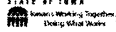


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**THE IOWA MEDICAID  
ENTERPRISE**

**The Operational  
Challenge**

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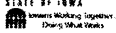
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**ESTABLISHING THE IOWA  
MEDICAID ENTERPRISE**

**A New Paradigm for  
Healthcare in Iowa**

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**Agenda**

- ❖ Last Procurement
- ❖ Managing Medicaid Today
- ❖ Present and Future Needs
- ❖ What We Need to Do the Job Right
- ❖ Overview of Iowa Medicaid Enterprise
- ❖ Building the Iowa Medicaid Enterprise
- ❖ Time Table
- ❖ Responsibilities and Benefits

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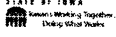
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## Last Procurement July, 1996

- ❖ Focus on big computer systems that paid bills.
- ❖ Assumptions:
  - Care management would be purchased on a capitated basis from managed care companies OR
  - On a per diem basis from nursing homes and ICF/MRs and to a lesser extent home health agencies, for frail elderly and disabled

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## Managing Medicaid Today

- ❖ Emphasis still on adjudicating claims and paying them accurately and on time.
- ❖ Skill Sets Required:
  - Automated claims adjudication system for all claims except pharmacy (Called "Core MMIS")
  - Automated claims adjudication system for pharmacy claims (Called "POS")

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- ❖ However, today, it is also about:
  - Assuring access to services, and
  - Managing the delivery of quality care to diverse populations, many with special health care needs.
- ❖ Skill Sets Required:
  - Member Services
  - Provider Services
  - Medical Services

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## Member Services

- ❖ Help members:
  - Understand their rights, obligations, and opportunities for preventive, critical and long term care;
  - Know, or easily find out, how to access the health care system with their Medicaid card;
  - Have one place to go to get informed answers to any questions about their health system;

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- Use the health care services available to them and to their families effectively and efficiently to stay healthy as well as to get healthy;
- Feel comfortable presenting their Iowa Medicaid card to any participating health care provider.

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## Provider Services

- ❖ Must develop, sustain and grow a provider network that:
  - Contains an adequate number of easily accessible qualified providers in each skill category in all areas of the State in which the member resides;
  - Is paid adequately, correctly, and on time;
  - Has complete, accurate, and easily understood documentation of all Medicaid rules and regulations and receives timely updates of any changes in those rules and regulations;

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Doing What Matters

- Has one place to go to get informed answers to any question about claims, rules, problems, issues;
- Can easily access Medicaid's member eligibility verification systems;
- Is ready, willing and able to embrace a pro-active, cost sensitive, approach to health care promotion and delivery.

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### Medical Services

- Performs services including:
  - Supervises managed care components (MCO, Iowa Plan, PCCM(Primary Care Case Manager));
  - Provides high cost/acute care case management;
  - Develops and implements effective disease management;
  - Manages prior authorization - drug and non-drug;

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- Assesses medical care needs for individuals requiring long term care;
- Promotes prevention and healthy lifestyles for children and adults;
- Identifies and promotes best practices - in the areas of prevention, acute care, and chronic care treatment.

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## Other Important Present and Future Needs

- ❖ **System Integrity and Program Accountability**
  - Important to:
    - members
    - providers
    - legislators
    - the public
- ❖ **Skill Sets Required**
  - All skill sets above PLUS;

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- Information (Decision Support) systems to track system performance for legislators, program managers, as well as providers and members;
- Surveillance and Utilization Review systems and procedures (including provider audits) to assure that neither members nor providers are improperly using or billing the system;
- Provider Cost Audits and Rate Setting - to assure accuracy in rate setting when rates are based on provider costs;
- Revenue Collection - drug rebates and collections from primary insurers and estate recovery.

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## Shifting Control from the Contractors to the State

DHS is Medicaid Agency and has responsibility for all aspects of Medicaid program administration.

Co-location of all Medicaid in one state office will improve DHS oversight and improve ability to hold contractor accountable for the services they provide. Improved communications.

Performance based contracts with established service level agreements will ensure that a higher level of service is provided to clients and providers.

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## Highlights of the Enterprise

- ❖ State manages common information infrastructure to support IME business functions.
- ❖ State Supplies Office Space for each vendor.
- ❖ State promotes a Common Vision of IME Goals
- ❖ Collaboration Rather than Competition

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## To Do the Job Right We Need...

- ❖ A Strong Team
- ❖ The Very Best People in Each Area
- ❖ Assembling Them into a Single Powerful Medicaid Enterprise

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AND THAT  
IS WHAT  
WE PROPOSE  
TO DO!

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## Building the Enterprise

- ❖ Medicaid information system, MMIS, is being transferred to be operated on state ITE computer, maximizes existing capacity
- ❖ Medicaid information to be incorporated into expanded DHS Data Warehouse
  - Facilitates information reporting capabilities to serve DHS and Legislative data needs.
  - Promotes "information sharing" to improve ability to track client services and coordination.
- ❖ Implementation Support contractor to define business workflow and oversee implementation

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## Pre-Award Tasks

Key Pre-Award Task	Timeline
<b>MMIS Transition</b>	
Initial Analysis and State Hires Contractors for MMIS Transition	Present to December 31, 2003
Analysis of Transition Completed, MMIS Loaded and Tested on State Platform	January 1, 2004 to June 30, 2004
Transition MMIS Operation to Core MMIS Contractor, Enhancements to MMIS Completed, MMIS Tested, and Transition from Current Fiscal Agent Completed	July 1, 2004 to June 30, 2005
<b>Data Warehouse / Decision Support Transition</b>	
Initial Analysis and State Hires Contractors for Data Transition	Present to December 31, 2003
Analysis of Transition Completed, Medicaid Data Migrated and Tested for Accuracy/Integrity	January 1, 2004 to June 30, 2004
DWDS Upgrades, Query Tools, and Reporting Capabilities Built; DWDS Tested and IME DWDS Capabilities Implemented	July 1, 2004 to June 30, 2005

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## IME Procurement Timeline

Key Procurement Task	Date
Issue RFP	December 9, 2003
Bidders' Conference	December 18, 2003
Bidders' Questions Due	January 8, 2004
Letters of Intent to Bid Due	January 15, 2004
Written Responses to Bidders' Questions Issued	February 4, 2004
Closing Date for Receipt of Bid Proposals	March 9, 2004
Oral Presentations	March 22 - April 2, 2004
Closing Date for Best and Final Offers	April 5, 2004
Notice of Intent to Award for Successful Bidders	April 28, 2004
Completion of Contract Negotiations and Execution of Contracts	May 28, 2004
Begin Implementation Phase of Contracts	July 1, 2004
Begin Operations Phase of Contracts	June 30, 2005

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## Operations Phase Contracts

Contract	Contract Base Years	Contract Option Years
Core MMIS	5 Years	3 one-year options
POS	5 Years	3 one-year options
Data Warehouse / Decision Support	3 Years	2 one-year options
Medical Services	3 Years	2 one-year options
Provider Services	3 Years	2 one-year options
Member Services	3 Years	2 one-year options
SURS Analysis and Provider Audits	3 Years	2 one-year options
Revenue Collection	3 Years	2 one-year options
Provider Cost Audits & Rate Setting	3 Years	2 one-year options

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## Responsibilities

- ❖ State Plays Major Role in System Integration and Integration of Contractors
- ❖ Contractors Forced to Cooperate Rather than Compete
- ❖ Increased Level of State Intervention

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## Benefits

- ❖ Improved Service to Both Members and Providers
- ❖ State Establishes New Paradigm with Emphasis on Quality Healthcare and Identification of Chronic Illness
- ❖ State Has Better Access to Data and Better Decision Support Capabilities
- ❖ State Drives Relationship Between Contractors

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- ❖ Better Management of Program by State
- ❖ Improved Potential for Program Savings
- ❖ Increased Federal Matching Dollars
- ❖ Iowa Economic Development
  - Contractor Staff Located in Iowa
  - Increased Participation for Iowa Staff and Iowa Businesses

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