



Task Force

Iowa Covering Kids Now Task Force Members

David Carlyle, MD
Family Physician
McFarland Clinic

Laura Cerny
Income Maintenance
Supervisor
Department of Human Services

Stacey T. Cyphert, Ph.D.
Asst. VP, Statewide Health
Services & Asst. Dir.
Univ. Hosp. & Clinics

Mark Easter, DO
Decatur Medical Services

Jim Elliott, Deputy Director
Legal Services Corp. of Iowa

Bery Engebretsen, MD
Director of Ambulatory
Services
Broadlawn's Medical Center

Mary Nauman, RN, Manager
Pediatrics & Family Practice
Medical Associates

Representative Robert
Osterhaus

Peter Roberts
Wellmark Health Plan
Iowa Managed Care
Association

Susan Salter, LISW
Grant Wood AEA

Jane Schadle, RNC, MSHA
Community Health
Improvement
Wellmark Foundation

Anita Smith
Department of Human Services
Division of Financial, Health
& Work Supports

David Smith, MD
Pediatrician
McFarland Clinic

Questions? Facilitator:

Denise Hill, JD, Manager
Public & Regulatory Affairs
Iowa Medical Society
1001 Grand Avenue
West Des Moines, IA 50265
(515) 223-1401

WINTER 2002 REPORT

Task Force Background: The Covering Kids Now Task Force is one component of a Robert Wood Johnson grant received by the Iowa Department of Public Health. The purpose of the Task Force is to identify and make comprehensive recommendations related to barriers to children's health care, with a primary focus on enrollment and retention of children in the Medicaid and *hawk-i* public health insurance programs. Task Force findings and recommendations are shared with the *hawk-i* Board, Department of Human Services (DHS) and public policy decision makers. This is the Task Force's third annual report.

This year the Task Force believes it is imperative to note the critical impact fair provider reimbursement has on programs that serve uninsured children. Medicaid in Iowa is already under funded. If the contemplated 13.2 % cut in provider payments is not restored, the program will undoubtedly suffer decreased access and increased stigma — at a time when the economy is increasing demand for services. This will be compounded by the loss of federal matching funds. Additional cuts in Medicaid provider reimbursement erode the infrastructure needed to serve the most needy Iowa kids.

Covering Kids Now Task Force Findings & Recommendations

Enrollment & Retention:

1. Self-declaration of income on enrollment applications is needed;
2. Eliminate the 6-month waiting period in *hawk-i* and provide for the needed technical amendments; and
3. Pursue a waiver for families to choose between *hawk-i* and Medicaid.

Significant Outreach Needs:

1. A full-time statewide *hawk-i* outreach coordinator position is critical now;
2. All Iowa schools should determine a child's insurance status at registration and forward information to DHS for eligibility determination (with parental consent) and statistical purposes; and
3. An ongoing statewide media campaign and electronic application would yield significant results for both *hawk-i* and Medicaid.

The Task Force continues to believe that a presumptive eligibility pilot project, continuous eligibility, and expansion to families should be pursued. However, these improvements are not top recommendations for this year.

The Task Force encourages public policy makers to revisit HF 2517, the initial hawk-i enabling legislation. The essential purpose for the legislation was to improve access that helps improve overall health for children. In addition, the Legislature specified that the maximum amount possible should be used for outreach. This legislation has served as a backdrop for the Task Force's in-depth discussions, deliberations and recommendations. Please see the Task Force's rationale for their recommendations below:

Overcoming Barriers to Enrollment and Retention:

1. Self-declaration of income is needed to decrease barriers to enrollment.

Currently in the Iowa *hawk-i* and Medicaid programs, income stated on the application must be verified through bank statements, award letters, paycheck stubs, or other sources. This requirement is a barrier to enrollment for some families. For example, self-employed and undocumented families with potentially eligible children often have a difficult time providing these figures and may decide not to pursue the program. Children who are otherwise eligible end up being denied available coverage due to the absence of income verification.

Since the State Children's Health Insurance Program (SCHIP) began, the Center for Medicare and Medicaid Services (CMS) has permitted states to have self-declaration of income — where the state accepts that the income listed on the application is accurate. Quality control checks are in place to determine the reliability of the process.

At least 20 states have utilized self-declaration of income. In a preliminary survey of a dozen different states, those that allow self-declaration believe it is the way to go and that it has been a program enhancement. One state found that their Medicaid program has increased its enrollment tremendously since implementation of self-declaration. It has also helped states to speed up the processing of applications as follow-up on incomplete applications is decreased. It is widely believed that a switch to self-declaration of income could provide cost savings by reducing both the administrative time required to determine eligibility and the number of follow-up mailings/calls to request verification documentation.

Further, most states also found that the incidence of error is low with self-declaration. In all but one state that responded, the error rate was less than 3%. Many cases where there were discrepancies between the declaration and audits involved over reporting (not underreporting of income), and the children were often still eligible. There was limited confusion for applicants over the difference between net vs. gross income, seasonal work and self-employment, however, changing the application to ask for both gross and net income helped to resolve that issue.

2. Elimination of 6-month waiting period/technical amendments.

As proponents of simplification and continuity of care, the Task Force has long encouraged the State to eliminate the unnecessary barrier of a 6-month waiting period. Requiring families to wait 6 months after they lose coverage does nothing but put a hardship on families. Further, the *hawk-i* Board and DHS have determined that this change would amount to administrative simplification and should be budget neutral.

It should also be recalled that the rationale for the 6-month waiting period was to alleviate fears about employer crowd-out. As the program has progressed, CMS has determined that crowd-out has not been a factor and states are no longer required to have crowd-out strategies as long as their income level is below 250% of poverty.

The technical “clean-up” bill proposed by the *hawk-i* Board during the past few sessions is also long overdue. The failure to make these changes is hampering the effectiveness of program administration. Task Force members are aware of no real objections to these budget-neutral technical changes.

3. The State should continue pursuit of a waiver to allow families to choose between programs.

The Medicaid screen and enroll requirement is a major barrier to obtaining health care coverage for Iowa children. Many families have listed the inability to choose between *hawk-i* and Medicaid as their reason for not following through with enrollment. The State has requested a waiver from CMS to allow Iowa Medicaid-eligible families to choose between enrollment in the Medicaid and *hawk-i* programs. Iowa has assured CMS that Medicaid-eligible families who choose *hawk-i* would not be assessed any cost sharing and would be allowed to opt into the more generous Medicaid package whenever they choose to do so. With these assurances to families, a waiver could allow Iowa to enroll families who need coverage but are unwilling to enroll in Medicaid. At the present, time the State continues its dialogue with CMS. The Task Force supports DHS’s, the Governor’s and the Legislature’s efforts to secure this waiver.

Significant Outreach Needs:

1. A full-time statewide outreach coordinator position has never been more critical.

The vacancy in this vital position program has profoundly impacted the program and those who provide outreach. DHS has an obligation to provide *hawk-i* outreach but has no designated personnel to coordinate outreach efforts. Further, as the cuts in the state budget decrease the number of local DHS offices and personnel, the program will rely much more upon outreach from non-State sources. This reliance dramatically increases the need for a statewide position to coordinate outreach and ensure an accurate and uniform outreach message. Further, broad-based community focus groups conducted in 2001 around the state uniformly listed the lack of a statewide outreach coordinator as one of the top three issues for *hawk-i*. People have seen firsthand how misinformation can derail the program. It should also be noted that with the 75% in federal matching funds, the commitment of State dollars would be minimal. As the Legislature so wisely noted in the enabling legislation, effective outreach is imperative to program success — and this position is imperative to effective outreach.

2. Require schools to determine children’s insurance status and forward information to DHS for eligibility determination (with parental consent) and statistical purposes.

One of the program’s biggest challenges is identifying uninsured children. On that basis, the group reaffirmed the need to require schools to ask parents about a child’s insurance status at school registration. This request is not burdensome on schools as it can be added to the list of questions that parents are already required to answer on their emergency notification cards.

In addition to providing *hawk-i* outreach and referrals to families who consent, schools have a unique capacity to provide a reliable statistical overview of the number and geographic concentration of the State’s uninsured school-age children. This data could assist in determination of where outreach efforts should be focused, which is particularly important for the rural poor. Insurance status data has been invaluable in schools where it has been collected, such as in the McKinley School. Further, the “*hawk-i* Impact on Access and Health Status” evaluation report supports the value of the *hawk-i* program to schools — kids were healthier, had fewer sick days, and chronic conditions were treated.

The Task Force does not intend to downplay the existing cooperation from schools and districts that have willingly partnered with local outreach efforts. However, this valuable statewide data on the insurance status of Iowa school-age children is not currently collected. The Task Force also hopes to work with the

Department of Education and other educational organizations to address collaborative approaches to school-based outreach.

3. A statewide media campaign and electronic application would yield significant results.

The Task Force supports the need for an ongoing statewide media campaign to be used in conjunction with grass roots efforts. Marketing and business experts recognize that continuous media exposure is needed for effective promotion of products and services. Public insurance programs are no different. The ads used in the 2001 campaign were supported by extensive evidence-based marketing research and demonstrated the positive impact of mass media on the *hawk-i* and Medicaid programs. There was a significant increase in requests for applications during and immediately following the campaign. The media campaign introduced a whole new audience to the program by reaching eligible working families who had never applied for government assistance. It also expanded outreach efforts and volunteers wanting to help promote the program for little or no cost. The Task Force appreciates the State's economic situation, which may preclude a media campaign comparable to the one offered in 2001; however, by focusing on radio media expenses could be significantly scaled back and the remaining limited expense would be matched by 75% of federal funds.

It is well known that an electronic application would benefit the program by streamlining the enrollment process. There is much to learn from other states that have already had overwhelmingly positive experiences with these programs. Iowa would not need to "reinvent the wheel," so the cost for developing an effective electronic process would be very reasonable. When considered in conjunction with the federal match and the potential for reducing administrative costs in the long run, it is a worthy investment in the program.

Task Force Future Work and Goals

The Covering Kids Now Task Force is soliciting examples of barriers and ideas from all Iowans interested in children's health care coverage. The Task Force will continue to share findings with formal and informal agencies, committees, and groups who focus on program improvements and to share findings with the public and interested parties. This report reflects the opinions of the Covering Kids Now Task Force and is not necessarily the opinion of its individual members or the organizations they represent.