



UI Health Care – Beyond IowaCare

Prepared for
HHS Appropriations Subcommittee

Presented by
Stacey T. Cyphert, Ph.D.
Assistant Vice President for Health Policy

January 29, 2014

University of Iowa Health Care



Iowa's only comprehensive academic medical center



Presentation Overview



- Observations regarding the end of IowaCare
- Formation of an ACO to serve Iowa Health and Wellness patients
- Health plan development with CoOpportunity
- PCP assignments
- Praise and Concerns
- UI Health Care outreach activities



3



IowaCare Observations

4

IowaCare Helped a Lot of Low Income Iowans In Spite of Design Challenges



- IowaCare, which covered people ages 19-64 with incomes up to 200% of the federal poverty level (FPL) who were uninsured and not eligible for Medicaid, sunset December 31, 2013.
- Program was conceived to address a perceived potential \$65 M loss of funding to DHS if intergovernmental transfers were disallowed.
 - Thus, patient care and convenience faced competing priorities.
- Providers stepped up and created access to services at their own expense, such as pharmaceuticals, that the state chose not to cover.
 - Some providers also transferred funds for state match to make the program less expensive for the state.
- More than 172,000 Iowans benefitted from the IowaCare program.

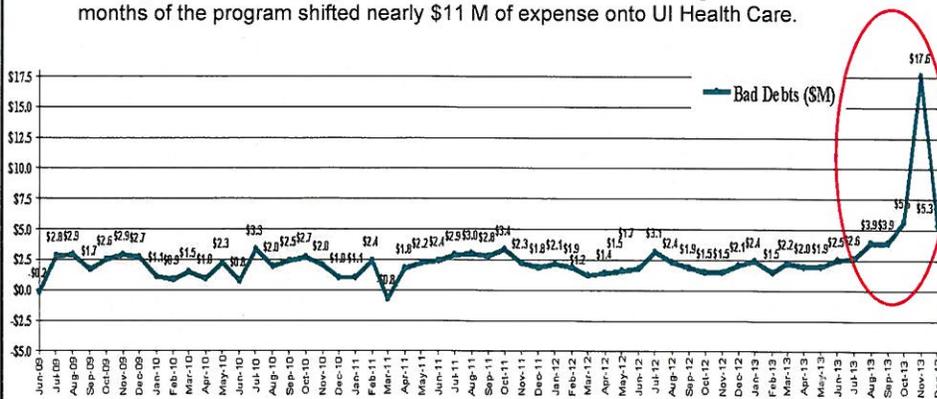


5

Implementation of IowaCare Cap Generated Additional Expenses for UI Health Care



- The appropriation for UI physician services was approximately \$1 M less than necessary to fully fund care provided to covered IowaCare beneficiaries.
- The appropriation for University of Iowa Hospitals and Clinics was also approximately \$1 M short of providing full reimbursement at Iowa Medicaid rates.
- The implementation of a cap on new enrollment in IowaCare during the last six months of the program shifted nearly \$11 M of expense onto UI Health Care.



6

Several Beneficial Programs Ended with IowaCare



- Several beneficial patient programs ended with IowaCare's demise:
 - UI Health Care Cap on prescription copays of \$20 per month.
 - ❖ Only relevant for former IowaCare beneficiaries 139-200% of FPL but could have significant cost implications.
 - UI Health Care contract to provide a Nurse Helpline Service offering guidance with care needs, particularly with respect to appropriate use of the emergency room.
 - ❖ Previously all IowaCare patients across the state had access to this service.
- Certified medical homes for all patients.
 - New programs do not reward medical homes that meet national certification standards (although use of medical homes is encouraged).



7

Some Beneficial Programs have survived the Expiration of IowaCare



- Effective January 1, 2014 funds remaining from the \$250,000 appropriation to assist IowaCare patients who must travel 30 miles or more to receive cancer care at the UIHC are to be used to assist patients with cancer receiving services at the UIHC whose travel distance is 30 miles or more from the UIHC and whose income is at or below 200 percent of the federal poverty level.
 - Approximately \$215,000 remains.
- While the UIHC will know people with Medicaid, on the Iowa Wellness Plan, or in an Iowa Marketplace Choice plan will meet the income threshold, there will be other people who could qualify.
 - The contract specifies that the UIHC is to provide DHS with a signed release of information form from the patient when requesting income verification but problems with getting information exist.



8



Formation of an ACO

Iowa Wellness Plan and ACOs



- Initially providers serving Iowa Wellness Plan beneficiaries can be independent, part of managed care plans, or part of ACOs.
 - Over the course of the demonstration as ACOs develop statewide, however, a goal is that all members that select the primary care provider model will be associated with an ACO.
- UI Health Care is part of an Iowa Wellness Plan ACO through the UI Health Alliance.

**Academy of Health Systems
Iowa Wellness Plan/ACO/ACO
Care Organization (ACO) Agreement**

This Agreement is subject to the following terms:

Entity of the Care Organization ("Entity") or "Organization"	
Supplemental Address of Agent	
One National Enterprise	
100 Area Mail Box	
One House of Representatives	
Phone: 515-281-2000	

Accountable Care Organization ("ACO")	
Legal Name	ACO's Principal Address
ACO Agreement/Strategy	Organized under the laws of State of Iowa
Healthcare Provider ("Member Address")	ACO's Billing Contact Person/Address
Phone	Phone
Mail	

Agreement Information	
State/Zip	Iowa/52242, IA
ACO Provider's Business Address/ TIN	Agreement Represents Individual Patient Practice?
Agreement Includes Billing/MSA Doc?	Yes
Agreement Includes Billing/MSA Doc?	Agreement Contemplates OIGB Approval of Billing/MSA Doc?
ACO is Certified Service Organization?	If Yes OIGB Approval of Billing/Agreement/MSA Doc Required?

ACO Wellness Agreement (2/2014)

Formation of the UI Health Alliance

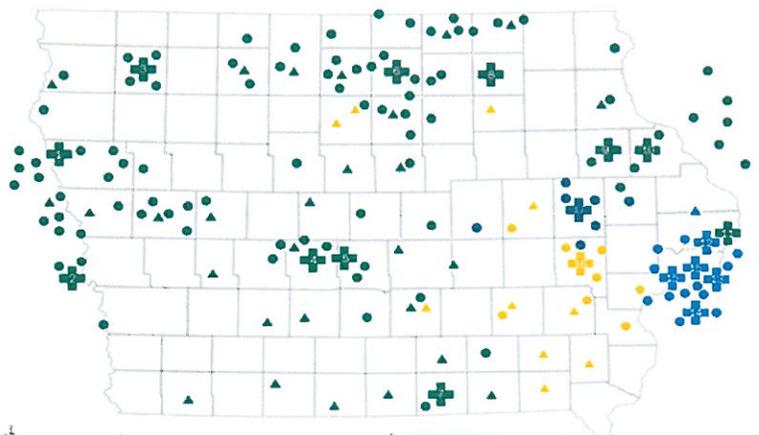


- *Integration without Merger*® was successfully applied to support collaboration between four Iowa health systems, their hospitals and clinics.



- The Alliance was formed in response to the rapidly changing marketplace and a common sense of urgency to work together to improve positioning.
- *Integration without Merger*® allowed these organizations to create a formal structure to achieve many benefits typical of merger while preserving the separate governance and mission of each organization.
- Today, the "University of Iowa Health Alliance" (UIHA) has been in operation more than one year and includes more than 50 hospitals, over 2,000 employed physicians, and more than 160 clinics.

UI Health Alliance Members, Affiliates, & Physicians



UNIVERSITY OF IOWA HEALTH ALLIANCE

- Mercy Health Network
- Genesis Health System
- University of Iowa Health Care
- Mercy Cedar Rapids

- 17 Owned Hospitals
- 54 Total Hospitals
- 2,204 Integrated Physicians
- 2,000+ Additional Aligned Physicians
- \$4+ Billion Annual Net Revenues
- 37 Affiliate Hospitals

OWNED HOSPITALS

1. Mercy Medical Center, Sioux City
2. Oakland (NJ) Memorial Hospital
3. Baum-Harmon Mercy Hospital, Pringhar
4. Mercy West Lakes
5. Mercy Medical Center, Des Moines
6. Mercy Medical Center, North Iowa
7. Mercy Medical Center, Casselville
8. Mercy Medical Center, New Hampton
9. Mercy Medical Center, Dyersville
10. Mercy Medical Center, Dubuque
11. Mercy Medical Center, Clinton
12. Genesis Medical Center, Detroit
13. Genesis Medical Center, Silvis
14. Genesis Medical Center, Alledo
15. Genesis Medical Center, Davenport
16. University of Iowa Hospitals
17. Mercy Cedar Rapids

Select Benefits of Being an Early ACO in the Iowa Wellness Plan



- Opportunity to capture market share and **assure patient access** to UI Health Alliance (UIHA) providers (particularly specialty care at the UIHC).
- Opportunity to become familiar with the patient population without being subject to downside risk.
- Opportunity to earn more incentive payments than non-ACO providers.
- Opportunity to build relationships that will be useful as the state seeks to implement multi-payer ACOs in the coming years.



13



Health Plan

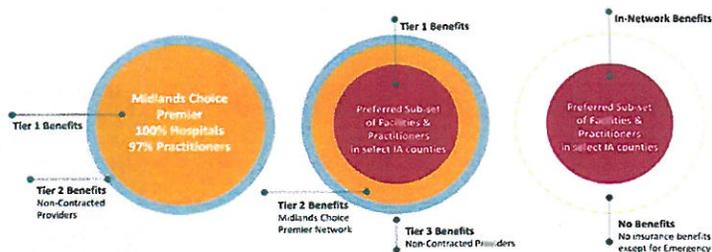
14

The UI Health Alliance Worked with CoOpportunity Health to Develop Qualified Health Plans



Network Structure That Supports Product Offerings

	CoOpportunity Premier PPO Plan	CoOpportunity Choice Open Access Tiered Benefit Design Plan	CoOpportunity Preferred EPO Plan
Tier 1 Benefits	Tier 1 Providers: Midlands Choice Premier Network	Tier 1 Providers: Preferred Sub-set of Facilities & Practitioners in select IA counties	In Network Providers: Preferred Sub-set of Facilities & Practitioners in select IA counties
Tier 2 Benefits	Non-Contracted Providers	Tier 2 Providers: Midlands Choice Premier Network	No Benefits except Emergency
Tier 3 Benefits		Non-Contracted Providers	



CONFIDENTIAL NOT FOR DISTRIBUTION | COOPORTUNITY HEALTH | 6/27/2013 | 8



PCP Assignments

PCP Assignment Matters Because PCPs Control Access to Covered Services



- Everyone in the Iowa Wellness Plan is expected to have a primary care provider (PCP), or patient manager, as termed in the Iowa Wellness Plan contract (except those living in non-managed care counties).
- Patient Manager responsibilities:
 - Provide primary care.
 - Supply 24-hour access phone number to provide instruction to patient.
 - Accept patients up to the agreed limit.
 - Treat patient or **give referral for treatment**.
 - ❖ No paper referral required.
 - The Patient Manager must document referrals in the patient's medical record.
 - The provider to whom the referral is given should also chart the referral.
 - ❖ Emergent services do not require a referral.



17

UI Health Care PCP Assignments

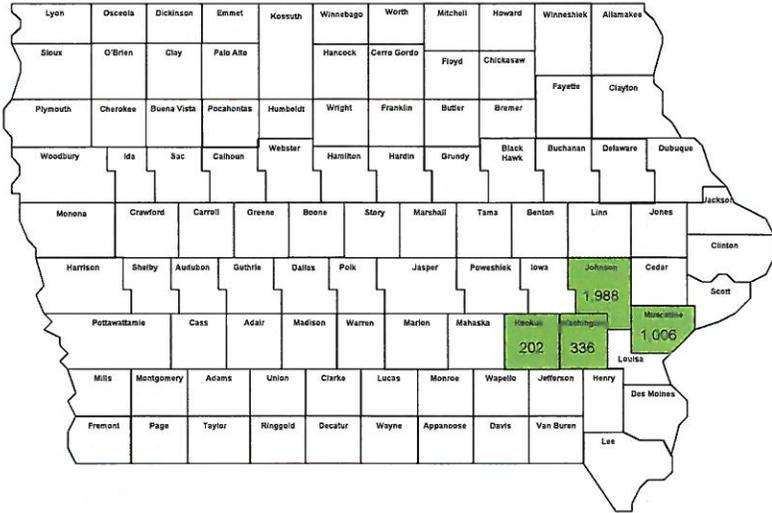


- UI Health Care submitted a list of 50 PCP candidates.
 - These providers were willing to serve 42,300 patients.
- All 50 UIHC PCPs received patient assignments.
 - Ranged from 1 to 202 patients.
 - Breakdown:
 - ❖ 7 <10
 - ❖ 22 11-50
 - ❖ 10 51-99
 - ❖ 11 100+



18

3,532 IowaCare Beneficiaries Were Promised to be Auto-Assigned to UI Health Care Via the Iowa Wellness Plan

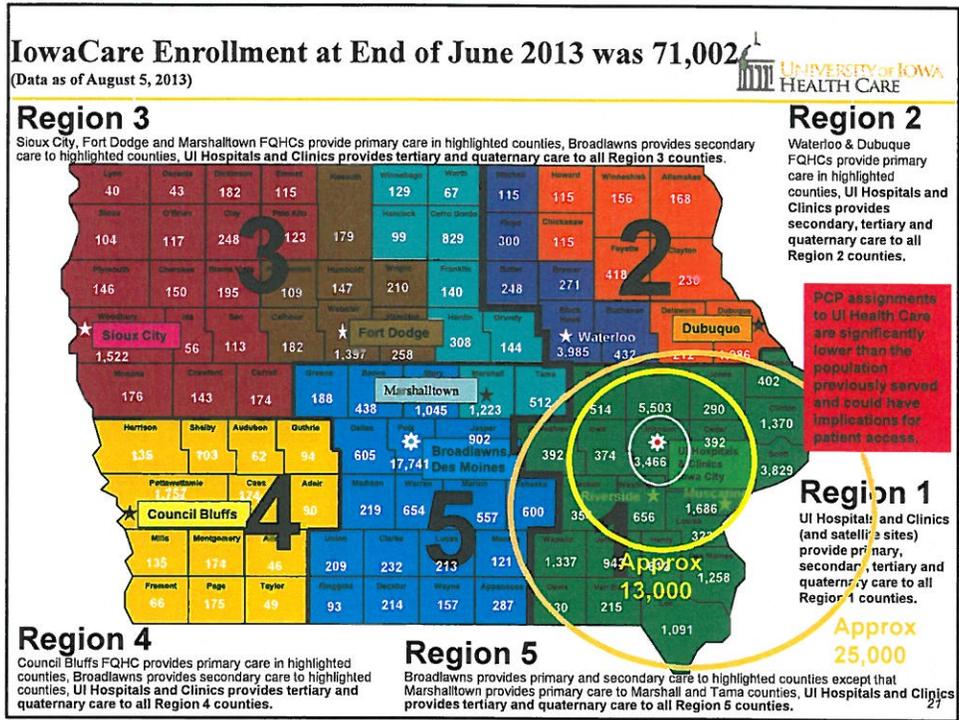


Only 2,635 Iowa Wellness Plan Beneficiaries Currently Have A UI Health Care PCP



- 676 assignments in Muscatine County were not processed correctly and will not appear on the UI Health Care list until February.
 - Total assignments expected to be 3,311 starting February 1, 2014.
- Efforts continue to assist patients switch to UI Health Care PCPs.
 - Over 450 patients have already switched.





UNIVERSITY of IOWA
HEALTH CARE

Praise & Concerns

22

Presumptive Eligibility



- Process has worked well.



Dental Coverage



- The Iowa Department of Human Services was not prepared to fully implement dental coverage for Iowa Wellness Plan and Iowa Marketplace Choice Plan beneficiaries beginning January 1, 2014.
 - Coverage may not start until May 2014.
- The recent decision to cover emergency dental needs such as trauma, abscesses, and pain during the interim period is much appreciated.



Understanding of Program



- Patients have presented for care unaware they need a PCP referral.
- Information on health risk assessments is not available.
- Have encountered providers unwilling to accept Iowa Wellness Plan referrals because they do not understand that services will be covered.



25

Data Quantity and Quality



- Little information has been made available to date to providers relative to enrollment and the percentage of potentially eligible Iowans actually covered.
- PCP assignments include patients with an Illinois address.
- PCP assignments include patients living in non-managed care counties.



26

Outreach Activities

27

UIHC Resources for Patients

- Certified Application Counselors (CACs) available.
- Targeted letters to patients.
- On-site Health Care Benefits Enrollment Center.
- Phone number for enrollment assistance (319-356-2208).
- Web site at <http://www.uihealthcare.org/enroll>.
- Posters in internal and external (ex. Campus) locations.
- Community outreach events (shopping centers, churches, etc.).

28

QUESTIONS

