



Iowa Department of Human Services

Medical Assistance

(Medicaid - Title XIX)

Public Affairs Contact: Roger Munn, (515) 281-2948 E-mail: rmunn@ihs.state.ia.us

<p>Purpose</p>	<p>Medical Assistance (Medicaid—Title XIX) provides health care coverage for financially-needy parents with children, children, people with disabilities, elderly people, and pregnant women. The goal is for recipients to live healthy, stable, and self-sufficient lives.</p>
<p>Who</p>	<ul style="list-style-type: none"> ▪ In FY06, the average monthly Medicaid enrollment was 297,000. Growth of around 4 percent is projected for SFY 2007. ▪ The average Iowa cost per recipient is about \$2,200 a year. But costs vary widely. More than half of Medicaid recipients are children but they account for only 17 percent of expenditures. Ten percent are elderly but they account for 25 percent of expenditures. Sixteen percent are disabled but they account for half of expenditures.
<p>What</p>	<ul style="list-style-type: none"> ▪ Iowa Medicaid provides preventive, acute, and long-term care services using the same private and public providers as other insurers in Iowa. One special focus of the program is to expand alternatives to institutional long-term care for the aged, disabled, mentally challenged, and for children. ▪ Iowa Medicaid supports county programs and policies to provide access to care for those with mental retardation and developmental disabilities. ▪ Iowa Medicaid plays a key role in the state's child welfare system by funding the medical component of services to children in state care. Medicaid also provides medical coverage to children in subsidized adoptive homes, thereby making permanent placement more accessible for children who cannot return to their birth families. ▪ Iowa Medicaid is beginning to focus on patient education and disease management in order to control costs and improve health.
<p>How are We Doing?</p>	<ul style="list-style-type: none"> ▪ Iowa made an important advance in the administration of Medicaid in July 2005 by splitting the one-winner-take-all contract into nine pieces, thus attracting niche specialists and making the system more nimble and responsive. All contractors are housed in one place—the Iowa Medicaid Enterprise building in Des Moines—and all are directed by Medicaid administrators. All Medicaid computer records are now kept in Iowa. ▪ With DHS taking a lead role, state and federal officials struck a critical bargain in the spring of 2005 to avoid the loss of federal funds. A byproduct was the creation of IowaCare, a Medicaid expansion program of limited benefits for the working poor that replaced the “State papers” charity care program. (See separate IowaCare summary.)

Iowa Department of Human Services

Offer #401-HHS-004: SCHIP (State Children's Health Insurance Program) - Healthy and Well Kids in Iowa (*hawk-i*) and Medicaid Expansion

Contact Information: Ann Wiebers, awiebers@dhs.state.ia.us, (515) 281-6080

This offer is for:		This offer includes the following appropriations:
	New activity	SCHIP, Field Operations, General Administration,
X	Status quo existing activity	Local Administrative Expense
	Improved existing activity	

Program Description:

The purpose of the State Children's Health Insurance Program (SCHIP) program is to increase the number of children with health care coverage, thereby improving their health outcomes. Iowa's goal is to make the *hawk-i* program as seamless and user-friendly as possible. The SCHIP program includes both a Medicaid expansion and a separate program called the Healthy and Well Kids in Iowa (*hawk-i*) program.

Who:

Medicaid Expansion

The Medicaid expansion component provides coverage to eligible children who are:

- Age 6 through 18 whose family income is between 100-133% of the Federal poverty guidelines.
- Infants whose family income is between 185-200% of the Federal poverty guidelines.
- U.S. citizens or legal permanent residents for at least 5 years.

12,311 children were enrolled in the Medicaid expansion at the end of SFY 2006.

hawk-i Program

The *hawk-i* program provides health care coverage to children whose families have too much income to qualify for Medicaid but who do not have health care coverage. Eligible children:

- Are under age 19.
- Are uninsured and do not qualify for Medicaid.
- Are U.S. citizens or legal permanent residents for at least 5 years.
- Live in a family whose income is between 133 - 200% of the Federal poverty guidelines. For a family of four, the maximum annual income is about \$40,000.

20,718 children were enrolled in the *hawk-i* program at the end of SFY 2006.

What:

Medicaid Expansion

Children covered by the Medicaid expansion receive the same services as any other child eligible for Medicaid.

hawk-i Program

Children covered by *hawk-i* receive a comprehensive package of health care benefits that includes coverage for physician services, hospitalization, prescription drugs, immunizations, dental, vision care and more.

How:**Medicaid Expansion**

- Children covered by the Medicaid expansion receive covered services through existing Medicaid provider networks. Although these children receive Medicaid covered services through Medicaid providers, this activity receives Federal funding through Title XXI, rather than Title XIX.
- Children who apply for Medicaid and who are determined ineligible, or children who lose eligibility for the Medicaid program are referred electronically to the *hawk-i* program by the county DHS worker. The data that was used to determine Medicaid ineligibility is transmitted to the *hawk-i* third party administrator (TPA) and used to determine eligibility for the *hawk-i* program.

hawk-i Program

- The administrative functions of the *hawk-i* program are handled through a contractual arrangement with a third party administrator (TPA). The current TPA is MAXIMUS. MAXIMUS is responsible for all aspects of application processing and enrollment, including screening for Medicaid eligibility, billing and collecting premiums, customer service, notifying the health plans of enrollment, conducting welcome calls and various surveys, and the provision of statistical data to the Department.
- The *hawk-i* program is designed as a commercial health care model. Therefore, children in the *hawk-i* program receive covered services through providers contracted with participating health and dental plans. The health and dental plans provide insurance cards that are presented to the provider when obtaining services and the plans process all claims.
- Federal law requires that all children who apply for the *hawk-i* program must be screened for Medicaid eligibility. If a child appears eligible for Medicaid, the application is referred to the Medicaid eligibility workers who are co-located with the Department's *hawk-i* TPA for processing.
- Families with income between 150 and 200% of the Federal poverty level pay a premium of \$10 per child per month but no family pays more than \$20 per month. For a family of four, 150 to 200% of the Federal poverty level is equivalent to annual income between \$30,000 and \$40,000.
- Outreach for the *hawk-i* program is conducted through a contractual arrangement with the Iowa Department of Public Health (IDPH). IDPH subcontracts this activity through their Title V contracts.
- The Department has also entered into a contract with the Iowa Foundation for Medical Care (IFMC) to conduct encounter data analysis, a functional health assessment of children in the program, medical records reviews, and quarterly provider geo-mapping analysis. These functions are all used to measure the impact of the program on children, ensure the availability of quality health care providers, and ensure that children are receiving appropriate care according to clinical guidelines.
- State expenditures for the SCHIP program are matched approximately 3:1 by Federal funds.

Field Operations determines eligibility for children covered by the Medicaid expansion program. General Administration provides financial and accounting services, personnel services, procurement, information technology support, etc.



Iowans Working Together...
Doing What Works

Iowa Department of Human Services

IowaCare

Public Affairs Contact: Roger Munns (515) 281-4848 E-mail: munnsr@ihs.state.ia.us

Purpose

The IowaCare program is a limited expansion of Medicaid that provides health benefits to the working poor. It has statewide eligibility criteria. In July of 2005, it replaced county-by-county decisions in the prior "State Papers" charity care program, which authorized services at University of Iowa Hospitals and Clinics.

Who

Over 17,000 people were eligible for IowaCare at the end of its first year, June 2006. In SFY 2007 the department expects this number to climb to a monthly average of over 19,000.

Eligible people are adults aged 19-64 in households with adjusted income of up to 200 percent of the federal poverty level (about \$1,600/month for a family of two), who are not eligible for Medicaid, who do not have other health insurance, and who agree to pay a premium of between \$1-75 a month depending on income. There are exceptions in hardship cases.

What

- Covered services include inpatient and outpatient hospital, physician or advanced registered nurse practitioner, and dental. Services do not include checkups or pharmaceuticals, with the exception of those needed during and immediately following hospital stays. Emergency services are provided at local hospitals, not via IowaCare.
- Covered services are provided only at Broadlawns Medical Center in Des Moines, University Hospitals in Iowa City, and the state's four mental health institutes. This is because IowaCare was enabled with funds allocated for these facilities.
- Unlike Medicaid, IowaCare is not an entitlement, meaning that it depends on specific appropriations.

How are We Doing?

IowaCare was enabled by legislation resulting from an agreement between state and federal officials in the spring of 2005. The agreement permitted federal matching money (approximately 2:1) for state dollars in the U of I charity care program, for state dollars supporting the four mental health institutes, and for Polk County property tax dollars supporting the county hospital. The agreement prevented a loss of more than \$66 million in federal funds.

In the next two years, IowaCare will explore initiatives that provide incentives to stay healthy. These may include:

- Required comprehensive medical examination upon enrollment.
- Dietary counseling to assist members with weight loss.
- Incentives to quit smoking.
- Optional health care accounts, enabling members to withdraw balances if funds are not needed for health care.