



Iowa's Olmstead Consumer Task Force

Re: Health Policy Oversight Committee Public Comment

The Iowa Olmstead Consumer Taskforce appreciates the opportunity to communicate our concerns regarding Iowa Medicaid's transition to managed care. We have had serious concerns about the impact of managed care on the long-term services and supports population since the transition over a year ago. Our concerns have increased and are even more urgent with regard to the news that AmeriHealth will be ending services in Iowa by the end of the month. It is no secret that this will disproportionately impact people with disabilities and their families as such a high number enrolled with AmeriHealth. The state, legislature, and each MCO should share our concern that the exit of AmeriHealth from the Iowa Health Link Program will put many individuals with disabilities at imminent risk of being institutionalized.

Unjustified institutionalization of people with disabilities is illegal discrimination, and many courts have found that restricting choice and access to integrated services in the community amounts to discrimination as well. Medicaid a lifeline for many individuals with disabilities. Home and community based services (HCBS) waivers enable individuals in costly, outdated institutions to return to the community, and for those at risk of institutionalization to remain in the community with the proper support.

Our specific comments below relate directly to our charge to monitor Iowa's compliance with the U.S. Supreme Court's *Olmstead* decision, and to support systems change that favors community integration and promotes choice, fairness, equity, accessibility, and availability of individualized services for people with disabilities and long term care needs.

- **Decreased access:** We know access is already an issue, and was before the transition to managed care. There are currently areas of the state where providers are only contracting with AmeriHealth and it has been reported there are providers that do not plan to contract with the other existing MCOs. This transition will decrease access to specialists and other types of providers who provide vital care to individuals with disabilities that enables them to live in the community.
- **Reliability and availability of qualified staff:** Iowa's direct care workforce shortage is an issue approaching crisis levels and in some areas of the state, already there. Because of the shortage of qualified direct support staff individuals in many parts of the state are facing long provider waitlists *after* sometimes spending years on HCBS waiver waitlists to fund those services. This seriously diminishes the ability for individuals with disabilities to live self-directed lives and fully participate in their communities with the support of services like supported employment, home health, and supported community living. We are concerned particularly with the transition of case management services from AmeriHealth, and urge the state and MCOs make it a priority to connect with individuals whose annual care plans are up for review during this next transition period to ensure there is no loss of services. We also urge the state identify a transition plan that would support LTSS Medicaid members to maintain their case managers to ensure continuity of care

- **Increased hospitalizations:** Regardless of how this transition is supposed to work, the timeline is incredibly short and learning from past experiences with communication to Medicaid managed care members and providers, there is bound to be mass confusion. Thirty days is not a sufficient timeframe to honor prior-authorizations, and for members or providers to identify which MCO will support and meet their needs. Without access to specialists, medication, and other services many individuals with disabilities will be at imminent risk for hospitalization or institutionalization. That is not only unacceptable, but a clear violation of the *Olmstead* decision and ADA Integration Mandate. Our most vulnerable populations must not pay the price of the state and AmeriHealth's inability to negotiate a new contract.
- **Adequate protections and oversight:** The effectiveness of consumer protection programs depends on the resources the state is willing to devote to them. The Taskforce is concerned about recent budget cuts and reductions in key staff at the Managed Care Ombudsman's Office as well as the State Long Term Care Ombudsman's Office. These could not have come at a worse time. Not only are members across all MCOs still encountering considerable and sometimes life threatening reductions in services and other issues, but with such a high number of individuals with disabilities who were enrolled with AmeriHealth there will undoubtedly be need for additional oversight, mediation, guidance and support during this transition and for many months after.
- **Consumer choice:** A significant constraint on choice is the lack of sufficient or timely communication and consumer education strategies to ensure informed decision-making, which has been absent from the Iowa Health Link initiative from the beginning. Navigating the healthcare system is complex, and many Medicaid members, particularly those with disabilities, must work within and across many equally complex service systems. In order for this initiative to improve health outcomes effective communication strategies and consumer participation must be utilized. This transition will undoubtedly further alienate weary consumers, their families, and providers. What is the plan for damage control beyond the minimum requirements? This is an unusual situation that deserves a swift and comprehensive response.

As we feared, the needlessly accelerated implementation has resulted in a system that is not adequately prepared to effectively manage the care of Iowa's Medicaid beneficiaries, especially those with disabilities and complex healthcare needs. While we realize it would involve another significant transition, we believe the state should carve out the LTSS population and resume oversight and management of their Medicaid services. It was unrealistic to expect for-profit managed care companies to adequately address the complex problems Iowa's are facing such as our workforce shortage, HCBS waiver waitlist, or state budget short falls. The trajectory of the current plan is unrealistic and dangerous for Medicaid members, unsustainable for providers, and a poor use of tax payer dollars.

Regardless, action must be taken to ensure going forward the priority for the state and the MCOs is to work with Medicaid members and providers to address issues collaboratively.

Please reach out if you have any questions or if you would like to further discuss this issue. Again, we appreciate the opportunity to comment.

Sincerely,

The Olmstead Consumer Taskforce