

# IowaCare Update

Prepared for

## Medical Assistance Projections and Assessment Council

Prepared By

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## **General 28E Agreement & Nurse Helpline Agreement Signed**

- UI Hospitals and Clinics and the Iowa Department of Human Services have signed a 28 E agreement for the FY 07 general operation of IowaCare.
- An agreement whereby the UI Hospitals and Clinics will provide Nurse Helpline Services for the enrolled IowaCare population is also final.
  - The goal of the nurse helpline initiative 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 will be directed to the Department of Human Services.
  - The Nurse Helpline became operational October 2, 2006.
  - Toll free number for the helpline is 866-890-5966.
  - The website address is:

## **UI Hospitals and Clinics Praised for IowaCare**

- Physicians and staff at the UI Hospitals and Clinics received bi-partisan praise from legislators regarding IowaCare at a luncheon on August 7, 2006.
- Among the elements recognized were:
  - Commitment and Effort
  - Willingness to Adapt
  - Dedication to Improving Lives of all Iowans
  - Extremely High Level of Expertise
  - Deep Caring for Patients

## **Physician From UI Hospitals and Clinics Appointed to Clinical Advisory Panel**

- Per Laws of the 81st Iowa General Assembly, 2005 Session, Ch. 167 (HF 841), the medical director of the Iowa Medicaid enterprise shall assemble and act as chairperson for a clinicians advisory panel to recommend to the department clinically appropriate health care utilization management and coverage decisions for the medical assistance program and the IowaCare population which are not otherwise addressed by the Iowa medical assistance drug utilization review commission or the medical assistance pharmaceutical and therapeutics committee.
- Janet Schlechte, M.D., Professor of Internal Medicine in the UI Carver College of Medicine, is one of the panel members.

## **UI Hospitals and Clinics Continues to Have Concerns Related to IowaCare Eligibility Determinations**

- 441-92.2(4) states a person who has access to group health insurance is not eligible for IowaCare, with limited exceptions.
- The UI Hospitals and Clinics has encountered several hundred cases where patients have primary insurance coverage that makes payments yet the person is listed by DHS on ELVS as eligible for IowaCare coverage.
  - These patients have expectations of benefiting from their IowaCare enrollment and the UIHC cannot override eligibility determinations made by DHS.
  - UI Hospitals and Clinics enables DHS to become aware of this situation via claims showing IowaCare as a secondary payor.
- As previously established at an earlier MAPAC meeting, it is not the responsibility of the UI Hospitals and Clinics to police whether or not DHS has assigned IowaCare eligibility correctly but closer scrutiny of those granted IowaCare eligibility may be warranted.

## **IowaCare Volume at UI Hospitals and Clinics Remains Brisk**

- Net enrollment in IowaCare and Chronic Care at the end of August has declined significantly from a peak at the end of June 2006.
- A significant piece of the enrollment decline has occurred in Polk County.
- It is unknown at this time the extent to which this decline will continue or if it will impact patient care volume at the UI Hospitals and Clinics.
  - Not everyone who enrolls in IowaCare utilizes services at the UI Hospitals and Clinics.
  - Of the 27,000+ people enrolled in IowaCare or Chronic Care at some point in FY 06, only 7,875 unique patients (less than 1/3<sup>rd</sup>) were treated at the UI Hospitals and Clinics.
- FY 07 data through September 21, 2006 shows the UI Hospitals and Clinics has already seen 3,900 unique IowaCare or Chronic Care patients who have made 11,112 visits.
- An average of 151 IowaCare patients per week are being transported to and from the UI Hospitals and Clinics on our vans and we have already logged over 149,000 miles in FY 07.



## **UI Hospitals and Clinics Has Implemented Pilot Pharmaceutical and Durable Medical Equipment Programs**

August 14, 2006, the UIHC implemented pilot programs to facilitate IowaCare beneficiary access to pharmaceuticals and durable medical equipment. Through September 21, 2006:

- Over 8,600 prescriptions have been filled at a cost of approximately \$199,000.

- DME has been provided to over 90 patients at a cost in excess of \$25,000.



## **Questions & Answers Regarding the UIHC's Pharmaceutical and Durable Medical Equipment Pilot Programs for IowaCare**

### **How does the pharmacy pilot program work?**

Beginning August 14, 2006, UI Hospitals and Clinics started providing generic pharmaceuticals on its formulary to IowaCare patients free of charge for use at home. Only prescriptions written by licensed UI Hospitals and Clinics practitioners and filled at UI Hospitals and Clinics pharmacies are covered. Patients receive no more than a 30-day supply of prescription drugs at any one time.

### **What isn't covered in the pharmacy pilot program?**

Over-the-counter medications are not provided under the IowaCare pilot pharmaceutical program, except for certain forms of insulin. In general, brand name medications are not included. However, for IowaCare patients not using generic medications, UI Hospitals and Clinics will provide a one-time, 30-day supply of brand-name pharmaceuticals. The IowaCare patients will then be assisted in contacting pharmaceutical assistance programs, as they are now, if desired. Home infusion medications are also not covered under the pilot program, although the UIHC Ambulatory Care Pharmacy will dispense directly to IowaCare patients covered oral or self-injectable medications pursuant to a prescription.

## **Questions & Answers Regarding the UIHC’s Pharmaceutical and DME Pilot Programs for IowaCare (cont.)**

### **What if a patient needs a prescription refilled?**

For IowaCare enrollees living outside of Johnson County, prescription refills of 30 days or less may be mailed to the patient. Patients living in Johnson County may pick up refills of 30 days or less by visiting UI Hospitals and Clinics. Prescriptions will generally not be mailed to P.O. boxes. No prescriptions will be mailed to an out-of-state address under any circumstances.

### **Can IowaCare patients use an Emergency Treatment Center visit to get their regular medications?**

No. Routine medications not directly related to the acute reason for the ETC visit will NOT be prescribed by ETC medical staff. IowaCare or Chronic Care patients will be instructed to contact UI Hospitals and Clinics’ IowaCare Assistance Center at (319) 356-1000 to request assistance in receiving their routine medications.

## **Questions & Answers Regarding the UIHC's Pharmaceutical and DME Pilot Programs for IowaCare (cont.)**

### **How does the durable medical equipment pilot program work?**

UI Hospitals and Clinics will provide select DME items to IowaCare enrollees free of charge during the pilot period. Common DME items that may be provided under the program include:

- Orthopedic braces/supports/prosthetics
- Feeding tubes/pumps
- IV pumps
- Oxygen and supplies
- Ostomy supplies
- Diabetic supplies (test strips, glucometers, syringes)
- Dressing supplies
- Wound evacuators

Only DME authorized by licensed providers at UI Hospitals and Clinics is included in the pilot, and patients must obtain the equipment directly from the hospital or a provider authorized by UI Hospitals and Clinics. Quantities may be limited on an individual basis. If DME is available through county relief agencies, Department of Human Services offices, and/or local lending programs, it will not be provided at hospital expense.

## **Questions & Answers Regarding the UIHC’s Pharmaceutical and DME Pilot Programs for IowaCare (cont.)**

### **Who is eligible for the pharmacy and DME pilot programs?**

Patients who are enrolled in IowaCare in each month for which services are desired are generally eligible for the pilot programs. To receive medications and/or DME IowaCare enrollees must have been seen at UI Hospitals and Clinics during a scheduled visit since the inception of IowaCare. Some patients may be required to be seen again before prescriptions will be filled.

Also eligible are individuals with incomes greater than 200 percent of the federal poverty level who were part of the Chronic Care program in Fiscal Year 2006 and continue to be enrolled. These people will receive only pharmaceuticals or DME free of charge for their authorized chronic condition.

### **Are there any exceptions to eligibility?**

IowaCare patients residing in Polk County are not eligible to receive on-going supplies of medications, but may receive a 10-day supply of medications at discharge from UI Hospitals and Clinics. These patients may be eligible to receive medications and DME through the Community Care program offered by Broadlawns Medical Center.

## **Questions & Answers Regarding the UIHC's Pharmaceutical and DME Pilot Programs for IowaCare (cont.)**

### **How are IowaCare patients being notified of the pilot programs?**

The Department of Human Services sent letters on August 10, 2006 to individuals currently enrolled in IowaCare or Chronic Care. Patients were instructed to contact UI Hospitals and Clinics' IowaCare Assistance Center at (319) 356-1000 to request assistance. The Iowa Department of Human Services may choose to make potential new enrollees aware of these pilot programs. UI Hospitals and Clinics will also inform new IowaCare and Chronic Care patients about these pilot programs as they contact us.

If an IowaCare patient is eligible for pharmaceutical or DME coverage under Medicare, the Veterans' Administration, or any other third-party payer, he or she will not be eligible to receive benefits under the pilot programs.

### **Can changes be made in the pilot programs?**

Yes, modifications may be made to the pilot programs by the UI Hospitals and Clinics throughout the year as deemed necessary or appropriate.

## **Questions & Answers Regarding the UIHC's Pharmaceutical and DME Pilot Programs for IowaCare (cont.)**

### **How long will the pilot programs last?**

The pilot programs will operate concurrently with the IowaCare program at the UIHC during FY 07.

### **Then what?**

UI Hospitals and Clinics will keep the Board of Regents, State of Iowa, and legislative leaders apprised of the utilization and cost of the pilot programs. Discussions will occur regarding the on-going need for these pilot programs and, if so determined, regarding available sources of support.

### **Is there an estimate of how much it will cost UI Hospitals and Clinics to cover the free medications and DME through June 30, 2007?**

It is impossible to know with certainty what IowaCare enrollment and utilization will be. The current estimate of the cost to UI Hospitals and Clinics in Fiscal Year 2007 for these two pilot programs is in excess of \$6 million. The UIHC receives no federal or state financial support for these pilot programs.

### **How can patients or providers learn more about the pilot programs?**

Contact UI Hospitals and Clinics IowaCare Assistance Center at (319) 356-1000.

## ***The Gazette* Featured IowaCare September 24, Page 1A**

### **Ups and downs of IowaCare By Diane Heldt**

**Iowa City** - More than 3,000 additional Iowans received medical care at University Hospitals last year under a revamped state program for low-income residents.

The 7,875 patients the hospital treated during the IowaCare program's first year in 2005-06 easily exceeded the 4,500 patients treated during the final year of the State Papers program, which IowaCare replaced.

And while officials involved with the program say that's good for the state, it is a concern, too, because University Hospitals doctors saw those additional patients without receiving payment.

The care amounted to \$10 million in services, when figured at Medicaid rates, that University Hospitals doctors provided without being paid.

IowaCare, which provides health insurance for a sliding fee to adults who do not qualify for Medicaid, saw tremendous growth in year one, a Gazette look at its numbers showed. Patient numbers were so high at University Hospitals that the Legislature gave it \$10.6 million in additional money last session.

## ***The Gazette* Featured IowaCare (cont.)**

The growth impacts University Hospitals because the University of Iowa has one of only two hospitals participating in IowaCare and the only one open to any enrollee.

IowaCare is an important program for the whole state and one that University Hospitals, the UI Carver College of Medicine and the state Board of Regents remain committed to, officials said. But they will monitor the program to make sure the responsibility remains equitable.

“I want them to continue to see these patients, but I can understand why they’re under such constraints,” University Hospitals Chief Executive Officer Donna Katen-Bahensky said of the doctors. “There’s a limit on how much they can take on.”

The growth in IowaCare has caused already-busy doctors to be busier, which makes it harder for patients to get appointments, officials said. There’s also the matter of staff workload.

Meanwhile, University Hospitals last month began pilot programs offering free prescription drugs and durable medical equipment to Iowa Care patients.

It’s a change officials expect will draw even more people. More than 4,500 prescriptions already have been filled at a cost to University Hospitals of more than \$100,000.



## ***The Gazette* Featured IowaCare (cont.)**

The rapid growth is a concern for officials who worry about the increasing expectations placed on physicians.

“Long term, we have to find a way to resolve that issue,” Carver College Dean Jean Robillard said. “Like any new program, there are some things that need to be adapted and corrected, but overall this is a great program for the people of Iowa.”

### **Replaced State Papers**

IowaCare launched in 2005, replacing the indigent care program known as State Papers. IowaCare, run by the state Department of Human Services as a subset of Medicaid and seen as a way to more efficiently reach uninsured patients, began its second fiscal year July 1.

Patients can receive services at Broadlawns Medical Center in Des Moines, which serves only Polk County residents, or University Hospitals in Iowa City, as well as the four state mental health institutes. IowaCare serves people with limited incomes who are not eligible for Medicaid, said Jennifer Vermeer, assistant Medicaid director with the Iowa Department of Human Services.

## ***The Gazette Featured IowaCare (cont.)***

The patient increase from State Papers to IowaCare is explained partially by the fact that State Papers had a patient cap, so each county could refer only a certain number. Under IowaCare, anyone who meets the criteria may enroll.

“Our limit is that we have ‘X’ amount of money to spend and we have to be very careful,” Vermeer said.

The state initially gave University Hospitals \$27.3 million for IowaCare’s first year. That was gone by the end of April, and the Legislature approved the additional \$10.6 million. The appropriation for fiscal 2007 again is \$27.3 million, which officials don’t expect to cover the year.

The additional money was a sign that state leaders realized what a significant public service the program is, said Regent Bob Downer, who heads the University Hospitals governance committee.

“They understand the university is conferring a significant benefit both on patients and on the state,” he said.

University Hospitals officials recently received e-mail from several state legislators thanking them for their work with IowaCare.

## ***The Gazette* Featured IowaCare (cont.)**

“After one year of the program, IowaCare has experienced its up and downs. As policymakers we are always looking for ways to improve this vital program,” read one letter from Reps. Danny Carroll of Grinnell, Dave Heaton of Mount Pleasant and Linda Upmeyer of Garner, all Republicans.

### **Looking ahead**

The regents will continue to monitor IowaCare to gauge its impact on University Hospitals, Downer said. “I think as time goes on there will be a lot more predictability,” he said.

University Hospitals subsidized the IowaCare program in several ways, including \$1 million in transportation reimbursements for patients traveling to Iowa City. The hospital also set up an Iowa Care Assistance Center to field calls and questions.

“Pharmacy and social work has helped out with it — things that are very time-intensive — and it’s hard to quantify those costs,” Katen Bahensky said.

Phone calls to the Iowa Care Assistance Center more than doubled Aug. 14, the day the new drug trial started, Katen-Bahensky said.

## ***The Gazette* Featured IowaCare (cont.)**

“I worry about the potential for a huge influx of patients,” she said. “I don’t want to see the organization overwhelmed.” Statewide, enrollment in IowaCare went from 5,928 in July 2005 to a high of 18,059 in June 2006, increasing every month. Enrollment decreased for the first time in July 2006 and dropped again in August, to 16,420.

That’s likely because of a rule that requires all participants to re-enroll annually. Some people may have forgotten to re-enroll, officials said. Also, a new rule requires IowaCare enrollees to provide proof of their legal resident status in the United States.

It’s hard to say whether that overall decline will last or how it will impact University Hospitals. More than half of the decline in enrollees came in Polk County, where most patients go to Broadlawns, said Stacey Cyphert, senior assistant hospital director at University Hospitals. University Hospitals “has remained busy, and it’s unclear if our IowaCare volume will go down,” he said.

## ***The Gazette* Featured IowaCare (cont.)**

### **How IowaCare works**

IowaCare is limited health care, providing some inpatient and outpatient services, doctor and advanced registered nurse practitioner services, dental services, limited prescription drug benefits and transportation.

It's aimed at residents aged 19-64 with incomes at or below 200 percent of the federal poverty level who do not qualify for Medicaid.

Patients are expected to pay a small monthly premium, though exceptions are made in hardship cases.

# QUESTIONS