

FEB 6 2003
HUMAN RESOURCES

HOUSE FILE 136
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WHITAKER, WENDT, MILLER, and
D. TAYLOR

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

HF 136

1 An Act relating to the benefits included in the healthy and well
2 kids in Iowa program benefit package.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 514I.5, subsection 8, paragraph e, Code
2 2003, is amended by adding the following new subparagraphs:

3 NEW SUBPARAGRAPH. (15) Care coordination. For the
4 purposes of this subparagraph, "care coordination" means
5 coordinating the provision of services to children and
6 families to ensure that the children receive health care
7 services by promoting the coordination of social supports and
8 medical services across organizations and providers. Care
9 coordination may include but is not limited to educating
10 families about the services provided under the family's health
11 insurance coverage plan; assisting families in selecting
12 providers; assisting families with scheduling of health care
13 appointments, transportation to attend health care
14 appointments, and translation during health care appointments;
15 and assisting families in accessing community support
16 services.

17 NEW SUBPARAGRAPH. (16) Dental services, including the
18 coverage of partial dentures and dentures, with an annual
19 coverage maximum of one thousand five hundred dollars.

20 NEW SUBPARAGRAPH. (17) Mental health and substance abuse
21 benefits, including coverage of Axis I and Axis II diagnoses
22 as specified in the diagnostic and statistical manual of
23 mental disorders; coverage of the full continuum of
24 evaluation, treatment, and services; provision of adequate
25 provider panels; use of admission, discharge, continued stay,
26 and placement criteria specific to children and adolescents;
27 and the use of Iowa juvenile placement criteria for substance
28 abuse services.

29 NEW SUBPARAGRAPH. (18) Medically necessary nutrition
30 services provided by a licensed dietician based upon a
31 physician referral.

32 NEW SUBPARAGRAPH. (19) Occupational therapy services
33 provided by a licensed occupational therapist.

34 NEW SUBPARAGRAPH. (20) Case management for children with
35 special health care needs. For the purposes of this

1 subparagraph, "case management" means services intended to
2 coordinate various clinical services to ensure the best
3 clinical outcomes, and "children with special health care
4 needs" means children who have or are at increased risk for a
5 chronic physical, developmental, behavioral, or emotional
6 condition and who also require health and related services of
7 a type or amount beyond that required by children generally.

8 EXPLANATION

9 This bill adds benefits to the health program benefit
10 package of the healthy and well kids in Iowa program including
11 care coordination, dental services, mental health and
12 substance abuse benefits, institution services, occupational
13 therapy services, and case management for children with
14 special health care needs.

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HF 136 – *hawk-i* Services (LSB 2115 HH)

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Fiscal Note Version — New

Description

House File 136 adds benefits to the Healthy and Well Kids in Iowa (*hawk-i*) Program. The *hawk-i* Program provides medical coverage for children whose family income is higher than Medicaid allows, but below 200% of the Federal Poverty Level. The new benefits include: care coordination, dental services, mental health and substance abuse benefits, medically necessary nutrition services, physical and occupational therapy services, and case management for children with special health care needs.

Assumptions

16. The estimated number of children eligible for *hawk-i* is 20,000 in FY 2004 and 24,000 in FY 2005.
17. The federal matching rate is 74.75% for FY 2004 and 74.62% for FY 2005.
18. Care Coordination includes educating families about their benefits, assisting with scheduling appointments, and assisting with transportation to a provider's office to assure that children receive health care services. The health plans currently provide some types of care coordination at varying service levels.
19. The estimated cost per eligible to expand care coordination and make the level of benefit consistent through all of the health plans is \$0.63 per member per month. This reflects a midpoint of the range of \$0.50 to \$0.75 per member per month.
20. The FY 2004 estimated cost for care coordination is \$151,000, of which \$38,000 is State funds. The FY 2005 estimated cost is \$181,000, of which \$46,000 is State funds.
21. The Bill increases dental benefits to a yearly maximum of \$1,500. Currently, one of the health plans offers dental benefits at that level, and the other two plans offer dental benefits at a yearly maximum of \$1,000.
22. Increasing the benefits so that all plans offer a yearly maximum of \$1,500 is estimated to cost \$1.78 per member per month. The FY 2004 estimated cost is \$427,000, of which \$108,000 is State funds. The FY 2005 estimated cost is \$513,000, of which \$130,000 is State funds.
23. Currently, the health plans have limits on the number of covered outpatient visits and inpatient hospital days for mental health and substance abuse benefits. The Bill provides coverage for a "full continuum of evaluation, treatment, and services."
24. The estimated cost to make the health plan benefits comparable is \$0.37 per member per month. The FY 2004 estimated cost is \$88,000, of which \$22,000 is State funds. The FY 2005 estimated cost is \$107,000, of which \$27,000 is State funds.
25. The Bill adds coverage for medically necessary nutrition services, which include nutrition education by a licensed dietitian.
26. The estimated cost is \$0.27 per member per month. The FY 2004 estimated cost is \$65,000, of which \$16,000 is State funds. The FY 2005 estimated cost is \$78,000, of which \$20,000 is State funds.

27. The Bill adds coverage for occupational therapy. The health plans already provide coverage for occupational therapy. As a result, this provision does not have an additional cost.
28. Case management for children with special health care needs is defined as coordination of various clinical services to assure the best clinical outcomes. Children with special health care needs are those who have or are at risk to have chronic physical, developmental, behavioral, or emotional conditions and who also need a level of health services beyond that required by children generally.
29. This provision is estimated to cost \$0.32 per member per month. This reflects a midpoint of the range of \$0.29 and \$0.34 per member per month. The FY 2004 estimated cost is \$77,000, of which \$19,000 is State funds. The FY 2005 estimated cost is \$92,000, of which \$23,000 is State funds.
30. In total, the FY 2004 estimated cost is \$808,000, of which \$203,000 is State funds. In FY 2005, the estimated cost is \$971,000, of which \$246,000 is State funds.

Fiscal Impact

The estimated fiscal impact of House File 136 is an increase in General Fund expenditures of \$203,000 in FY 2004 and \$246,000 in FY 2005.

Source

Department of Human Services

February 19, 2003

The fiscal note and correctional impact statement for this bill was prepared pursuant to Joint Rule 17 and pursuant to Section 2.56, Code of Iowa. Data used in developing this fiscal note and correctional impact statement are available from the Legislative Fiscal Bureau to members of the Legislature upon request.
