



# QUARTERLY REPORT

## Legislative Health Care Coverage Commission

July - September 2010

### MEMBERS

#### Voting Public Members

Dr. David Carlyle, Chairperson  
Mr. Ted Williams, Vice Chairperson  
Mr. Mike Abbott  
Ms. Betty Ahrens  
Ms. Jennifer Browne  
Ms. Diane Crookham-Johnson  
Ms. Joan Jaimes  
Mr. Bruce Koeppel  
Ms. Marcia Nichols  
Mr. Tim Stiles  
Mr. Joe Teeling

#### Nonvoting Legislative Members

Senator Jack Hatch  
Senator David Johnson  
Representative Mark Smith  
Representative Linda Upmeyer

#### Nonvoting Ex Officio Members

Mr. Charles Krogmeier  
Mr. Tom Newton  
Ms. Susan Voss

#### **Staff Contacts:**

Report prepared by: Anne Kinzel,  
Commission Coordinator,  
(515) 554-6021

Organizational staffing provided by:  
Ann Ver Heul, Senior Legal Counsel,  
(515) 281-3837  
Patty Funaro, Senior Legal Counsel,  
(515) 281-3040

#### **Contents:**

- I. Introduction
- II. Commission Activities – July to  
September 2010
- III. Next Steps
- IV. Attachment

### AUTHORIZATION AND APPOINTMENT

The Commission is required, by 2009 Iowa Acts, Ch. 118, §1 (S.F. 389, §1), to develop an Iowa health care reform strategic plan, addressing various aspects listed in the legislation. The Commission is created under the authority of the Legislative Council, with administrative support to be provided by the Legislative Services Agency (LSA). The Legislative Council is required to appoint a chairperson and vice chairperson from the voting membership. An appropriation of \$200,000 for costs associated with the Commission, including any per diem or other expenses associated with meetings, is made to LSA in 2009 Iowa Acts, Ch. 183, §65 (H.F. 820, §65), as amended by 2009 Iowa Acts, Ch. 179, §160, (S.F. 478, §160). The Commission has been directed by the Legislative Council to complete its deliberations by December 31, 2010, provide quarterly reports, and submit a final report to the General Assembly no later than January 31, 2011.



### **I. Introduction**

#### **A. Overview**

The Legislative Health Care Coverage Commission (Commission) was created by 2009 Iowa Acts, Ch. 118, §1 (S.F. 389) to prepare an Iowa health care reform strategic plan which includes but is not limited to a review and analysis of options for increased health care coverage of Iowa's children, adults, and families, with an emphasis on increased coverage for adults. The Commission has also been directed to develop prioritized recommendations for increasing coverage.

In 2010, the Commission was given an additional duty to complete an annual review of the cost of health insurance mandates currently imposed on health insurance regulated by the state, to provide projections of the cost of any mandates that the Commission determines may be considered by the General Assembly during the legislative session, and to include this information in the Commission's annual reports to the General Assembly (2010 Iowa Acts, Ch. 1121, §32 (S.F. 2201)). The Commission has also been asked by legislative leadership to provide recommendations to them for the pursuit of state funding opportunities under the federal Patient Protection and Affordable Care Act (PPACA) of 2010, along with application and implementation dates, that can be shared with the Governor's office and Iowa's Congressional delegation.

For the 2010 Legislative Interim, the Commission has been authorized to hold three meetings and has been directed by the Legislative Council to complete its deliberations no later than December 31, 2010, and submit a final report to the General Assembly no later than January 31, 2011.

#### **B. Third Quarter Report – July to September 2010**

The Commission is required to submit quarterly reports to the General Assembly summarizing the Commission's activities. This third quarterly report summarizes activities from July through September 2010.

### **II. Commission Activities – July to September 2010**

The Commission and its four workgroups all met during the third quarter of 2010 as described below.

#### **A. Commission Meeting – July 21, 2010**

The Commission held its first meeting of 2010 on July 21, 2010.

Chairperson Carlyle presented a Commission Overview and Vision for 2010. He congratulated the Commission on the passage of S.F. 2356 which included several of the Commission's 2009 recommendations to the General Assembly including expansion of the IowaCare program and creation of a diabetic registry. Dr. Carlyle explained that with the passage of national health care reform in the PPACA, the charges of the Commission's workgroups have been changed to reflect



the Commission's new role in assuring that national health reform is implemented in Iowa in an efficient, high-quality, and practical way.<sup>1</sup>

**Presentations.** Dr. Jo Ann Lamphere, AARP Director, State Government Relations, Health & Long-term Care Issues, gave a presentation on national health care reform, entitled Health Reform Implementation, State Challenges and Opportunities. Dr. Lamphere identified some key policy elements contained in the new federal health reform law and current legal and political challenges to PPACA in some states. Dr. Lamphere also discussed how states might create the health insurance exchanges which will be required in every state. Dr. Lamphere suggested that based on a tradition of civic engagement and commitment to social well-being as well as long-standing bipartisan state health policy engagement and strong, stable, and respected public health and private insurance sector leadership, the Midwest and in particular Iowa, can lead the way in implementing health reform.

Commission Coordinator Kinzel presented a timeline of changes and requirements contained in PPACA beginning in 2010 and continuing up to 2018 with the major impacts of the law culminating in 2014. Ms. Kinzel included the major components of the federal legislation and potential impacts on Iowans, particularly the uninsured.

**Legislator Statements.** Two of the Commission's legislative ex officio members, Representative Upmeyer and Senator Hatch provided brief reports to the Commissioners. Representative Upmeyer noted that Iowa provides low-cost, high-quality health care as compared to other states. She said that Iowa has provided health care coverage for most of its children, already has a high-risk pool for those who cannot obtain health insurance elsewhere, and has the IowaCare program that provides coverage for adults using a common sense Midwestern approach. Representative Upmeyer listed six specific tasks that S.F. 389 required the Commission to address as part of its work in developing a strategic plan, as well as a requirement that the Commission consult with health care coverage experts on a number of issues, and asked that the Commission report on where the work stands as to each of those items. Chairperson Carlyle noted that the items will be assigned to the workgroups to address and their findings will be included in the Commission's final report to the General Assembly.

Senator Hatch thanked the individuals at the University of Iowa Public Policy Center and University of Iowa Health Care for hosting the Forkenbrock Series on Public Policy symposium on health care reform on July 20, 2010. Senator Hatch noted the event was the first such event held by a state to address implementation of federal health care reform. Senator Hatch also noted that there was much discussion at the federal level during development of the federal legislation regarding state implementation and there was a realization that even though the law was passed at the national capitol, implementation would take place at each state capitol. Federal officials have been surprised at the number of states that have elected to run their own high-risk pools. The role of the states is significant and will be challenging, especially in such a politically charged environment. Nonetheless, Senator Hatch encouraged the Commission to move forward to provide a forum for civic engagement and collective ideas regarding implementation.

---

<sup>1</sup> The Commission's 2010 workgroup assignments are discussed more fully in the Commission's Second Quarter progress report online at <http://www.legis.state.ia.us/lsadocs/IntReport/2011/IPAMV000.PDF>



## Legislative Health Care Coverage Commission

---

Both Representative Upmeyer and Senator Hatch supported the continuation of the Commission beyond its final report at the end of January 2011. Senator Hatch encouraged Commission members as well as other interested parties to, as leaders, support continuation of the Commission. Representative Upmeyer noted that the Commission has been a source of nonpartisan debate on health care reform in determining what is best for Iowa. Chairperson Carlyle applauded the legislative members of the Commission and the other members of the General Assembly for their support of the Commission and its work.

*State Agency Updates.* Ms. Jennifer Vermeer, Iowa Medicaid Director, discussed the activities of the Department of Human Services (DHS) in preparing for the expansion of Medicaid under PPACA. She stated that the new federal eligibility provisions will be the most difficult to implement and DHS will require additional resources to redo its information technology and other processes. DHS is working with the Insurance Division to establish the Iowa insurance information exchange, and working on the implementation of medical homes and information technology activities with the Department of Public Health (DPH). DHS plans to pursue a federal grant for medical homes and will pursue other grants that are in line with the priorities of Iowa's Medicaid program. She noted that DHS will need legislation that provides help both financially and with policy decisions.

Mr. Newton, Director of Public Health, discussed key provisions of PPACA that affect DPH and indicated several opportunities for funding of programs that the department intends to apply for, including Maternal, Infant, and Early Childhood Home Visiting Programs, Personal Responsibility Education, Pregnancy Assistance Services, Nursing Assistant and Home Health Aide Program, Demonstration Projects to Address Health Professions Workforce Needs, and Prevention and Wellness Projects. Director Newton noted that executive agencies involved in health care reform are meeting every two weeks to develop a strategic approach to implementation of health care reform.

Commission Coordinator Kinzel presented a report on behalf of the Insurance Division concerning its efforts involving health care reform, including creation of the new state health insurance information exchange and a new website for the exchange and creation of a new high-risk pool as required by PPACA. The Division indicated that it has received many inquiries about the new high-risk pool and is warning that there will be limited slots for inclusion in the pool. The Division is not yet taking applications for the new high-risk pool. The Division is also heavily involved in complying with new federal requirements related to medical loss ratios of health insurers and requirements for preventive coverage in health insurance plans.

Ms. Beth Jones, DPH, stated that the Medical Home Advisory Council is working on a multipayor initiative pilot project to meet the requirement that Medicaid enrollees receive health care in the context of a medical home. Ms. Jones stated that Iowa is designing a plan with Wellmark and Medicaid that meets specific federal guidelines for participation in the federal initiative. She anticipates that the medical home project will roll out by mid-2011.



## B. Workgroup Meetings

### 1. Workgroup Iowa Care Expansion, Medicaid Expansion Readiness, and High-Risk Pool (Formerly Coverage of Adults Workgroup)

With the passage of PPACA, Workgroup I modified its focus to concentrate on IowaCare expansion, Medicaid expansion readiness, and the new federal high-risk pool, HIPIOWA-FED. The workgroup also took on the responsibility assigned to the Commission by 2010 Iowa Acts, Ch. 1121, §32, to:

*[...] also complete an annual review of the cost of health insurance mandates currently imposed on health insurance regulated by the state and provide projections of the cost of any mandates that the commission determines may be considered by the general assembly during the upcoming legislative session. The review and projections shall be included in the annual reports provided by the commission to the general assembly pursuant to this section.*

Workgroup I with Chairperson Carlyle held two meetings during the third quarter of 2010.

July 8, 2010

The first meeting was held on July 8, 2010. The workgroup discussed its new focus and how it could contribute to the overall Commission charge. Cecil Bykerk, the Executive Director of the HIPIOWA and HIPIOWA-FED high-risk pools and Angela Burke Boston of the Insurance Division provided an update on the new HIPIOWA-FED high-risk pool.

Ms. Jennifer Vermeer, Iowa Medicaid Director, Stacey Cyphert, University of Iowa Hospitals and Clinics, and Mikki Stier, Broadlawns Medical Center, updated the workgroup on IowaCare expansion plans. Ms. Vermeer provided the members with the following materials:

- IowaCare regional primary care network — preliminary and draft roll out
- IowaCare medical home model
- IowaCare medical home implementation
- IowaCare 2010 rules
- Overview of premium policy changes

Ms. Vermeer also provided workgroup members with an overview of premium policy changes in the IowaCare program beginning October 1, 2010.

Ms. Vermeer also briefed the workgroup on Medicaid expansion under PPACA, presenting the following materials:



## Legislative Health Care Coverage Commission

---

- Medicaid and CHIP Health Reform Implementation Timeline (Kaiser Family Foundation, April 12, 2010)
- Summary of Provisions Affecting Medicaid and SCHIP in the Patient Protection and Affordable Care Act (National Association of State Medicaid Directors, April 23, 2010)
- Health Care Reform: Impact and Implementation for Iowa Medicaid

September 16, 2010

Workgroup I held its second meeting on September 16, 2010. Commission Coordinator Kinzel updated the workgroup on its responsibility to review the cost of health insurance mandates in the state. The Iowa Federation of Insurers will be helping Ms. Kinzel obtain the information. Ms. Angie Doyle Scar, DPH, provided information on the state's diabetes coordination of care plan, including a Diabetes Focus Groups Report and a Disease Registry Issue Brief. Other presentations included:

- HIPIOWA and HIPIOWA-FED updates, Mr. Cecil Bykerk
- IowaCare and Medicaid Expansions Update, Jennifer Vermeer, Iowa Medicaid Director
- Enactment of H.R. 676, Dawn Jones, Iowa City

The workgroup discussed its goals for 2010 and the steps necessary to accomplish those goals. Workgroup I held its third meeting on October 28, 2010, to formulate recommendations for the overall Commission.

The materials distributed in connection with Workgroup I can be accessed on the Internet at: [http://www.legis.state.ia.us/scripts/docmgr/docmgr\\_comdocs.dll/showtypeinterim?idt=true&type=ih&com=506](http://www.legis.state.ia.us/scripts/docmgr/docmgr_comdocs.dll/showtypeinterim?idt=true&type=ih&com=506)

### **2. Workgroup II Value-based Health Care (Formerly Use/Creation of State Pool Workgroup)**

Workgroup II with Chairperson Nichols held three meetings during the third quarter of 2010.

July 15, 2010

Workgroup II held its first meeting of the third quarter on July 15, 2010. Dr. Michael Kitchell, M.D., past president of the Iowa Medical Society, gave a presentation entitled Society Paying for Value: Higher Quality, Lower Costs. The Iowa Hospital Association gave a brief presentation on value-based health care. The workgroup discussed the need to develop initial recommendations for the overall Commission.

August 19, 2010

Workgroup II held its second meeting on August 19, 2010. Commission Coordinator Kinzel provided a brief update on Upcoming National Health Care Reform Milestones. Mr. Garth Bowen, Co-chair of the Iowa Health Buyers Alliance made a presentation entitled Iowa Health Buyers Alliance: Improving Value Through Transparency and Meaningful Public



Reporting. The workgroup discussed how to develop its recommendations for the overall Commission.

September 15, 2010

Workgroup II held its third meeting on September 15, 2010. Commissioner Voss gave a presentation entitled Cost Drivers and Cost Reduction Measures. The workgroup briefly discussed how to develop its recommendations for the overall Commission.

The materials distributed in connection with Workgroup II can be accessed on the Internet at:

[http://www.legis.state.ia.us/scripts/docmgr/docmgr\\_comdocs.dll/showtypeinterim?dt=true&type=ih&com=507](http://www.legis.state.ia.us/scripts/docmgr/docmgr_comdocs.dll/showtypeinterim?dt=true&type=ih&com=507)

### **3. Workgroup III Insurance Information Exchange (Formerly Administration of Health Care Reform in Iowa Workgroup)**

Workgroup III with Chairperson Williams held two meetings during the third quarter of 2010.

July 19, 2010

Workgroup III held its first meeting of the third quarter on July 19, 2010. Chairperson Williams reviewed the workgroup's charge for 2010. Commissioner of Insurance Voss provided an update on the development of the Iowa Insurance Information Exchange and responded to questions from workgroup members regarding development of recommendations for the exchange. Ms. Nicky Keller, a member of the public, gave a presentation entitled Insurance Exchange Development. Ms. Keller also provided the workgroup members with two documents, Building a Vision — Iowa's Health Insurance Exchange and Insurance Exchange. Ms. Keller answered questions regarding the process of developing an exchange based on significant career experiences as a project manager in the insurance industry. Commission Coordinator Kinzel gave a brief presentation on health insurance exchanges, PPACA Exchanges — Key Initial State Decisions. She also provided the workgroup members with a written briefing, Exchanges in the Patient Protection and Affordable Care Act.

August 11, 2010

Workgroup III held a second meeting on August 11, 2010. Commissioner of Insurance Voss and Ms. Burke Boston provided a brief update on the development of the Iowa Insurance Information Exchange. Medicaid Director Vermeer, Ms. Burke Boston, and Commission Coordinator Kinzel provided information on the State-Federal Meeting on Health Insurance Exchange Implementation sponsored by the U.S. Department of Health and Human Services in Minneapolis on August 3, 2010. The workgroup held a brief discussion on how to develop its recommendations for the overall Commission.

The materials distributed in connection with Workgroup III can be accessed on the Internet at:

[http://www.legis.state.ia.us/scripts/docmgr/docmgr\\_comdocs.dll/showtypeinterim?dt=true&type=ih&com=508](http://www.legis.state.ia.us/scripts/docmgr/docmgr_comdocs.dll/showtypeinterim?dt=true&type=ih&com=508)

### **4. Workgroup IV Wellness Initiatives**

Workgroup IV with Chairperson Teeling held one meeting during the third quarter of 2010.



## Legislative Health Care Coverage Commission

---

September 29, 2010

Workgroup IV held its first meeting on September 29, 2010. The workgroup discussed its charge and then heard four presentations. Ms. Kala Shipley, DPH, provided information about Iowans Fit for Life and the Iowa Nutrition Network. Ms. Doyle Scar, DPH, discussed the work of the Department's Prevention and Chronic Care Advisory Council. Ms. Doyle Scar provided workgroup members with two issue briefs: Disease Registry and Chronic Disease Management. A representative of the YMCA of Greater Des Moines Healthy Living Center provided a presentation entitled Mercy Medical Center's Workforce Health Initiative. The Healthy Living Center is a partnership between the YMCA of Greater Des Moines and Mercy Medical Center. Mr. John Ratelle gave a presentation entitled Changing Behavior: How to Bend the Cost Trend of Your Health Plan on the wellness initiatives provided by the Minneapolis firm Bennicomp. Ms. Jennifer Webster presented information on the ONEBODY business strategy wellness initiatives.

The materials distributed in connection with Workgroup IV can be accessed on the Internet at:

[http://www.legis.state.ia.us/scripts/docmgr/docmgr\\_comdocs.dll/showtypeinterim?id=true&type=ih&com=509](http://www.legis.state.ia.us/scripts/docmgr/docmgr_comdocs.dll/showtypeinterim?id=true&type=ih&com=509)

### **C. Commission Coordinator Activities**

Commission Coordinator Kinzel participated in numerous meetings on behalf of the Commission throughout the third quarter of 2010. Attachment 1 provides an outline of the meetings Ms. Kinzel attended.

In addition to the meetings referred to in Attachment 1, Ms. Kinzel met with Chairperson Carlyle on a weekly basis and Vice Chairperson Williams on a less frequent basis to discuss Commission and workgroup business. Ms. Kinzel was also available throughout the third quarter to respond to inquiries from interested citizens regarding Commission activities.

### **III. Next Steps**

The Commission will meet on November 10, 2010. Commission workgroups will be meeting throughout the late fall of 2010 to develop recommendations to present at this meeting. The Commission will continue to monitor PPACA to develop a complete understanding of how anticipated federal reforms will impact the Commission's charge.

### **IV. Attachment — Listing of Meetings Attended by Commission Coordinator Kinzel, July to September 2010**





Table 1

Date	Group	Purpose	Location
July 8	Commission Workgroup Meeting	Commission Workgroup I meeting	Des Moines
July 15	Commission Workgroup Meeting	Commission Workgroup II meeting	Des Moines
July 19	Commission Workgroup Meeting	Commission Workgroup III meeting	Des Moines
July 20	Commission (Outside Meeting)	A Symposium on Health Reform — Action Items States Must Consider as a Result of Recently Enacted Federal Health Reform Legislation	Iowa City
July 21	Commission Meeting	First Commission meeting of 2010	Des Moines
August 3	Commission (Outside Meeting)	US-HHS meeting on Exchange Planning Grants. Represented Commission	Minneapolis
August 9	Commission (Outside Meeting)	Meeting with Insurance Division staff	Des Moines
August 11	Commission Workgroup Meeting	Commission Workgroup III meeting	Des Moines
August 19	Commission Workgroup Meeting	Commission Workgroup II meeting	Des Moines
August 23	Commission (Outside Meeting)	Meeting with Commissioner of Insurance Susan Voss and Stakeholder Groups	Des Moines
August 24	Commission (Outside Meeting)	Meeting with Maximus regarding American Health Benefit Exchanges	Des Moines
August 26	Commission (Outside Meeting)	DPH Health and Long Term Care Advisory Council	Urbandale
August 27	Commission (Outside Meeting)	DPH Prevention and Chronic Care Advisory Council	Urbandale
September 8	Commission (Outside Meeting)	Meeting with Chairperson Dr. David Carlyle, Vice Chairperson Ted Williams, Commission Member Mike Abbott, Sen. Hatch and Rep. Smith	Des Moines
September 9	Commission (Outside Meeting)	Meeting with Dr. David Carlyle, Ted Williams, Sen. Gronstal and Rep. Murphy	Des Moines
September 13	Commission (Outside Meeting)	Commissioner of Insurance Health Care Cost Reduction meeting	Des Moines
September 15	Commission Workgroup Meeting	Commission Workgroup II meeting	Des Moines
September 17	Commission (Outside Meeting)	Meeting with Sen. Hatch	Des Moines
September 29	Commission Workgroup Meeting	Commission Workgroup IV meeting	Des Moines
September 30	Commission (Outside Meeting)	Iowa Rural Health Association Annual Meeting	Johnston

3789IC