

# **UI Health Care Update on IowaCare**

**Prepared for**  
**Health & Human Services Appropriations Subcommittee**

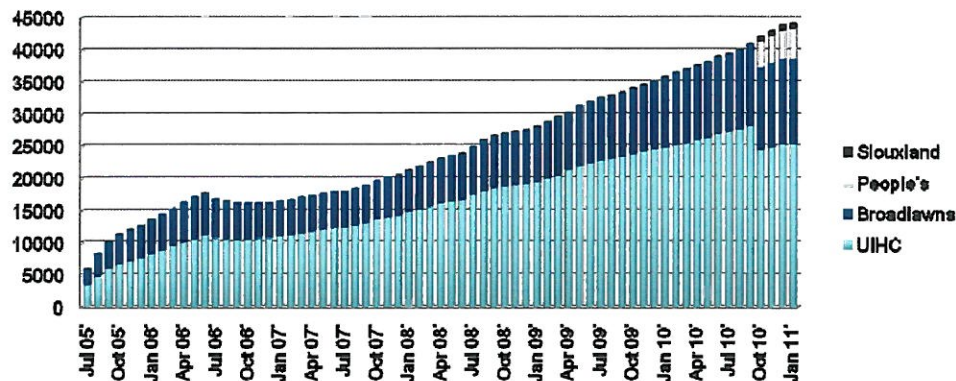
**Prepared By**  
**Stacey T. Cyphert, Ph.D.**  
**Assistant Vice President for Health Policy**

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- IowaCare is a Section 1115 Medicaid demonstration waiver program which began July 1, 2005 that covers adults ages 19-64 without insurance with incomes up to 200% of the federal poverty level. The current waiver will expire December 31, 2013.
- It was created in large part to generate funds to replace the loss of intergovernmental transfer dollars for the state. By making people previously served with state and local dollars eligible for Medicaid match, the state reduced its cost by approximately 2/3rds and uses the savings to replace the lost dollars.
  - Broadlawns Medical Center and the UI Hospitals and Clinics both provide dollars used for the state match requirement.
- Beneficiaries with incomes between 150% to 200% of the federal poverty level are assessed a sliding-scale monthly premium.
- The benefit package is similar to Iowa Medicaid, except that there is no coverage for outpatient pharmaceuticals or durable medical equipment and very limited mental health and dental coverage.
- Except for an annual physical exam for IowaCare beneficiaries not assigned to a medical home, certain emergency care, and some pregnant women, covered services may only be received at a network provider: Broadlawns Medical Center (for residents of Polk County), designated federally-qualified health centers (FQHCs) for select counties, and the University of Iowa Hospitals and Clinics.

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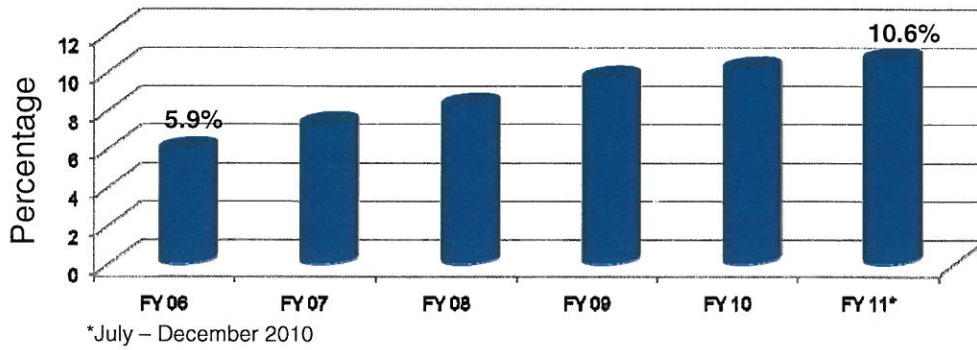
## UI Hospitals and Clinics is a Major Resource in the IowaCare Program



- IowaCare enrollment has steadily grown since it was implemented on July 1, 2005.
- Unlike the other IowaCare network providers, **every** patient enrolled in IowaCare has the potential to be cared for at the UI Hospitals and Clinics (albeit some are only eligible for specialty care).
- The number of patients who **must** use the UI Hospitals and Clinics for covered IowaCare services (including primary and specialty care) has steadily increased, except for a slight drop when two new medical homes were created, and is rising again.

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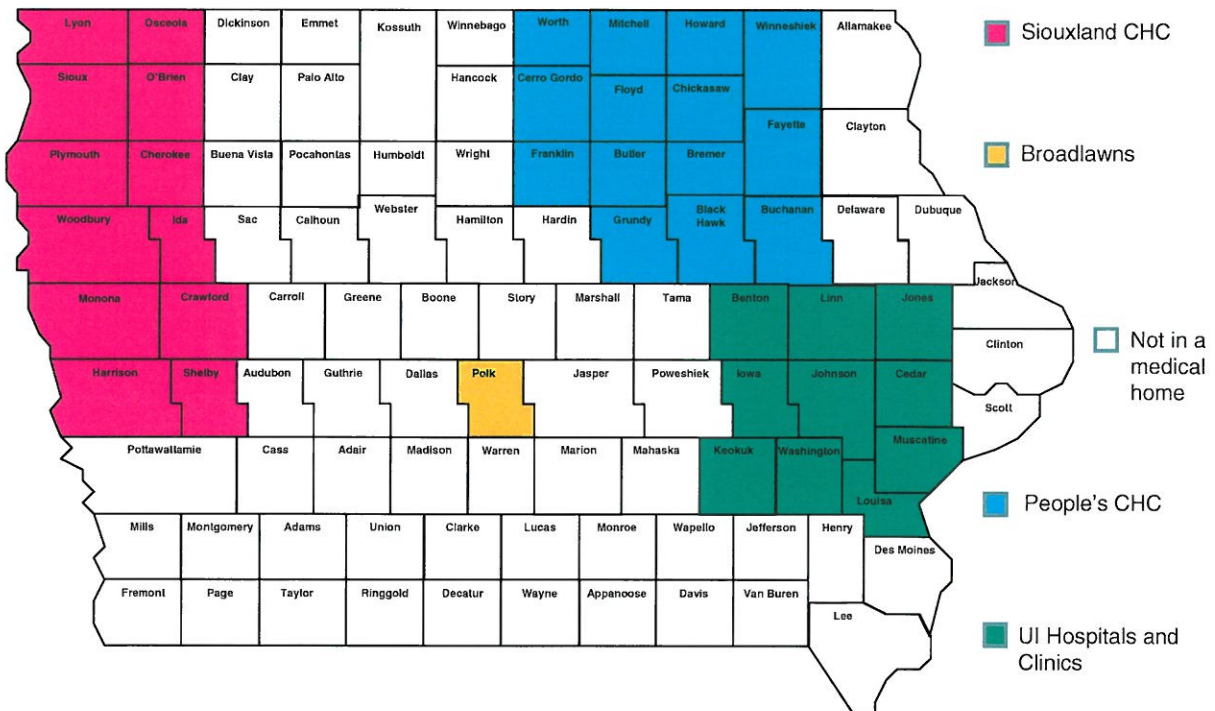
# IowaCare is an Increasing Percentage of Patient Encounters at the UI Hospitals and Clinics



- Each year the percentage of IowaCare patient encounters at the UI Hospitals and Clinics has increased.
- Several specialty services have more than 10% of their total patient encounters made by IowaCare patients, including: Anesthesia (10.3%), General Surgery (13.2%), Heart & Vascular Center (16.7%), Internal Medicine (12.0%), Neurology (13.1%), Orthopaedics (12.0%), and Urology (10.3%) .

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## UI Hospitals and Clinics serves as an IowaCare Medical Home for 10 Counties and Additionally Serves As the Main Source of Care for 62 Counties Not Yet Assigned to a Medical Home



Note: People not yet assigned to a medical home are served by the UI Hospitals and Clinics.

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- Renovated space to accommodate additional medical home providers and staff.
- Added Saturday and evening hours.
- Started seeing IowaCare patients at UI-CMS Muscatine site (will add additional sites over time).
- Held Kaizen events to improve operational efficiency.
- Created diabetes registry to track patients and are developing additional electronic means to assist our staff manage medical home patients.
- Referral protocols have been developed to assist external patient evaluations identify sufficient information to determine if scheduling a specialty appointment is appropriate.
- A UI Health Care IowaCare web page has been created to provide information for patients, other medical homes, and internal staff.
- Created policies to inform other medical homes how we operate and have met with representatives on current and future medical homes.
- Are working toward NCQA medical home certification.
- Created electronic linkages for information sharing with IowaCare beneficiaries and other medical homes.

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## MyChart, Care Link & Electronic Information Interface with Broadlawns

- MyChart is a secure, web-based tool that enables IowaCare patients to electronically view their UI Hospitals and Clinics medical record, request an appointment, see test results, request a prescription renewal, send a secure message to their health care team, and to find helpful health tips and other trusted information. Each patient has his/her own login and password and only needs a computer with Internet access. MyChart is free to UI Health Care patients.
  - Patient feedback has been very positive to MyChart.
- UI CareLink is a tool that allows referring providers electronic access to enter and retrieve secure patient information contained in UI Hospitals and Clinics medical records. This tool is being used with IowaCare medical homes at the Federally Qualified Health Centers (FQHCs) while they are in the process of implementing electronic medical records.
- Electronic medical information capabilities of Broadlawns and UI Hospitals and Clinics have advanced to the point where it is possible to seamlessly share information.

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# Most IowaCare Patient Encounters at the UI Hospitals and Clinics are for Specialty Care



Encounter Type*	FY 06	FY 07	FY 08	FY 09	FY 10	FY 11 thru December
Primary Care	16.2 %	16.7%	16.1%	20.3%	16.1%	17.3%
Emergency / Specialty Care	83.8%	83.3%	83.9%	79.7%	83.9%	82.7%

\*Excludes laboratory and radiology encounters

- IowaCare patients primarily visit the UI Hospitals and Clinics for emergency / specialty care services.
- Contrary to what some might expect, the addition of more IowaCare primary care access sites across the state is unlikely to decrease the patient volume at the UI Hospitals and Clinics and may, in fact, increase patient volume as more people enroll to take advantage of closer initial access to services and then are referred for specialty care.

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## UI Health Care IowaCare Funding Recap for FY 11



- Appropriation of \$76.3 M for hospital services
- Appropriation of \$14 M for physician services
- \$258 K through direct contract for Nurse HelpLine Services

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# The Appropriation to Reimburse UI Carver College of Medicine Physicians for Serving IowaCare Patients Will Be Exhausted Before the End of FY 11



- \$14 M was appropriated to pay for UI physician services for IowaCare patients in FY 11.
- The funding is to be distributed based on claims submitted, adjudicated, and paid by the Iowa Medicaid Enterprise.
- Once the entire amount appropriated has been distributed, the legislature directed that claims must continue to be submitted and adjudicated by the Iowa Medicaid Enterprise but that no payment will be made based upon such claims.
- For information purposes, it is projected that UI physician claims will exceed the authorized funding by \$3.75 M.
- While no supplemental appropriation is being requested, there is a need for funding for FY 12.
- The UI Hospitals and Clinics appropriation is projected to be sufficient for needs.



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## Most Common DRGs Assigned to IowaCare Admissions at UI Hospitals and Clinics During 1<sup>st</sup> Half of FY 11



Rank	DRG	Description
1 (tie)	897	ALCOHOL/DRUG ABUSE OR DEPENDENCE W/O REHABILIT
1 (tie)	287	CIRCULATORY DISORDERS EXCEPT AMI W CARD CATH W
3	470	MAJOR JOINT REPLACEMENT OR REATTACHMENT OF LOW
4	392	ESOPHAGITIS GASTROENT & MISC DIGEST DISORDERS
5	918	POISONING & TOXIC EFFECTS OF DRUGS W/O MCC
6	603	CELLULITIS W/O MCC
7	638	DIABETES W CC
8	101	SEIZURES W/O MCC
9	439	DISORDERS OF PANCREAS EXCEPT MALIGNANCY W CC
10 (tie)	330	MAJOR SMALL & LARGE BOWEL PROCEDURES W CC
10 (tie)	247	PERC CARDIOVASC PROC W DRUG-ELUTING STENT W/O
10 (tie)	473	CERVICAL SPINAL FUSION W/O CC/MCC
10 (tie)	313	CHEST PAIN
10 (tie)	641	NUTRITIONAL & MISC METABOLIC DISORDERS W/O MCC

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# Most Common Reasons IowaCare Patients Received Outpatient Treatment at the UI Hospitals and Clinics During 1<sup>st</sup> Half of FY 11



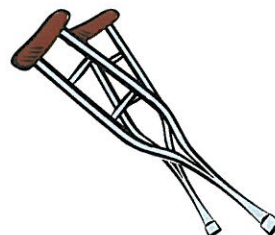
Rank	Code	Description
1	4019	HYPERTENSION NOS
2	7295	PAIN IN LIMB
3	V6709	FOLLOW-UP SURGERY NEC
4	25000	DMII WO CMP NT ST UNCNTR
5	25002	DMII WO CMP UNCNTRLD
6	7242	LUMBAGO
7	V5849	POSTOP OTH SPECFD AFTRCR
8	52100	DENTAL CARIES NOS
9	V580	RADIOTHERAPY ENCOUNTER

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## UI Hospitals and Clinics Self-Funds Pilot Pharmaceutical and Durable Medical Equipment Programs



- On August 14, 2006, the University of Iowa Hospitals and Clinics implemented pilot programs without reimbursement to facilitate IowaCare beneficiary access to generic pharmaceuticals and durable medical equipment.
- For the first half of FY 11:
  - Nearly 75,000 prescriptions have been filled at a cost for drugs, labor and shipping (net of copayments paid) of approximately \$1.3 M.
  - Nearly 26,000 durable medical equipment items were provided at a cost of \$450,000.
- UI hospitals and Clinics has entered into an agreement with Broadlawns Medical Center that enables prescriptions written by UI physicians for patients in Broadlawns' medical home referred to it to be filled at Broadlawns using 340B drugs.
- It is projected the UI Hospitals and Clinics will subsidize pharmacy and DME costs for all of FY 11 by \$3.6 M.



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- May receive up to a 60-day supply of some generic prescription medicine for a \$4 copayment with multiple refills and may also receive some diabetic supplies for a \$4 copayment.
- The maximum out-of-pocket expense for prescriptions filled at the UI Hospitals and Clinics is \$20/month . After 5 prescriptions, there are no additional copayments.
- Prescriptions will be mailed to Iowa home addresses outside of Johnson County for a \$5 fee per package (or \$10 if overnight delivery needed for refrigerated items).
- A one-time 30-day supply of brand name pharmaceuticals is provided if there is not a generic alternative. Patients will be referred to the Medication Assistance Center for help with manufacturer assistance programs.
- May use MyChart to review medical records, manage prescriptions, and contact your care team.
- IowaCare participants assigned to other medical homes are not eligible to receive prescription medications from UI Hospitals and Clinics unless prescribed as part of inpatient care provided by UI doctors.
- To help with the transition of IowaCare patients who received services at UI Hospitals and Clinics in the past and who now will receive care at another medical home, UI Hospitals and Clinics will continue to refill valid prescriptions written by UI Hospitals and Clinics providers. Patients are responsible for working with their new medical homes for prescription services when they begin receiving care at the new medical home or their UI Hospitals and Clinics prescription expires, whichever happens first.

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## Most Common IowaCare Prescriptions Filled at UI Hospitals and Clinics

Prescription	Use
Omeprazole	Gastroesophageal (acid) reflux
Tramadol	Pain
Hydrocodone/acetaminophen	Pain
Proventil HFA inhaler	Asthma (breathing problems)
Hydrochlorothiazide	Hypertension (high blood pressure)
Oxycodone-Acetaminophen (Percocet)	Pain
Lisinopril	Hypertension (high blood pressure)
Lantus insulin	Diabetes
Metformin	Diabetes
Ibuprofen	Pain, inflammation

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# UI Hospitals and Clinics Provides Patient Transportation Services



- The University of Iowa Hospitals and Clinics provides free patient transportation services to and from an IowaCare beneficiaries' home using its fleet of 10 vans.
- Patients assigned to other medical homes are eligible for transportation services only for referred specialty care scheduled at UI Hospitals and Clinics. IowaCare patients who live west of Interstate 35 must make lodging arrangements at their own expense in the Iowa City area since same-day return service is not available.
- For the 1<sup>st</sup> half of FY 11:
  - Over 332,000 miles have been traveled in making 1,001 round trips to serve 4,399 patients.
  - Costs have exceed \$490 K.
  - It is projected that transportation costs will exceed reimbursement by \$1 M for all of FY 11.
- IowaCare members should call 319-356-2518 to arrange transportation.



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# IowaCare Nurse Helpline



- The UI Hospitals and Clinics is paid to provide Nurse Helpline Services to the enrolled IowaCare population. This service became operational October 2, 2006 and is funded separately from IowaCare.
- The Nurse Helpline handled over 28,000 encounters (phone calls, e-mails, etc.) between January 1, 2010 and December 31, 2010.
- The goal of the Nurse HelpLine is to assist enrolled IowaCare population members in making appropriate choices about the use of emergency room and other health care services.
  - Operational questions pertaining to IowaCare are not part of the agreement and are directed to the Department of Human Services.
  - Marketing the Nurse HelpLine is the responsibility of the Iowa Department of Human Services.
  - The telephone number for the helpline is 866-890-5966.

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- The IowaCare benefit package does not cover all the goods and services the IowaCare population requires. While medical homes have an obligation to provide care coordination for all services relevant to their designated populations, there is no obligation to fund the goods and services and the capacity to do so may not exist on the part of the medical home, or on the part of the IowaCare beneficiary.
- Since medical homes were created, the UI Hospitals and Clinics has funded most of the non-covered goods and services made available to IowaCare beneficiaries, regardless of whose medical home they have been assigned.
- Not receiving some non-covered goods and services can lead to poorer patient outcomes. In addition, not receiving some non-covered goods and services can also increase overall IowaCare costs when patients receive services in a more costly setting, or fail to thrive and must return for additional covered services.
- During the 1<sup>st</sup> Quarter for which medical homes existed, the UI Hospitals and Clinics has expended \$229,241 on IowaCare patients assigned to other medical homes (in addition to expenditures on patients in our own medical home and those not yet assigned to a medical home.
- The UI Hospitals and Clinics is not in a position to fund the provision of all non-covered goods and services required by IowaCare beneficiaries, particularly given increasing enrollments.
- A Care Coordination Pool should be created to enable specific goods and services currently outside the IowaCare benefit package to be covered when authorized by the UI Hospitals and Clinics.

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## Concluding Comments

- UI Health Care has been pleased to serve low-income Iowans through the IowaCare program and recognizes how important this program is to those in need.
- Reimbursement for UI physicians services instituted this year is sincerely appreciated. We respectfully request that future funding align with projected volume for both the UI Hospitals and Clinics and UI physicians.
- A care coordination pool needs to be created so that coverage can be available for necessary health care services that improve quality of life and save costs in the long run.
- As plans are developed for the future of IowaCare, UI Health Care welcomes the opportunity to participate in the discussions.



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