

MAR 14 2003  
Place On Calendar

HOUSE FILE 565  
BY COMMITTEE ON HUMAN RESOURCES

(SUCCESSOR TO HF 49)

Passed House, Date Passed 3/20/03 <sup>4/22/03</sup> Passed Senate, Date Passed 4/17/03  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved 5/12/03

A BILL FOR

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

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HF 565

1 Section 1. Section 514I.4, subsection 4, Code 2003, is  
2 amended to read as follows:

3 4. The department shall do or shall provide for all of the  
4 following:

5 a. Develop a program application form not to exceed two  
6 pages in length, which is consistent with the rules of the  
7 board, which is easy to understand, complete, and concise, and  
8 which, to the greatest extent possible, coordinates with the  
9 medical assistance program.

10 b. Establish the family cost sharing ~~amount~~7-based-on-a  
11 ~~sliding-fee-scale, if established by~~ amounts with the approval  
12 of the board.

13 c. Perform annual, random reviews of enrollee applications  
14 to ensure compliance with program eligibility and enrollment  
15 policies. Quality assurance reports shall be made to the  
16 board and the department based upon the data maintained by th  
17 administrative contractor.

18 ~~e~~ d. Perform other duties as determined by the department  
19 with the approval of the board.

20 Sec. 2. Section 514I.5, subsection 1, unnumbered paragraph  
21 1, Code 2003, is amended to read as follows:

22 A HAWK-I board for the HAWK-I program is established. The  
23 board shall meet not less than ~~ten~~ six and not more than  
24 twelve times annually, for the purposes of establishing policy  
25 for, directing the department on, and adopting rules for the  
26 program. The board shall consist of seven members, including  
27 all of the following:

28 Sec. 3. Section 514I.5, subsection 7, paragraphs d and e,  
29 Code 2003, are amended to read as follows:

30 d. Develop, with the assistance of the department, an  
31 outreach plan, and provide for periodic assessment of the  
32 effectiveness of the outreach plan. The plan shall provide  
33 outreach to families of children likely to be eligible for  
34 assistance under the program, to inform them of the  
35 availability of and to assist the families in enrolling

1 children in the program. The outreach efforts may include,  
2 but are not limited to, ~~a-comprehensive-statewide-media~~  
3 ~~campaign~~, solicitation of cooperation from programs, agencies,  
4 and other persons who are likely to have contact with eligible  
5 children, including but not limited to those associated with  
6 the educational system, and the development of community plans  
7 for outreach and marketing.

8 e. In consultation with the clinical advisory committee,  
9 ~~select-a-single-nationally-recognized-functional-health~~  
10 ~~assessment-form-for-an-initial-assessment-of-all-eligible~~  
11 assess the initial health status of children participating in  
12 the program, establish a baseline for comparison purposes, and  
13 develop appropriate indicators to measure the subsequent  
14 health status of ~~eligible~~ children participating in the  
15 program.

16 Sec. 4. Section 514I.5, subsection 7, paragraph i, Code  
17 2003, is amended by striking the paragraph.

18 Sec. 5. Section 514I.5, subsection 7, paragraph l,  
19 unnumbered paragraph 1, Code 2003, is amended to read as  
20 follows:

21 Establish an advisory committee to make recommendations to  
22 the board and to the general assembly ~~on-or-before~~ by January  
23 1, ~~1999~~, annually concerning the provision of health insurance  
24 coverage to children with special health care needs ~~under-the~~  
25 ~~program~~. The committee shall include individuals with  
26 experience in, knowledge of, or expertise in this area. The  
27 recommendations shall address, but are not limited to, all of  
28 the following:

29 Sec. 6. Section 514I.5, subsection 8, paragraph h, Code  
30 2003, is amended to read as follows:

31 h. The amount of any cost sharing under the program which  
32 ~~shall~~ may be assessed ~~on-a-sliding-fee-scale~~ based on family  
33 ~~income~~, ~~which-provides-for-a-minimum-amount-of-cost-sharing~~,  
34 and which complies with federal law.

35 Sec. 7. Section 514I.5, subsection 8, paragraph m, Code

1 2003, is amended by striking the paragraph.

2 Sec. 8. Section 514I.6, subsection 3, Code 2003, is  
3 amended by striking the subsection.

4 Sec. 9. Section 514I.7, subsection 2, paragraph c, Code  
5 2003, is amended to read as follows:

6 c. Forward names of children who appear to be eligible for  
7 medical assistance ~~or other public health insurance coverage~~  
8 ~~to local~~ to the department of human services ~~offices or other~~  
9 ~~appropriate person or agency for follow-up~~ follow-up and  
10 retain ~~the~~ identifying data on children who are referred.

11 Sec. 10. Section 514I.7, subsection 2, paragraph h, Code  
12 2003, is amended by striking the paragraph.

13 Sec. 11. Section 514I.8, subsection 2, paragraph e, Code  
14 2003, is amended to read as follows:

15 e. Is not currently covered under or was not covered  
16 within the prior six months under a group health plan as  
17 defined in 42 U.S.C. § 300gg-91(a)(1) ~~or other health benefit~~  
18 ~~plan, unless the coverage was involuntarily lost or~~ unless  
19 ~~dropping the coverage is~~ allowed by rule of the board.

20 Sec. 12. Section 514I.10, Code 2003, is amended to read as  
21 follows:

22 514I.10 COST SHARING.

23 1. Cost sharing for eligible children whose family income  
24 is ~~at or~~ below one hundred fifty percent of the federal  
25 poverty level shall not exceed the standards permitted under  
26 42 U.S.C. § 1396(o)(a)(3) or § 1396(o)(b)(1).

27 2. Cost sharing for eligible children whose family income  
28 is ~~between~~ equals or exceeds one hundred fifty percent ~~and two~~  
29 ~~hundred percent~~ of the federal poverty level ~~shall~~ may include  
30 a premium or copayment amount ~~which is at least a minimum~~  
31 ~~amount but~~ which does not exceed five percent of the annual  
32 family income. The amount of ~~the~~ any premium or the copayment  
33 amount shall be based on family income and size.

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#### EXPLANATION

35 This bill amends portions of the Code relating to the

1 healthy and well kids in Iowa (hawk-i) program and the medical  
2 assistance program.

3 The bill deletes the requirement that the department of  
4 human services (DHS) establish family cost sharing based on a  
5 sliding fee scale. The new language reflects current practice  
6 which is establishment of a cost sharing amount approved by  
7 the hawk-i board. The bill also directs DHS to perform  
8 annual, random reviews of enrollee applications to ensure  
9 program compliance. Quality assurance reports are to be made  
10 to the board and to DHS based upon the data maintained by the  
11 administrative contractor of the program. The bill changes  
12 the minimum number of required meetings of the hawk-i board  
13 from not less than 10 times annually to not less than six but  
14 not more than 12 times annually.

15 The bill eliminates the requirement that the outreach  
16 efforts developed by the board include a comprehensive  
17 statewide media campaign. The bill directs the board, in  
18 consultation with the clinical advisory committee, to assess  
19 the initial health status of children participating in the  
20 program, establish a baseline, and develop appropriate  
21 indicators to assess the subsequent health status of children  
22 participating in the program, rather than directing the board  
23 to select a single, nationally recognized assessment form for  
24 children participating in the program. The bill eliminates  
25 the requirement that the board perform periodic random reviews  
26 of enrollee applications to assure program compliance, as this  
27 function is given to the department under the bill. The bill  
28 also directs the advisory committee on children with special  
29 health care needs to make recommendations, annually, by  
30 January 1, rather than only one time by January 1, 1999.

31 The bill eliminates the directive to the hawk-i board to  
32 adopt rules to address approval of a program application in  
33 cases in which prior employer-sponsored coverage ended less  
34 than six months prior to determination of eligibility for the  
35 program. The bill also eliminates a requirement that

1 participating insurers submit a marketing plan to the hawk-i  
2 board consistent with the board's outreach plan, for approval  
3 by the board.

4 The bill amends the directive to the administrative  
5 contractor to forward names of children who appear to be  
6 eligible for health insurance coverage, other than medical  
7 assistance, to local offices of DHS or other appropriate  
8 persons, and limits the directive to forwarding the names of  
9 children who appear to be eligible for medical assistance only  
10 to the state offices of DHS. The bill also eliminates the  
11 directive to the administrative contractor to make program  
12 applications available through the mail and through local  
13 sites, as determined by DHS, including to schools, local  
14 health departments, local department of human services  
15 offices, and other locations.

16 The bill also provides that a child may participate in the  
17 hawk-i program if, among other criteria, the child is not  
18 currently covered or was not covered in the past six months  
19 under a group health plan unless allowed by rule of the board.

20 The bill also allows for cost sharing based upon the family  
21 income percentage which is either below 150 percent of the  
22 federal poverty level or which equals or exceeds 150 percent  
23 of the federal poverty level.

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**S-3221**

Page 2

1 emotional condition and who also require health and  
2 related services of a type or amount beyond that  
3 required by children generally."  
4 2. By renumbering as necessary.

By JACK HATCH

**S-3221** FILED APRIL 15, 2003

Lost 4/17/03

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**HOUSE FILE 565**

**S-3194**

1 Amend House File 565, as passed by the House, as  
2 follows:

3 1. Page 1, line 11, by inserting after the word  
4 "amounts" the following: "of not less than ten  
5 dollars per individual and twenty dollars per family,  
6 if not otherwise prohibited by federal law,".

7 2. Page 2, by striking line 32, and inserting the  
8 following: "shall be assessed ~~on a sliding fee scale~~  
9 based on family".

10 3. Page 3, by striking lines 15 and 16, and  
11 inserting the following:

12 "e. Is not currently covered ~~under or was not~~  
13 ~~covered within the prior six months~~ under a group  
14 health plan as".

15 4. Page 3, by inserting after line 33, the  
16 following:

17 "Sec. \_\_\_\_ . MONITORING AND REPORTING REQUIREMENTS.  
18 The department of human services shall monitor the  
19 effects of the striking of section 514I.5, subsection  
20 8, paragraph "m", by this Act, until June 30, 2005.  
21 The department shall submit a report to the general  
22 assembly annually on January 15, during the period  
23 ending June 30, 2005, that includes the reporting of  
24 any increased cost of the hawk-i program resulting  
25 from the striking of the paragraph described in this  
26 section."

27 5. By renumbering as necessary.

By COMMITTEE ON HUMAN RESOL  
KEN VEENSTRA, CHAIRPERSON

**S-3194** FILED APRIL 10, 2003

6/17/03

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HOUSE FILE 565

S-3221

1 Amend House File 565, as passed by the House, as  
2 follows:

3 1. Page 2, by inserting after line 28 the  
4 following:

5 "Sec. \_\_\_\_ . Section 514I.5, subsection 8, paragraph  
6 e, Code 2003, is amended by adding the following new  
7 subparagraphs:

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

23 NEW SUBPARAGRAPH. (16) Dental services, including  
24 the coverage of partial dentures and dentures, with an  
25 annual coverage maximum of one thousand five hundred  
26 dollars.

27 NEW SUBPARAGRAPH. (17) Mental health and  
28 substance abuse benefits, including coverage of Axis I  
29 and Axis II diagnoses as specified in the diagnostic  
30 and statistical manual of mental disorders; coverage  
31 of the full continuum of evaluation, treatment, and  
32 services; provision of adequate provider panels; use  
33 of admission, discharge, continued stay, and placement  
34 criteria specific to children and adolescents; and the  
35 use of Iowa juvenile placement criteria for substance  
36 abuse services.

37 NEW SUBPARAGRAPH. (18) Medically necessary  
38 nutrition services provided by a licensed dietician  
39 based upon a physician referral.

40 NEW SUBPARAGRAPH. (19) Occupational therapy  
41 services provided by a licensed occupational  
42 therapist.

43 NEW SUBPARAGRAPH. (20) Case management for  
44 children with special health care needs. For the  
45 purposes of this subparagraph, "case management" means  
46 services intended to coordinate various clinical  
47 services to ensure the best clinical outcomes, and  
48 "children with special health care needs" means  
49 children who have or are at increased risk for a  
50 chronic physical, developmental, behavioral, or

S-3221

**SENATE AMENDMENT TO  
HOUSE FILE 565**

**H-1366**

1 Amend House File 565, as passed by the House, as  
2 follows:

3 1. Page 1, line 11, by inserting after the word  
4 "amounts" the following: "of not less than ten  
5 dollars per individual and twenty dollars per family,  
6 if not otherwise prohibited by federal law,".

7 2. Page 2, by striking line 32, and inserting the  
8 following: "shall be assessed ~~on a sliding fee scale~~  
9 based on family".

10 3. Page 3, by striking lines 15 and 16, and  
11 inserting the following:

12 "e. Is not currently covered ~~under or was not~~  
13 ~~covered within the prior six months~~ under a group  
14 health plan as".

15 4. Page 3, by inserting after line 33, the  
16 following:

17 "Sec. \_\_\_\_ . MONITORING AND REPORTING REQUIREMENTS.  
18 The department of human services shall monitor the  
19 effects of the striking of section 514I.5, subsection  
20 8, paragraph "m", by this Act, until June 30, 2005.  
21 The department shall submit a report to the general  
22 assembly annually on January 15, during the period  
23 ending June 30, 2005, that includes the reporting of  
24 any increased cost of the hawk-i program resulting  
25 from the striking of the paragraph described in this  
26 section."

27 5. By renumbering as necessary.

RECEIVED FROM THE SENATE

**H-1366** FILED APRIL 18, 2003

*House concurred 4/22/03*

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HOUSE FILE 565

AN ACT

RELATING TO THE HEALTHY AND WELL KIDS IN IOWA PROGRAM.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 514I.4, subsection 4, Code 2003, is amended to read as follows:

4. The department shall do or shall provide for all of the following:

a. Develop a program application form not to exceed two pages in length, which is consistent with the rules of the

board, which is easy to understand, complete, and concise, and which, to the greatest extent possible, coordinates with the medical assistance program.

b. Establish the family cost sharing ~~amount, based on a sliding fee scale, if established by~~ amounts of not less than ten dollars per individual and twenty dollars per family, if not otherwise prohibited by federal law, with the approval of the board.

c. Perform annual, random reviews of enrollee applications to ensure compliance with program eligibility and enrollment policies. Quality assurance reports shall be made to the board and the department based upon the data maintained by the administrative contractor.

e- d. Perform other duties as determined by the department with the approval of the board.

Sec. 2. Section 514I.5, subsection 1, unnumbered paragraph 1, Code 2003, is amended to read as follows:

A HAWK-I board for the HAWK-I program is established. The board shall meet not less than ten six and not more than twelve times annually, for the purposes of establishing policy for, directing the department on, and adopting rules for the program. The board shall consist of seven members, including all of the following:

Sec. 3. Section 514I.5, subsection 7, paragraphs d and e, Code 2003, are amended to read as follows:

d. Develop, with the assistance of the department, an outreach plan, and provide for periodic assessment of the effectiveness of the outreach plan. The plan shall provide outreach to families of children likely to be eligible for assistance under the program, to inform them of the availability of and to assist the families in enrolling children in the program. The outreach efforts may include, but are not limited to, ~~a comprehensive statewide media campaign,~~ solicitation of cooperation from programs, agencies, and other persons who are likely to have contact with eligible

children, including but not limited to those associated with the educational system, and the development of community plans for outreach and marketing.

e. In consultation with the clinical advisory committee, ~~select-a-single, nationally-recognized-functional-health assessment-form-for-an-initial-assessment-of-all-eligible~~ assess the initial health status of children participating in the program, establish a baseline for comparison purposes, and develop appropriate indicators to measure the subsequent health status of ~~eligible~~ children participating in the program.

Sec. 4. Section 514I.5, subsection 7, paragraph i, Code 2003, is amended by striking the paragraph.

Sec. 5. Section 514I.5, subsection 7, paragraph l, unnumbered paragraph 1, Code 2003, is amended to read as follows:

Establish an advisory committee to make recommendations to the board and to the general assembly ~~on-or-before~~ by January 1, ~~±999~~ annually concerning the provision of health insurance coverage to children with special health care needs ~~under-the program~~. The committee shall include individuals with experience in, knowledge of, or expertise in this area. The recommendations shall address, but are not limited to, all of the following:

Sec. 6. Section 514I.5, subsection 8, paragraph h, Code 2003, is amended to read as follows:

h. The amount of any cost sharing under the program which shall be assessed ~~on-a-sliding-fee-scale~~ based on family income, ~~which-provides-for-a-minimum-amount-of-cost-sharing,~~ and which complies with federal law.

Sec. 7. Section 514I.5, subsection 8, paragraph m, Code 2003, is amended by striking the paragraph.

Sec. 8. Section 514I.6, subsection 3, Code 2003, is amended by striking the subsection.

Sec. 9. Section 514I.7, subsection 2, paragraph c, Code 2003, is amended to read as follows:

c. Forward names of children who appear to be eligible for medical assistance ~~or other public health insurance coverage to local~~ to the department of human services ~~offices or other appropriate person or agency~~ for ~~follow-up~~ follow-up and retain the identifying data on children who are referred.

Sec. 10. Section 514I.7, subsection 2, paragraph h, Code 2003, is amended by striking the paragraph.

Sec. 11. Section 514I.8, subsection 2, paragraph e, Code 2003, is amended to read as follows:

e. Is not currently covered ~~under or was not covered within the prior six months~~ under a group health plan as defined in 42 U.S.C. § 300gg-91(a)(1) ~~or other health benefit plan, unless the coverage was involuntarily lost or~~ dropping the coverage is allowed by rule of the board.

Sec. 12. Section 514I.10, Code 2003, is amended to read as follows:

514I.10 COST SHARING.

1. Cost sharing for eligible children whose family income is ~~at or~~ below one hundred fifty percent of the federal poverty level shall not exceed the standards permitted under 42 U.S.C. § 1396(o)(a)(3) or § 1396(o)(b)(1).

2. Cost sharing for eligible children whose family income ~~is between~~ equals or exceeds one hundred fifty percent ~~and two hundred percent~~ of the federal poverty level shall ~~may~~ include a premium or copayment amount ~~which is at least a minimum amount but~~ which does not exceed five percent of the annual family income. The amount of the any premium or the copayment amount shall be based on family income and size.

Sec. 13. MONITORING AND REPORTING REQUIREMENTS. The department of human services shall monitor the effects of the striking of section 514I.5, subsection 8, paragraph "m", by this Act, until June 30, 2005. The department shall submit a report to the general assembly annually on January 15, during

the period ending June 30, 2005, that includes the reporting of any increased cost of the hawk-i program resulting from the striking of the paragraph described in this section.

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CHRISTOPHER C. RANTS  
Speaker of the House

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MARY E. KRAMER  
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 565, Eightieth General Assembly.

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MARGARET THOMSON  
Chief Clerk of the House

Approved \_\_\_\_\_, 2003

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THOMAS J. VILSACK  
Governor