQHCs/RHCs at a rate at least equivalent to the Medicaid encounter rate.

Through the first quarter of the grant (September) the department has developed a payment methodology to ensure Medicaid equivalent payments and is currently in process of meeting with the *hawk-i* plans to implement the new methodology. The department will continue to work to implement the methodology for a July 1, 2013 implementation date.

IX. PARTICIPATING HEALTH AND DENTAL PLANS

Currently, families in all 99 counties have a choice of two managed care health plans (Wellmark Health Plan of Iowa and UnitedHealthcare) and one dental plan (Delta Dental of Iowa).

- Wellmark Health Plan of Iowa (WHPI) coverage became statewide September 30, 2009.
- UnitedHealthcare coverage became statewide March 1, 2010.
- Delta Dental of Iowa coverage became statewide on July 1, 2009. On March 1, 2010, Delta Dental of Iowa expanded providing *hawk-i* Dental-Only coverage including medically necessary orthodontia.

Health and Dental Plan Capitation Rates

In SFY12 monthly capitation rates for the participating *hawk-i* plans were as follows:

<i>hawk-i</i> Health Plan	SFY12 Monthly Capitation Rate
UnitedHealthcare	\$178.91
Wellmark Health Plan of Iowa	\$181.29
Delta Dental of Iowa	\$22.53

The above rates are paid each month to the plans for each child enrolled with the plan, regardless of whether or not the enrolled child accesses services.

Effective July 1, 2012 (for SFY13), the Board approved a 5.5 percent increase for Wellmark Health Plan of Iowa, a 1.5 percent increase for United Healthcare, and a 1.0 percent increase for Delta Dental of Iowa.

SFY13 monthly capitation rates for the participating *hawk-i* plans will be as follows:

<i>hawk-i</i> Health Plan	SFY13 Monthly Capitation Rate
UnitedHealthcare	\$181.59
Wellmark Health Plan of Iowa	\$191.26
Delta Dental of Iowa	\$22.76

See Attachment Five: History of Per Member Per Month Capitation Rate.

X. BOARD MEMBERSHIP

The *hawk-i* Board is comprised of four public members, the Directors of Education and Public Health, and the Insurance Commissioner. There are four ex-officio legislative members, two from the House and two from the Senate.

See Attachment Six: Healthy and Well Kids in Iowa (hawk-i) Board Bylaws, Healthy and Well Kids in Iowa (hawk-i) Board Members.

XI. BOARD ACTIVITIES AND MILESTONES

H.F.49 requires the *hawk-i* Board to meet no less than six and no more than twelve times per calendar year. The Board generally meets the third Monday every other month; meeting agenda and minutes are available on the *hawk-i* program web site at www.hawk-i.org. Highlights from SFY12 board meetings are as follows:

July 2011

No Meeting

August 2011

The Board was updated on the following:

- Bureau Chief Anita Smith introduced Tony Sithonnorath as the new DHS Policy Specialist for the *hawk-i* program. Jeremy Morgan of *hawk-i* third party administrator, MAXIMUS, introduced new call center supervisor Brandon Thompson.
- Ms. Smith provided updates for:
 - **Enrollment- *hawk-i*** enrollment increased by 1,728 to 33,140.
 - **Budget-** Projects \$3.7 million carry forward from SFY11 to SFY12
 - **CMS Site Visit-** CMS will conduct a site visit to review Iowa's CHIP program on August 30, 2011. CMS plans on reviewing items such as the presumptive eligibility system, the dental only program, performance measures, and express lane eligibility.
- Tonya Sickels from Telligen reported that she is working with Dr. Tom Kline, the medical director for the *hawk-i* Clinical Advisory Committee (CAC) to recruit providers throughout the state to join the CAC.
- *hawk-i* policy specialist Anna Ruggle presented three contract amendments to the Board including the MAXIMUS contract, the Iowa Department of Public Health (IDPH) contract, and the Health Management Services (HMS) contract.
 - The MAXIMUS contract contains a provision that if enrollment increases above 15 percent in a fiscal year, MAXIMUS can receive additional payment. Enrollment was up 22.8 percent in SFY11 so MAXIMUS will receive an additional \$217,890 in SFY12.
 - In regard to the IDPH contract, Ms. Ruggle presented the last extension of the current contract and it was approved.
 - Ms. Ruggle presented the HMS data-match contract for renewal and it was approved extending the contract through June 30, 2012.

- Ms. Ruggle also presented a draft copy of an upcoming RFP for the *hawk-i* insurance data match estimated to be released in December of 2011.

September 2011

No Meeting

October 2011

The Board was updated on the following:

- Bureau Chief Anita Smith introduced Tara Aunspach as a program integrity case reviewer for *hawk-i* and reported that Stephanie Clark has been hired as the new Administrative Assistant 2 for the *hawk-i* program.
- Ms. Smith provided updates for:
 - **Enrollment**- CHIP enrollment increased by 14 percent or 4,754 children.
 - **Final SFY11 budget**- There was \$3,587,505 in carry forward funding from SFY11 to SFY12.
 - **SFY12 budget update**- The SFY12 state need is \$35.3 million and 22 percent of projected expenditures have been spent.
 - **SFY13 budget update**- The state general fund need is \$42 million at a match rate of 72 percent.
 - **CHIPRA Bonus**-Iowa's total CHIPRA bonus was \$7.7 million for SFY10 and \$8.5 million is estimated in SFY11.
 - **CHIP Contingency Fund**- Iowa received a \$28 million contingency fund payment in FFY11.
 - **CMS Site Visit**-The CMS site visit occurred on August 30, 2011. It was a positive visit and CMS staff said they would write a brief letter summarizing the visit rather than completing a formal report. They indicated there were no findings.
- **Telligen Update on Clinical Advisory Committee and Quality Plan**- Tonya Sickels and Dr. Kline from Telligen presented an update on the Clinical Advisory Committee (CAC). There are currently 4 members who have committed to be on the CAC. The first meeting will be October 27.
- **MAXIMUS Contract**- Anna Ruggle reviewed the MAXIMUS contract previously provided to the Board. A vote was taken to approve the contract with MAXIMUS and the motion carried unanimously.
- **Insurance Data Match RFP**- Ms. Ruggle stated that the insurance data-match RFP was finalized and released on October 6, 2011, after receiving no comments on the draft. Proposals are due January 30, 2012. The results of the evaluation committee will be presented to the Board at the February 20, 2012, meeting. The effective date of the contract will be July 1, 2012.
- **CHIPRA Outreach Grant**- Melissa Ellis from the Iowa Department of Public Health (IDPH) reported that the IDPH applied for and was awarded a two-year CHIPRA Outreach Grant on August 18, 2011. The grant is for outreach and retention activities. The year 1 award is \$357,007. The year 2 award is \$324,766.

November 2011

No Meeting

December 2011

The Board was updated on the following:

- Bureau Chief Anita Smith introduced Stephanie Clark as the new Administrative Assistant 2. Ms. Clark will be handling the Board meetings and will be the liaison between Board members and the department. Ms. Smith also announced that Shellie Goldman, *hawk-i* Policy Specialist, will be retiring effective December 30, 2011.
- Ms. Smith provided updates for:
 - **Enrollment-** When comparing October 2010 to October 2011, there was an 11 percent enrollment increase, or 5,911 more children than this time last year. For the state fiscal year, there has been a 2.5 percent increase with growth of 1,441 children. Enrollment is still growing, but at a slower rate. Since the CHIP program began, there has been total growth of 194,402 children enrolled in Medicaid or *hawk-i*: about one quarter of the children in Iowa.
 - **SFY12 Budget Update-** The *hawk-i* trust fund is projected to carry forward \$995,000 into SFY13. The carry forward will be used to offset the SFY13 general fund appropriation.
 - **CHIPRA Bonus-** In SFY10, Iowa received an \$8.6 million bonus for implementing at least 5 of 8 program simplification measures of CHIPRA. This included implementing presumptive eligibility, having no wrong door for applying to Medicaid or *hawk-i*, express lane eligibility, no asset test, and no face-to-face interview. The SFY11 bonus request was submitted to CMS in October. The estimated bonus as calculated by fiscal staff is \$9 million. The state will be notified by end of month of the actual bonus award.
 - **CHIP Site Visit-** The CMS site visit to review Iowa's CHIP program occurred in August. It was a positive visit and CMS staff wrote a brief report describing noteworthy practices of the current *hawk-i* program. The only recommendation that CMS made is noted in the first full paragraph on page four of the report, suggesting that Iowa add a statement on all applications that providing a social security number is optional, for anyone who is not applying for benefits for themselves.
 - **Federal News-** Ms. Smith stated that CHIP will need to be part of the Insurance Exchange. There will need to be a single seamless point of entry for everyone, so the requirements will impact the *hawk-i* program. Ms. Smith also updated the board on new developments concerning Social Security income, as it relates to the ACA. Under the ACA, states are required to use the Modified Adjusted Gross Income (MAGI) methodology to establish eligibility for Medicaid and CHIP.
- **Telligen Update on Clinical Advisory Committee and Quality Plan-** Tonya Sickels from Telligen presented an update on the Clinical Advisory Committee

(CAC). The first CAC meeting was held on October 2. The meeting covered history of the *hawk-i* program and an overview of the quality measures.

- **Governor's Annual Report 2011-** Shellie Goldman provided an overview of the draft annual report. The report was unanimously approved.

January 2012

No Meeting

February 2012

The Board was updated on the following:

- Bureau Chief Anita Smith provided updates for:
 - **Enrollment-** Total CHIP enrollment is 63,172 children, a growth rate of 9 percent from the same time last year. There was an increase of about 1,700 children in Medicaid Expansion enrollment from last year. The increase in *hawk-i* enrollment over last year was about 3,300 children, and the dental-only enrollment increased by 732 children.
 - **ELE Project-** Ms. Smith discussed the Express Lane Eligibility (ELE) Project. CMS has contracted with Mathematica to conduct an evaluation of states that have implemented ELE processes. Mathematica is in the process of gathering information about and data from the *hawk-i* program. They are looking for ties between retention rates and streamlined processes.
 - **Quarterly Survey Results-** Ms. Smith shared the Enrollment and Disenrollment Survey Results conducted by the *hawk-i* program third-party administrator, MAXIMUS. Ms. Smith noted that members who were disenrolled from the *hawk-i* program were asked if they would recommend *hawk-i* to a friend or relative and 96 percent of responders marked yes – a good indication of satisfaction in the program.
 - **Federal News-** Ms. Smith stated that the new federal poverty levels were released at the end of January and levels increased about three percent overall. Ms. Smith also shared a Kaiser report which was published in January of 2012 in which Iowa was one of the states profiled as successful in coverage of children.
- **Insurance Data Match RFP Recommendation-** Anna Ruggle shared with the Board the evaluation committee recommendation for the contract to perform a daily and quarterly insurance data match. The evaluation committee recommended that the *hawk-i* Board approve awarding the contract to Health Management Systems, which currently has the contract. The recommendation carried unanimously.
- **Telligen Update-** Tonya Sickels from Telligen reported the final draft of the *hawk-i* Quality Strategic Plan for 2012 was submitted to DHS on February 1, 2012. Telligen is currently working on a provider network analysis, due to DHS by March 1, 2012. The Clinical Advisory Committee (CAC) met again on January 12, 2012, via phone conference.
- **Outreach Update-** Melissa Ellis from the Department of Public Health provided an overview of outreach activities over the last few months. Outreach

activities of Hawkeye Area Community Action Program (HACAP) of Cedar Rapids, Lee County Health Department of Ft. Madison, and Crawford County Home Health, Hospice & Public Health of Denison, were highlighted.

March 2012

No Meeting

April 2012

The Board was updated on the following:

- **Improving Oral Health of Children in Iowa-** Suzanne Heckenlaible of Delta Dental of Iowa discussed the Delta Dental of Iowa Foundation. The Foundation is a 501C3 organization supporting Delta Dental of Iowa. The mission is to support the oral health of Iowans, through funding of prevention programs, education, access to care, and research.
- Bureau Chief Anita Smith provided updates for:
 - **Staff changes-** Ms. Smith introduced Eric DeTemmerman, recently hired to fill Shellie Goldman's vacant position. He will be responsible for the *hawk-i* annual reports, budget, data and statistics, quality, and other duties.
 - **Enrollment-** As of February 2012, total CHIP enrollment was 64,298 children, of which 3,998 were dental-only, a growth rate of 10 percent from the same time last year. Program growth has begun to slow down.
 - **Federal News-** If the Supreme Court upholds the proposed ACA law CHIP will undergo some significant changes. Ms. Smith has been working with policy staff involved in the Health Benefits Exchange planning, and has found that the current structure of the *hawk-i* program is very similar to what the Exchange will require.
 - **Health Management Systems Contract-** The evaluation committee's recommendation on the Insurance Data Match for *hawk-i* RFP was added to the agenda for a new motion to be made. These recommendations were originally discussed in the February meeting, but the motion was made by an ex-officio member of the Board. A new motion to approve was carried unanimously.
 - **New Business-** Ms. Smith stated that several years ago, the Board directed the department not to bring contracts to the Board for approval if under \$15,000. She asked the Board to consider whether they would like to continue this practice in future. Mr. Skow asked for a summary of the last two fiscal years' amendments and their dollar amounts for the June Board meeting.

May 2012

The Board was updated on the following:

- **Capitation Rates-** Anna Ruggle shared the capitation rates each plan proposed for SFY13: Delta Dental asked for a 1 percent increase; UnitedHealth Care asked for a 1.5 percent increase; and Wellmark asked for a 5.5 percent increase. Motion to accept capitation rates carried unanimously.

- Dr. Hansen was welcomed to the Board, and Mr. Hutter was recognized for his re-appointment.

June 18, 2012

The Board was updated on the following:

- Anita Smith provided updates for:
 - **Enrollment-** As of May 2012, total CHIP enrollment was 64,415 children, of which 60,436 children were covered with full benefits either in *hawk-i* (35,383) or Medicaid Expansion (25,053). SFY12 growth to date for full CHIP coverage was 3,413 children, up 5 percent from last year. For dental-only, there was an increase of 607 children, or 13 percent growth.
- **Iowa Department of Public Health Contract-** New to this contract is the requirement that outreach coordinators be trained to perform Medicaid presumptive eligibility. The total contract amount per year is \$379,500. The program was appropriated \$141,450 in general funds for outreach, which is slightly more than what has been appropriated in the past due to a decrease in the federal financial participation (FFP) match rate. Six members voted in favor of approving the contract and Ms. Julie McMahon abstained. The motion carried.
- **Wellmark Contract-** Anna Ruggle shared issues that still need to be resolved with the Wellmark contract. The contract needs to be signed by June 25th for a July 1st start date. Most of the items are legal terms in the contract, not changes to the scope of service. A motion was made to wait for the AG's office to resolve the contract issues with Wellmark counsel and then convene a Special Board meeting via conference call to approve the contract. The motion passed unanimously.
- **Review of Health Plan's Large Value Claims-** Representatives from the health plans reviewed large value claims, as suggested during the May Board meeting.
 - Nancy Lind, of UnitedHealthcare, stated that inpatient hospital claims, as a percentage of total claims, have increased from SFY10 (6.91%) to SFY11 (9.42%), accounting for most of the high dollar claims increases.
 - Denise McWilliams, of Wellmark, stated that the number of large claims has increased, and the size of those claims has also increased, from calendar years 2009-2011. Outpatient and office visits are driving expenses and when combined, account for about 70 percent of claims paid. ER utilization is very high, twice the average for this type of demographic. Specialty drug and brand name prescription utilization has also increased.

June 26, 2012- The Board convened for a special meeting on Tuesday, June 26, 2012, via conference call.

- **Wellmark Contract Approval-** Anna Ruggle informed the Board that the only outstanding issue is related to public records. The AG's office was able to reach an agreement with Wellmark counsel on this day. The resolution was that DHS has to notify Wellmark if the department receives a request for information for something that may be considered public information, and Wellmark can determine whether it is confidential. For written requests, Wellmark will be given 72 hours to file an injunction to not release information. A motion was made to approve the Wellmark contract with these negotiated changes and the motion carried unanimously.

ATTACHMENT ONE

FEDERAL FUNDING AND EXPENDITURE HISTORY

SFY12 FINAL BUDGET

SFY13 BUDGET

ORTHODONTIA CASES

FEDERAL FUNDING AND EXPENDITURE HISTORY

Iowa CHIP Program

Federal Fiscal Year (FFY)	Allotment	Prior Year Carry Forward Balance	Retained \$	Redistributed \$	Supplemental \$	Contingency Fund \$	Total Federal \$ Available	Total Federal \$ Spent	Balance Remaining	Note
1998	\$32,460,463	-	-	-	-	-	\$32,460,463	\$276,280	\$32,184,183	
1999	\$32,307,161	\$32,184,183	-	-	-	-	\$64,491,344	\$10,562,636	\$53,928,708	
2000	\$32,382,884	\$53,928,708	-	-	-	-	\$86,311,592	\$15,493,125	\$70,818,467	1
2001	\$32,940,215	\$64,690,045	\$3,957,863	-	-	-	\$101,588,123	\$24,846,556	\$76,741,567	2
2002	\$22,411,236	\$65,323,099	\$4,787,171	-	-	-	\$92,521,506	\$28,724,907	\$63,796,599	3
2003	\$21,368,268	\$55,351,451	\$4,222,574	-	-	-	\$80,942,293	\$32,885,307	\$48,056,986	4
2004	\$19,703,423	\$43,779,504	\$2,138,741	-	-	-	\$65,621,668	\$37,273,256	\$28,348,412	5
2005	\$28,266,206	\$28,348,412	-	\$4,379,212	-	-	\$60,993,830	\$40,757,756	\$20,236,074	6
2006	\$26,986,944	\$20,236,074	-	-	\$6,108,982	-	\$53,332,000	\$47,861,826	\$5,470,174	7
2007	\$36,229,776	\$5,470,174	-	-	\$14,001,050	-	\$55,701,000	\$51,337,743	\$4,363,257	8
2008	\$33,177,409	-	-	-	\$29,196,591	-	\$62,374,000	\$55,307,598	\$7,066,402	9
2009	\$34,057,616	-	-	-	\$31,197,684	-	\$65,255,300	\$59,174,313	\$6,080,987	10
2010	\$68,492,373	\$6,080,987	-	-	-	-	\$74,573,360	\$71,553,044	\$3,020,316	11
2011	\$75,497,451	\$3,020,316	-	-	-	\$29,517,883	\$108,035,650	\$81,088,841	\$26,946,809	12
2012	\$115,252,337	\$26,946,809	-	-	-	-	\$142,199,146	\$93,268,092	\$48,931,054	13
2013	\$69,424,103	\$48,931,054	-	-	-	-	\$118,355,157	-	\$118,355,157	14
2014	Unknown									

Note:

1. \$6,128,422 of the FFY98 allotment that remains unspent added to redistribution pool.
2. \$11,418,468 of the FFY99 allotment that remains unspent added to redistribution pool.
3. \$8,445,148 of the FFY00 allotment that remains unspent added to redistribution pool.
4. \$4,277,482 of the FFY01 allotment that remains unspent added to redistribution pool.
5. \$0 of the FFY02 allotment that remains unspent added to redistribution pool.
6. \$0 of the FFY03 allotment that remains unspent added to redistribution pool.
7. \$0 of the FFY04 allotment that remains unspent added to redistribution pool.
8. \$4,363,257 of the FFY07 allotment that remains unspent reverts to treasury.
9. \$7,066,402 of the FFY08 supplemental that remains unspent reverts to treasury.
10. Iowa received \$31,197,684 additional dollars in FFY09 due to the CHIPRA legislation.
11. Total federal dollars spent to NOT include the OIG adjustment. This adjustment will be done first quarter FFY11.
12. Iowa experienced a shortfall in federal funding during the fourth quarter of FFY11 and qualified for a contingency fund payment.
13. The balance carry forward from FFY11 is from the contingency fund payment. Contingency funds are not always expended for CHIP related activities. The total federal dollars spent is an estimate as fourth quarter actuals are not yet available.
14. This is just a partial allotment award. It is based on three quarters of FFY12 expenditures. \$24,652,065 of the carry forward is contingency funds.

SFY12 Final Budget

FY12 Appropriation	\$32,806,102
Amount of <i>hawk-i</i> Trust Fund dollars added to appropriation	\$ 3,587,805
Amount funded by HF 2539 - Health Care Reform bill	\$
Government stabilization dollars	\$
Outreach and PERM dollars from Medicaid	\$
Total state appropriation for FY12	\$36,393,907
Donations	\$
Total	\$36,393,907

State Dollars

Budget Category	Projected Expenditures	YTD Expenditures
Medicaid expansion	\$9,243,227	\$7,630,134
<i>hawk-i premiums (includes up to 300% FPL group)</i>	\$23,169,524	\$24,474,230
Supplemental dental	\$413,175	\$288,505
Processing Medicaid claims / AG fees	\$539,513	\$491,138
Outreach	\$394,150	\$107,991
<i>hawk-i administration</i>	\$1,552,140	\$1,172,289
Earned interest from <i>hawk-i</i> fund	\$ -	(\$33,299)
Totals	\$ 35,311,729	\$ 34,130,988

<i>hawk-i Trust Fund Balance (In State Dollars)</i>
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Amount in <i>hawk-i</i> Trust Fund held in reserve at SFY11 year end	\$ 3,587,805
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SFY13 Budget (September 2012)

	FY13 Appropriation	\$ 36,806,102	
Amount of <i>hawk-i</i> Trust Fund dollars added to appropriation	\$ 2,247,294		(final)
Outreach and PERM dollars from Medicaid	\$		
Total state appropriation for FY13	\$ 39,053,396		
ELE Revenue	\$ 15,625		
Total	\$ 39,069,021		

State Dollars

Budget Category	Projected Expenditures	YTD Expenditures
Medicaid Expansion	\$8,741,162	\$1,676,461
<i>hawk-i</i> premiums (includes up to 300% FPL group)	\$27,136,411	\$6,257,278
Supplemental Dental	\$490,859	\$79,423
Processing Medicaid claims / AG fees	\$565,641	\$0
Outreach	\$141,450	\$10,608
<i>hawk-i</i> administration	\$1,701,967	\$144,452
Earned interest from <i>hawk-i</i> fund	\$	(\$144,452)
Totals	\$38,777,490	\$8,166,719

<i>hawk-i</i> Trust Fund Balance (In-State Dollars)
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<i>hawk-i</i> Trust Fund amount held in reserve at SFY12 year end	\$ 2,247,294
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Orthodontia Cases SFY12

Delta Dental of Iowa

Month	Cases Approved	Cases Denied	Total Cases	Percent Approved	Percent Denied	Total Cost
July 2011	33	31	64	51.56%	48.44%	\$107,315.24
August	34	34	68	50.00%	50.00%	\$197,406.18
September	46	60	106	43.40%	56.60%	\$170,051.09
October	40	32	72	55.56%	44.44%	\$190,602.67
November	57	65	122	46.72%	53.28%	\$194,025.96
December	37	40	77	48.05%	51.95%	\$224,902.22
January 2012	35	41	76	46.05%	53.95%	\$107,052.82
February	48	43	91	52.75%	47.25%	\$200,360.66
March	43	47	90	47.78%	52.22%	\$112,918.76
April	40	51	91	43.96%	56.04%	\$168,689.06
May	37	28	65	56.92%	43.08%	\$200,245.31
June	40	48	88	45.45%	54.55%	\$165,381.23
Totals	490	520	1,010	48.51%	51.49%	\$2,038,951.20

Note:

Cases are requests for orthodontic treatment, not the number of actual claims submitted.

Total cost includes actual claims for both treatment and ancillary services and are for services paid in the given month, regardless of when the orthodontia treatment case was approved.

ATTACHMENT TWO

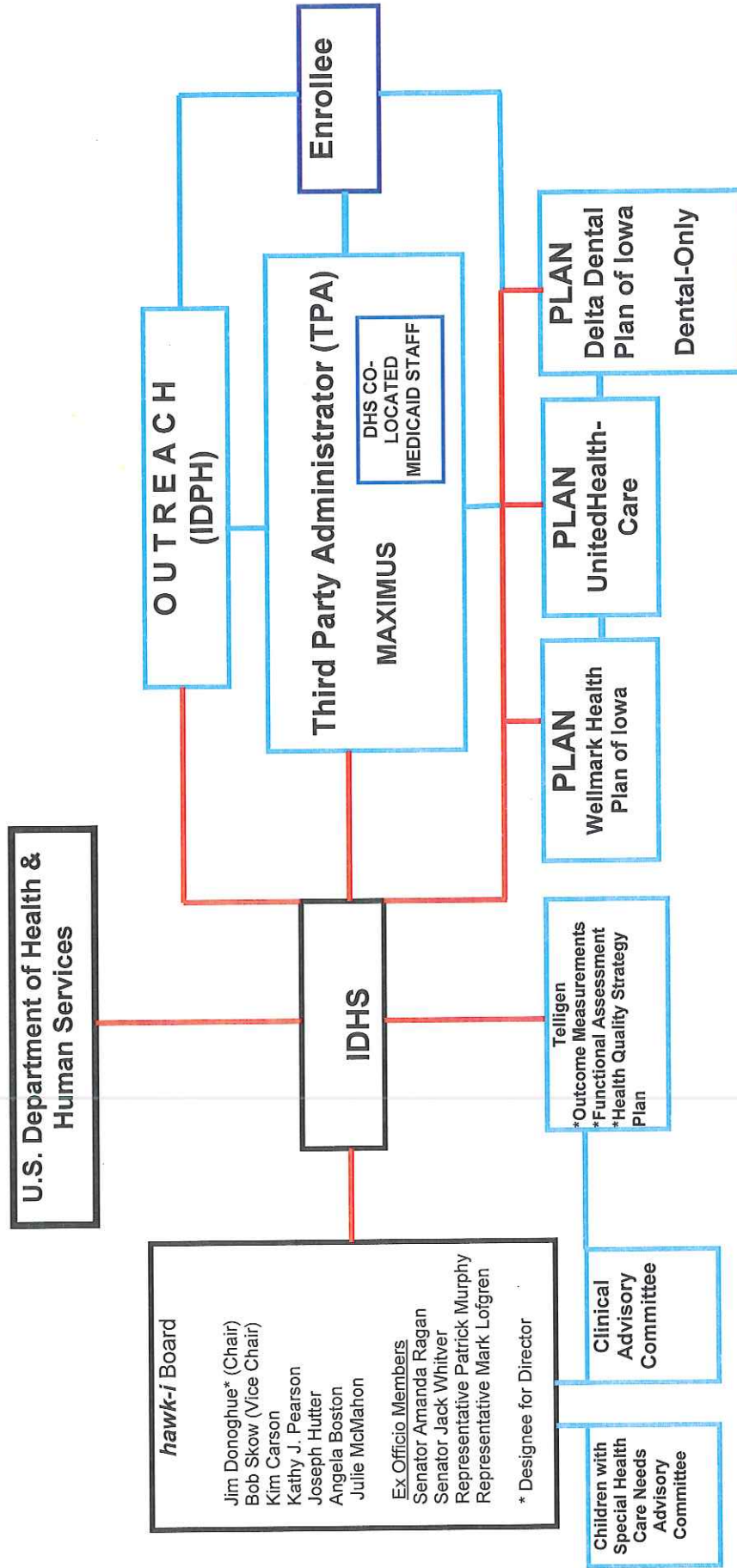
ORGANIZATION OF THE *hawk-i* PROGRAM

REFERRAL SOURCES/ OUTREACH POINTS

HISTORY OF PARTICIPATION

IOWA'S HEALTH CARE PROGRAMS FOR NON-DISABLED CHILDREN

Organization of the hawk-i Program



Referral Sources/ Outreach Points

Any entity that is accessed by children or their families is potentially an outreach point where applications and information about the *hawk-i* program could be available. In addition to local DHS offices, schools, daycare centers, WIC sites, etc., other potential sources through which information could be provided may include organizations that deal with children (Girl Scouts, Boy Scouts, Little League, Big Brothers and Sisters, YMCA, etc.) and places frequented by children and their families (churches, fast food restaurants, roller skating rinks, & toy stores). Applications would be sent to the *hawk-i* third party administrator (TPA), MAXIMUS.

Functions of the outreach points:

The function of the outreach points includes, but is not limited to:

1. Disseminate information about the program.
2. Assist with the application process if able.

Healthy and Well Kids in Iowa (hawk-i) Board

The function of the *hawk-i* Board includes, but is not limited to:

1. Adopt administrative rules developed by DHS.
2. Establish criteria for contracts and approve contracts.
3. Approve enrollee benefit package.
4. Define regions of the state.
5. Select a health assessment plan.
6. Solicit public input about the *hawk-i* program.
7. Establish and consult with the clinical advisory committee.
8. Establish and consult with the advisory committee on children with special health care needs.
9. Make recommendations to the Governor and General Assembly on ways to improve the program.

Department of Human Services (DHS)

The function of DHS includes, but is not limited to:

1. Work with the *hawk-i* Board to develop policy for the program.
2. Oversee administration of the program.
3. Administer the contracts with the TPA, plans, IDPH and Telligent.
4. Administer the State Plan.
5. Coordinate with the TPA when individuals applying for the *hawk-i* program may be Medicaid eligible and when Medicaid eligible recipients lose eligibility.
6. Provide statistical data and reports to CMS.

Third Party Administrator (TPA)

The functions of the TPA include, but may not be limited to:

1. Receive applications and determine eligibility for the program.
2. Staff a 1-800 number to answer questions about the program and assist in the application process.
3. Coordinate with DHS when it appears an applicant may qualify for Medicaid.
4. Determine the amount of family cost sharing.
5. Bill and collect cost sharing.
6. Assist the family in choosing a health plan.
7. Notify the plan of enrollment.
8. Provide customer service functions to the enrollees.
9. Provide statistical data to DHS.
10. Calculate and refer overpayments to DIA.

Health and Dental Plans

The functions of the health and dental plans are to:

1. Provide services to the enrollee in accordance with their contract.
2. Issue insurance cards
3. Process and pay claims
4. Provide statistical and encounter data.

Clinical Advisory Committee

1. The Clinical Advisory Committee is made up of health care professionals who advise the *hawk-i* Board on issues around coverage and benefits.

Co-Located Medicaid Staff

- The function of the Medicaid staff co-located at third party administrator, MAXIMUS, is to determine Medicaid eligibility when a person who applies for *hawk-i* is referred to Medicaid.

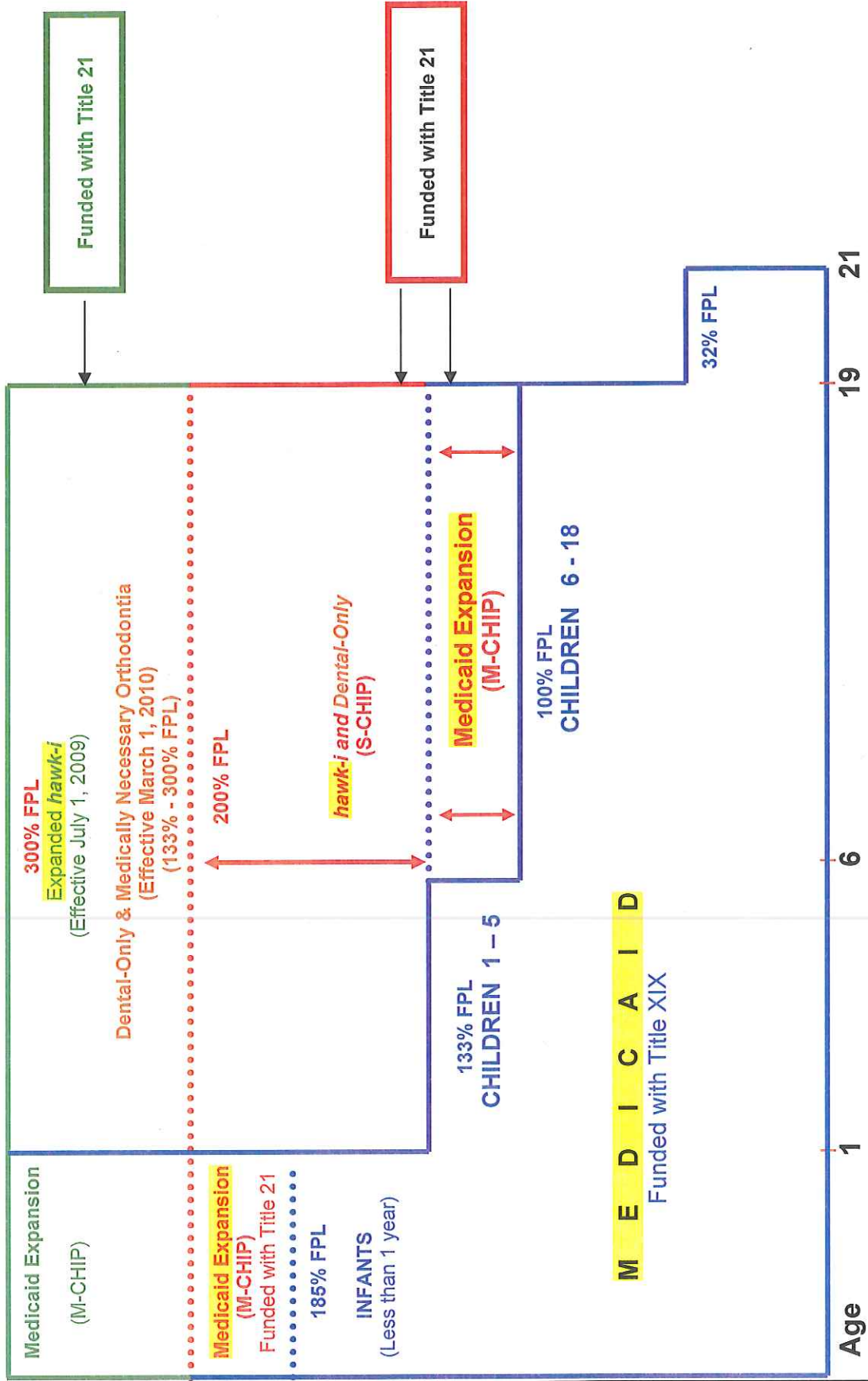
History of Participation

September 30, 2012		CHIP (Title XXI Program)		
Month/SFY	Total Children on Medicaid	Expanded Medicaid*	<i>hawk-i</i> (began 1/1/99)	Dental Only (began 3/1/10)
SFY99	91,737			
SFY00				
Jul-99	104,156	7,891	2,104	
SFY01				
Jul-00	106,058	8,477	5,911	
SFY02				
Jul-01	126,370	11,316	10,273	
SFY03				
Jul-02	140,599	12,526	13,847	
SFY04				
Jul-03	152,228	13,751	15,644	
SFY05				
Jul-04	164,047	14,764	17,523	
SFY06				
Jul-05	171,727	15,497	20,412	
SFY07				
Jul-06	179,967	16,140	20,775	
SFY08				
Jul-07	181,515	16,071	21,877	
SFY09				
Jul-08	190,054	17,044	22,458	
SFY10				
Jul-09	219,476	22,300	22,300	
SFY11				
Jul-10	236,864	22,757	28,584	2,172
SFY12				
Jul-11	245,924	23,634	33,509	3,369
SFY13				
Jul-12	253,199	24,996	36,231	4,100
August-12	253,989	24,878	36,378	4,106
September-12	254,582	24,934	35,882	4,200
Total CHIP Enrollment			65,016	

Total Medicaid growth from SFY99 to present=	162,845
Total <i>hawk-i</i> enrollment growth from SFY99 to present =	35,882
Total Dental-Only growth from SFY10 to present=	4,200
Total children covered=	202,927

*Expanded Medicaid number is included in "Total Children on Medicaid"

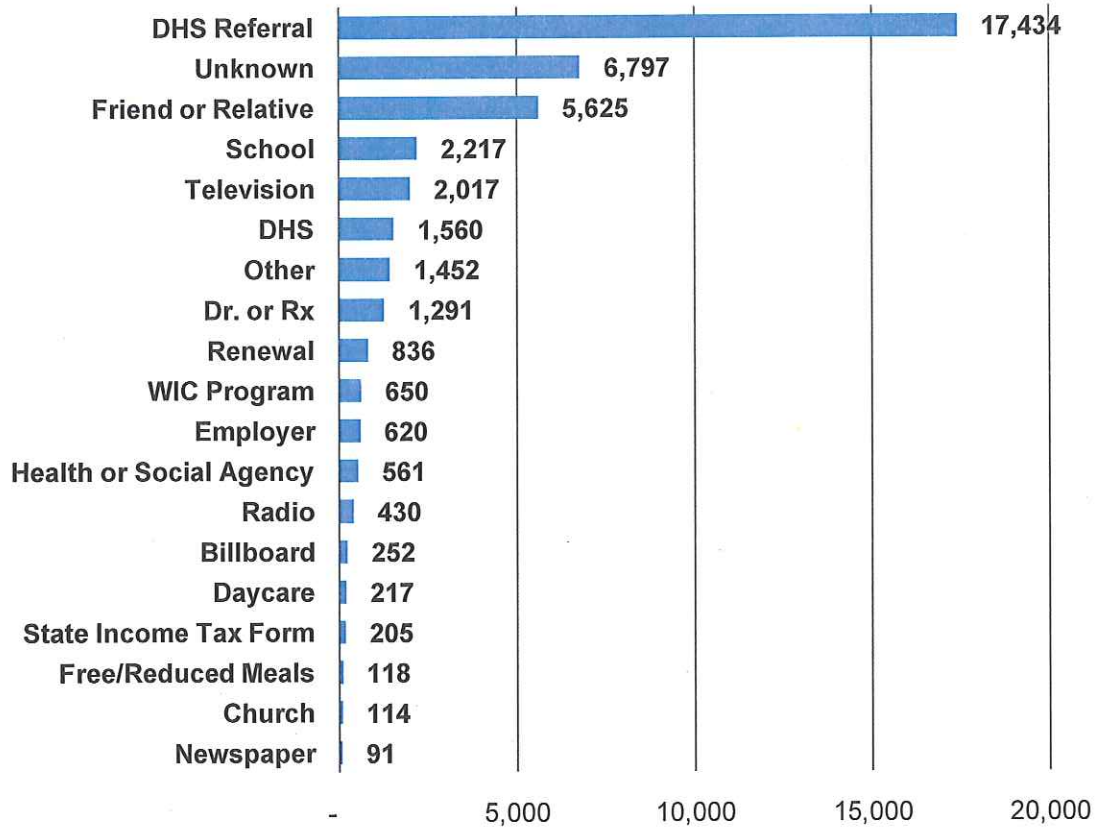
Iowa's Health Care Programs for Non-Disabled Children



ATTACHMENT THREE

HOW APPLICANTS HEARD ABOUT *hawk-i* IN SFY12

How Applicants Heard About *hawk-i* SFY12

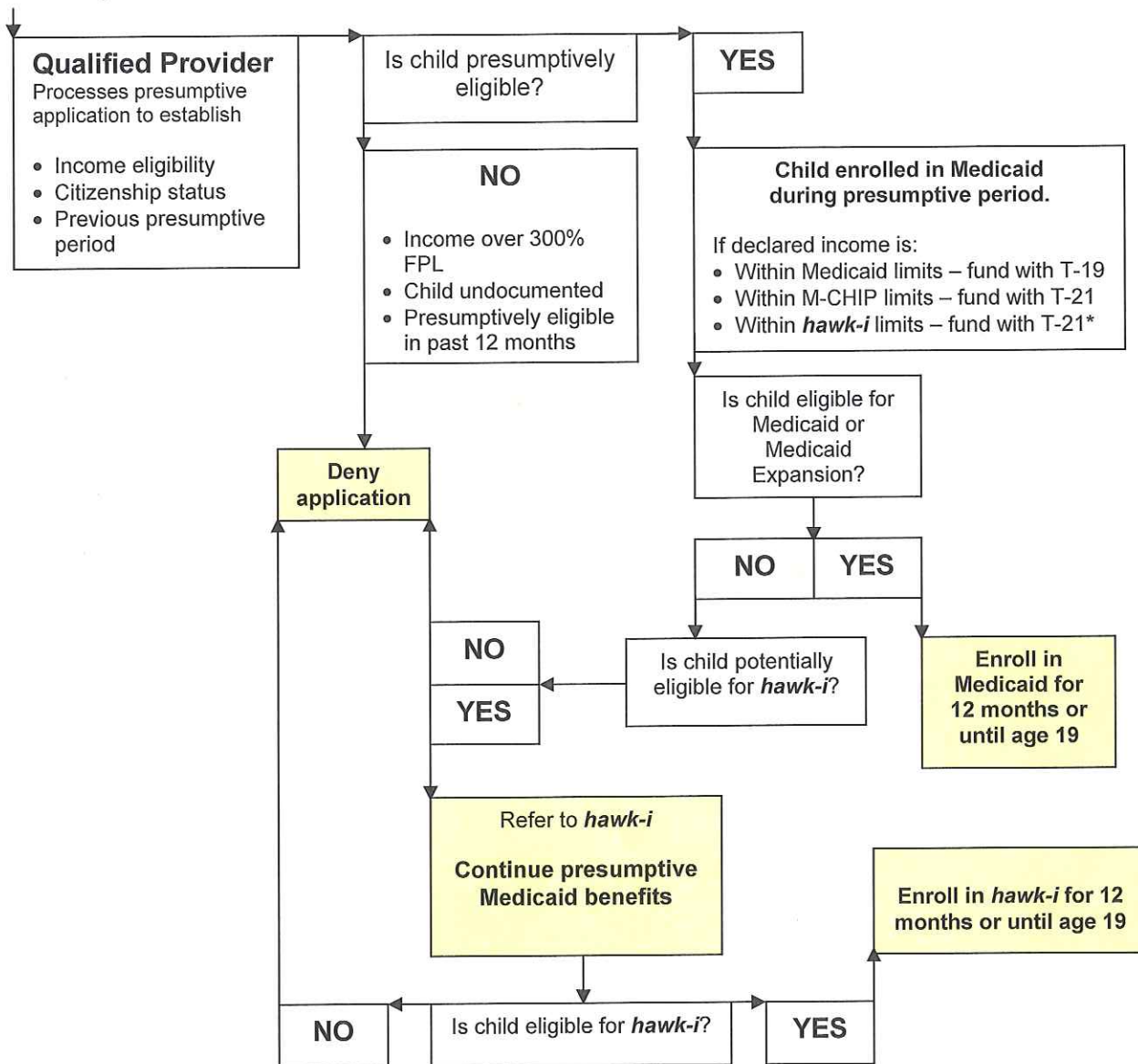


ATTACHMENT FOUR

PRESUMPTIVE ELIGIBILITY FOR MEDICAID

Presumptive Eligibility for Medicaid

Point of Entry



* Medicaid services exceeding *hawk-i* benefits package are paid with CHIP administrative funds

ATTACHMENT FIVE

HISTORY OF PER MEMBER PER MONTH CAPITATION RATE

History of Per Member Per Month Capitation Rate

PLAN	Capitation Rate		Increase Above Prior Year
	Federal Share	State Share	
SFY13			
UnitedHealthcare	\$181.59		1.5%
	71.71% \$130.22	28.29% \$51.37	
Wellmark Health Plan of Iowa	\$191.26		5.5%
	\$137.15	\$54.11	
Delta Dental of Iowa	\$22.76		1.0%
	\$16.32	\$6.44	
SFY12			
UnitedHealthcare	\$178.91		1.4%
	72.50% \$129.71	27.50% \$49.20	
Wellmark Health Plan of Iowa	\$181.29		1.5%
	\$131.44	\$49.85	
Delta Dental of Iowa	\$22.53		0.0%
	\$16.33	\$6.20	
SFY11			
UnitedHealthcare	\$176.44		1.7%
	73.84% \$130.28	26.16% \$46.16	
Wellmark Health Plan of Iowa	\$178.61		3.0%
	\$131.89	\$46.72	
Delta Dental of Iowa	\$22.53 (\$1.35 extra for dental-only enrollees)		7.5%
SFY10			
UnitedHealthcare	\$173.41		2.0%
	74.46% \$129.12	25.55% \$44.29	
Wellmark HPI (Classic Blue Contract ended 9-30-09)	\$173.41		4.0%
	\$129.12	\$44.29	
Delta Dental of Iowa (Blue Access Dental contract ended 7/1/2009.)	\$20.96		2.2%
	\$15.61	\$5.35	
SFY09			
AmeriChoice	\$170.01		3.7%
	73.83% \$125.52	26.17% \$44.29	
Wellmark Classic Blue and Blue Access Dental	\$193.56		2.0%
	\$142.91	\$50.65	
Wellmark HPI and Blue Access Dental	\$186.95		2.0%
	\$138.03	\$48.92	
Delta Dental of Iowa	\$20.50		8.0%
	\$15.14	\$5.36	

ATTACHMENT SIX

HEALTHY AND WELL KIDS IN IOWA (*hawk-i*) BOARD BYLAWS
HEALTHY AND WELL KIDS IN IOWA (*hawk-i*) BOARD MEMBERS

Healthy and Well Kids in Iowa (*hawk-i*) Board Bylaws

I. NAME AND PURPOSE

- A. The *hawk-i* Board, hereafter referred to as the Board, is established and operates in accordance with the Code of Iowa.
- B. The Board's specific powers and duties are set forth in Chapter 514I of the Code of Iowa.

II. MEMBERSHIP

The Board consists of eleven (11) members. Four members are appointed by the Governor to two-year terms. Statutory members are the Director of the Department of Education, the Director of the Department of Public Health, and the Commissioner of Insurance, or their designees. Ex officio members from the General Assembly are appointed: two Senate members and two House members.

III. BOARD MEETINGS

- A. The Board shall conduct its meetings in accordance with Iowa's Open Meetings Law.
- B. The Board shall conduct its meetings according to parliamentary procedures as outlined in Robert's Rules of Order. These rules may be temporarily suspended by the Chairperson with a majority vote of the Board members in attendance.
- C. The Board shall meet at least six times a year at a time and place determined by the chairperson.
- D. Department of Human Services (DHS) staff will ship the meeting packets (including the agenda) to Board members at least five days prior to Board meetings.
- E. Special meetings may be held at any time at the call of the chairperson, the DHS program manager or at the call of any five members of the Board, provided that notice thereof is given to all Board members at least twenty-four hours in advance of the special meeting.
- F. A quorum at any meeting shall consist of five or more voting Board members.
- G. DHS staff shall be present and participating at each meeting of the Board.
- H. The Board shall record its proceedings as minutes and shall maintain those minutes in accordance with the Iowa Open Records Law.

IV. OFFICERS AND COMMITTEES

- A. The officers of the Board shall be chairperson and vice-chairperson. DHS staff will serve as Secretary. The chairperson and vice-chairperson shall be elected at the first regular meeting of each fiscal year and shall assume their duties at next meeting or immediately upon the resignation of the current officers.
- B. The duties of all officers shall be such as by custom and law and the provisions of the Act as usually devolving upon such officers in accordance with their titles.
- C. The chairperson shall appoint committees as are needed and/or recommended unless provided for statutorily.
- D. Each committee shall act in an advisory capacity and shall report its recommendations to the full Board.

V. DUTIES AND RESPONSIBILITIES

- A. The Board shall have the opportunity to review, comment, and make recommendations to the proposed *hawk-i* budget request.
- B. The Board shall set policy and adopt rules. The DHS program manager will periodically make policy recommendations to the Board in order to promote efficiency or to bring the program into compliance with state or federal law.
- C. DHS staff shall keep the Board informed on budget, program development, and policy needs.

VI. AMENDMENTS

Amendments to these bylaws may be proposed at any regular meeting but become effective only after a favorable vote at a subsequent meeting. Any of the foregoing rules may be temporarily suspended by a unanimous vote of all the members present at any meeting provided they do not conflict with the provisions of the Act.

**Healthy and Well Kids in Iowa (*hawk-i*)
Board Members
(as of November 1, 2012)**

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Mary Mincer Hanson, Vice Chair

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