Iowa
Fields of Opportunities

STATE OF IOWA

CHESTER J. CULVER, GOVERNOR
PATTY JUDGE, LT. GOVERNOR

DEPARTMENT OF HUMAN SERVICES
CHARLES J. KROGMEIER, DIRECTOR

December 31, 2009

The Honorable Chester J. Culver
Governor
State Capitol Building
L O C A L

Dear Governor Culver:

Enclosed please find the Annual Report of the Healthy and Well Kids in Iowa (***hawk-i***) Board.

This report was prepared pursuant to Iowa Code Section 514.I(7)(g) and reflects the activities of the ***hawk-i*** Board for calendar year 2009.

This report is also available on the Department of Human Services website at http://www.dhs.state.ia.us/Partners/Reports/PeriodicReports/HawkI/HawkiAnnual.html.

Sincerely,

Julie A. Fleming
Legislative Liaison

Enclosure

cc: Michael Marshall, Secretary, Iowa Senate
Mark Brandsgard, Chief Clerk, Iowa House

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Secretary of the Senate
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cc: Legislative Services Agency
Governor Culver
Kris Bell, Senate Majority Staff
Peter Mathes, Senate Minority Staff
Zeke Furlong, House Majority Staff
Brad Trow, House Minority Staff

Annual Report of the *hawk-i* Board to the Governor, General Assembly and Council on Human Services

Calendar Year 2009

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ANNUAL REPORT OF THE ***hawk-i*** BOARD
DECEMBER 1, 2008 – NOVEMBER 30, 2009

ATTACHMENTS:

EXECUTIVE SUMMARY

Annual Report of the *hawk-i* Board to The Governor, General Assembly, and Council on Human Services

Calendar Year 2009

Iowa Code Section 514I.5 (g) directs the ***hawk-i*** Board to submit an annual report to the Governor, General Assembly, and Council on Human Services concerning the Board's activities, findings, and recommendations. Highlights of the report are summarized below:

Program Description:

Congress established the State Children's Health Insurance Program (SCHIP) with passage of the Balanced Budget Act of 1997, which authorized $40 billion for the SCHIP program through Federal Fiscal Year (FFY) 2007. Under the program, a federal block grant was awarded to states to provide health insurance to children from families with income above Medicaid eligibility levels.

On February 4, 2009, President Obama signed into law the Children's Health Insurance Program Reauthorization Act of 2009 (CHIPRA), Public Law 111-3. The law contains provisions that directly affect the Children's Health Insurance Program (CHIP) under Title XXI of the Social Security Act (the Act). CHIPRA reauthorizes CHIP for four and a half years through FFY 2013 and invests approximately $44 billion in new funding for the program. Under CHIPRA, Iowa will be able to strengthen the existing programs and provide coverage to additional low-income, uninsured children and pregnant women.

Note: CHIPRA changed the name, State Children's Health Insurance Program (SCHIP), to Children's Health Insurance Program (CHIP) upon enactment.

Title XXI of the Social Security Act enables states to provide health care coverage to uninsured, targeted low-income children. In Iowa, targeted low-income children are those children covered by a Medicaid Expansion and a separate program called Healthy and Well Kids in Iowa (***hawk-i***). The Medicaid Expansion component covers children ages 6 to 19 years of age whose countable family income is between 100 and 133 percent of the Federal Poverty Level (FPL) and infants 0 to 1 year of age whose countable family income is between 185 and 300 percent of the FPL. The ***hawk-i*** program provides health and dental care coverage to children under the age of 19 whose countable family income is between 133 and 300 percent of the FPL, who are not eligible for Medicaid and who are not covered under a group health plan or other health insurance.

CHIPRA:

In addition to reauthorizing the program and providing additional funding, CHIPRA included many provisions to enhance existing state programs. While some provisions are mandatory, others are optional or technical fixes.

New Mandates

- **Verification of Citizenship and Identity:** The requirement to verify citizenship and identity, which had previously only applied to Medicaid, has been extended to separate state CHIP programs beginning January 1, 2010. States are required to approve

applications and provide benefits for a 'reasonable period' pending receipt of the documentation.

- **Dental Coverage:** Dental coverage must be provided as part of a state's benefit package, including benefits for medically necessary orthodontia. States must also follow the periodicity schedule for routine care (e.g. fluoride treatments, sealants, cleanings, etc.) established by the American Academy of Pediatric Dentistry. While Iowa has always included dental coverage in the ***hawk-i*** benefit package, orthodontia has not been a covered service.

- **Mental Health Parity:** If states have mental health and substance abuse benefits they are required to cover those services at the same level as they would for physical health.

- **Quality of Care:** The Centers for Medicare and Medicaid Services (CMS) will develop quality of care health outcomes for children and states will have to report on those outcomes.

- **Grace Period:** States are required to provide a 30-day grace period for the payment of monthly premiums.

New Options

- **Expanded Income Limits:** CHIPRA makes it easier for states to cover children over 200 percent of FPL. States can cover children up to 300 percent of FPL and still receive the enhanced federal matching dollars. If states expand beyond 300 percent, federal funding is still available, but only at the Medicaid matching rate. Iowa expanded coverage to 300 percent of FPL effective July 1, 2009.

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- **State Verification Eligibility System (SVES):** CHIPRA provides a new tool to states to assist in the new mandatory requirement to verify citizenship and identity of children in the separate CHIP program. States can submit names to the Social Security Administration via the SVES for both CHIP and Medicaid to verify the citizenship status and identity of individuals applying for the programs. The Department will implement the SVES match for both ***hawk-i*** and Medicaid in the spring of 2010.

- **Express Lane Eligibility (ELE):** States can use "Express Lane" eligibility processes to facilitate enrollment by determining eligibility using another program's eligibility determination (e.g. Food Assistance, Free and Reduced Meals Programs, WIC, etc). However, states cannot enroll children using this process without the family's affirmative assent that they want to participate in the program. Under this authority, the Department is currently developing an ELE process to enroll children participating in the Food Assistance program into Medicaid effective June 1, 2010.

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Technical Changes:

- **Presumptive Eligibility:** Previously, if a state implemented a presumptive eligibility program for children, the cost was paid for out of the state's capped CHIP allotment. CHIPRA amended Title XXI so that this option is funded with Medicaid. This will give more states the flexibility to implement presumptive programs. The Department will implement these provisions effective March 1, 2010.

- **Medicaid Expansion Funding:** States are allowed the option to decide how to fund their Medicaid expansion programs. Previously, states could not utilize Title XIX funds to support the Medicaid expansion as long as Title XXI funding was still available. Under these provisions, states will be allowed to target their limited Title XXI funds to maintain their separate CHIP program, if needed.

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Since its implementation in 1997, nationally state CHIP programs have provided health care coverage to millions of uninsured children. From the total annual appropriation, every state was allotted a block of funding for the year (its "original allotment"), based on a statutory formula established in the original legislation. States were given three years to spend each year's original allotment. At the end of the three-year period, any unused funds were redistributed to other states. States receiving redistributed funds had one year to spend them. Unused funds remaining at the end of the year were reverted to the U.S. Treasury.

In order to draw down approximately $3.00 in federal funds, Iowa must spend approximately $1.00 in state funds. In the infancy of the program, adequate federal funding was available

through the redistribution process addressing potential shortfalls in states that expended their full allotments.

Prior to FFY 2005, states were allocated federal funding based on the estimated number of uninsured children in the state who could qualify for the program. In FFY 2006 the allocation formula was based on 50 percent of the number of low-income children for a fiscal year and 50 percent of the number of low-income uninsured children defined in the three most recent current population surveys of the Bureau of Census, with an adjustment for duplication.

CHIPRA amended existing provisions of the Act related to funding. The annual allotment formula was revised to more accurately reflect projected state and program spending. The previous allotment formula accounted for factors such as the number of low-income children and average wages in the health care industry. For 2009, the new allotment formula for each of the 50 states and District of Columbia is determined as 110 percent of the highest of three amounts:

- Total federal payments under Title XXI to the state for FFY 2008, multiplied by an "allotment increase factor" for FFY 2009;
- FFY 2008 CHIP allotment multiplied by the "allotment increase factor" for FFY 2009; or
- The projected federal payments under Title XXI for FFY 2009 as determined on the basis of the February 2009 estimates submitted and certified by states no later than March 31, 2009.

CHIPRA allows states to maintain the three (3)-year availability for FFY 1998-FFY 2008 allotments, but changes to a two (2)-year availability for allotments beginning with FFY 2009. The bill includes a process for rebasing allotments every two years to ensure that funding is targeted to states that are using it. The original legislation authorized funding for states ten years out, regardless of whether they needed the money or not. Additionally, unexpended allotments for FFY 2007 and subsequent years are redistributed to states that are projected to have funding shortfalls after considering all available allotments and Contingency Fund payments.

Contingency Fund

One of the most important issues for Iowa's CHIP program has been the uncertainty of adequate federal funds to implement new initiatives and cover additional children as a result of Iowa's economic downturn.

CHIPRA established a "Child Enrollment Contingency Fund" to provide payments to states that have a CHIP funding shortfall in any fiscal year through FFY 2013 where enrollment exceeds target levels. A state may qualify for contingency fund payments for FFY 2009 and following fiscal years if it has a funding shortfall for the fiscal year (not counting any redistributed amounts it may receive) and it has exceeded its target average number of enrollees for the state fiscal year.

Federal Funds for Expansion of Eligibility and Benefits

States can receive allotment increases when they have approved plans to expand eligibility and benefits, but those plans have to be on file and approved by Health and Human Services by August 31st of each year.

The bill makes it easier for states to cover children over 200 percent of FPL. States can cover kids up to 300 percent of FPL and still receive the enhanced federal matching dollars. If states expand beyond 300 percent, they will only receive funds at the Medicaid matching rate.

State Funding:

The total original appropriation of state funds for SFY 2009 was:

General Appropriation	$13,868,885
Health Care Reform Bill-HR2539 Funds	$ 2,000,000
Outreach and PERM Funds from Medicaid	$ 134,147
SFY 2008 ***hawk-i*** Trust Fund Carried Over to SFY 2009	$ 9,659,560
Total Original Appropriation	$25,662,592

In November 2008 the Governor ordered a 1.5% across-the-board decrease. This resulted in the Children's Health Insurance Program's general fund appropriation and HF 2539 appropriation being adjusted to $25,424,559.

Of this amount, $20,060,016 was expended. Thus, the program ended SFY 2009 with a balance of $5,364,543 in the ***hawk-i*** trust fund that will be used as revenue to cover costs in SFY 2010.

Available state funding for SFY 2010 appropriation includes:

General Fund	$13,555,770
Health Care Reform Bill-SF 389 (HR2539) Funds	$ 1,488,652
HF820	$ 3,899,643
Outreach and PERM funds from Medicaid	$ 166,600
SFY 2009 ***hawk-i*** trust fund carried over to SFY 2010	$ 5,364,543
Total Appropriation	$24,475,208.

Enrollment:

As of October 31, 2009, a total of 39,097 children were enrolled in both components of Iowa's CHIP program. Of the total number enrolled, 14,810 children were enrolled in the Medicaid Expansion (M-CHIP) program and 24,287 in the ***hawk-i*** (CHIP) program.

Enrollment continues to grow. Iowa is projecting that by June 30, 2010, with the continuation of expanded outreach efforts and expanded coverage of children in families with countable income up to 300 percent of the FPL, the total number of children enrolled in the Medicaid Expansion and ***hawk-i*** programs will reach approximately 42,186.

Overall, the ***hawk-i***, Medicaid Expansion, and Medicaid programs experienced significant growth since the publication of the Annual Report in October 2008. In the twelve-month period between October 31, 2008, and October 31, 2009, total growth in the programs equaled 26,135 children, surpassing the Governor's enrollment goal of 18,750 children by the end of SFY 2009.

Senate File 389, Healthcare Reform Bill

The Iowa General Assembly passed Senate File (SF) 389 in 2009. SF 389 directs the Department to implement several initiatives that will expand coverage to children in both Medicaid and ***hawk-i*** and reduce barriers to enrollment and retention.

<table>
<tr><th>S.F. 389 Provision</th><th>Implementation Date</th></tr>
<tr><td>Submit one pay stub as verification on earned income when indicative of future income.

Average 3 years of income for self employed.

Per legislative direction, changed income verification policies to allow earned income to be verified using a single pay stub if it is a good indicator of future income, and to allow net profit from self-employment enterprises to be averaged over a period not to exceed three years when an average would be a better indicator of future income. No rule changes were necessary.</td><td>4-1-09</td></tr>
<tr><td>Expand hawk-i income limits from a maximum of 200% of FPL to 300% of FPL. Rules changed – 86.2(514I)

Establish hawk-i family cost sharing & graduated premiums based on a rationally developed sliding fee scale for families over 200% FPL
The Board unanimously approved to charge a premium of $20 per child per month with a $40 cap per family per month for families with income between 200 and 300 percent of FPL.</td><td>7-1-09

12-1-08</td></tr>
<tr><td>Cover all eligible children in hawk-i for whom FFP is available (Lawfully Residing Children)

The hawk-i and Medicaid programs began covering lawfully residing alien children under age 19 who would have otherwise been subject to the 5-year bar. Rules changed – 86.2(7). CMS has advised the state that this provision cannot be limited to children under age 19 and it must be expanded to children under 21 in Medicaid as well. The State Plan Amendment is currently being amended to reflect this requirement.</td><td>7-01-09</td></tr>
<tr><td>State Tax Return –
Required the Department of Revenue to add a question to the state income tax form about dependent child health insurance coverage.</td><td>1-10-10</td></tr>
<tr><td>hawk-i Dental Only Program
Implement a supplemental dental only program based on the CHIPRA legislation that allows states this option.

The hawk-i Board unanimously approved a dental only premium at the August 2009 meeting:

<table>
<tr><th>Income - % of FPL</th><th>Monthly Premium</th></tr>
<tr><td>150 – 200%</td><td>$5 per child
$10 maximum per family</td></tr>
<tr><td>201 – 250%</td><td>$10 per child
$15 maximum per family per month</td></tr>
<tr><td>250 – 300%</td><td>$15 per child
$20 maximum per family per month</td></tr>
</table>
In blended families (one child on health and dental and one child on dental only), the total premium would never exceed what their maximum would be if they had full benefits. CMS has clarified that states must provide medically necessary orthodontia. The Department is in the process of getting CMS approval of the benefit package.</td><td>3-1-10</td></tr>
</table>

Presumptive Eligibility for children in *hawk-i* The Department is designing a presumptive eligibility program that will allow 'qualified entities' to become certified to make presumptive determinations through a web-based provider portal. The Iowa Medicaid Enterprise will assist in the enrollment and training of qualified entities. All presumptively eligible children will be enrolled in Medicaid until a formal eligibility determination is made. Upon determination, they will either remain in Medicaid or move into the ***hawk-i*** program.	3-1-10
Express Lane Eligibility (ELE) Initially, the Department will be designing an ELE process that will enroll children who receive Food Assistance, but not Medicaid, into the Medicaid program. It is anticipated that ELE will be expanded to include programs outside of DHS in the out years.	6- 1-10
Joint application / supplemental forms & same application & renewal verification processes for both Medicaid & *hawk-i*	TBD

Uninsured Children in Iowa

The most recent U.S. Census Bureau Current Population Survey data available (released September, 2009) provides the following information:

All of the following are based on 3-year survey (CPS) averages – 2006-2008:

Total Uninsured Children (age 0-18) in Iowa:	**41,078**
Of These:	
Total Uninsured Children at or below 300% FPL:	**30,706**
• At or below 200% FPL	**22,404**
• Between 200% and 300% of FPL	**8,302**

Iowa currently ranks second (tied with Hawaii & New Jersey) in having the lowest number of uninsured children at 5.1 percent. Massachusetts ranks first at 3.2 percent. (Source: *"Weathering the Storm,"* Georgetown University Center for Children and Families Report, September 2009). The primary reasons for Iowa's success are noted as:

- Consistent commitment from government leaders and employers,
- Consistency in the CHIP and Medicaid programs (never a waiting list, never a benefit offered and then revoked), and
- Successful outreach campaigns reaching families across the state.

Outreach:

The Department continues to educate the public about the ***hawk-i*** program through a comprehensive outreach campaign including publications, media campaigns, free-and-reduced lunch mailings, statewide grassroots outreach, state income tax form, and giving presentations to various groups who can assist with enrolling uninsured children in the ***hawk-i*** program.

Participating Health and Dental Plans: Three health plans and two dental plans provided benefits to children participating in the ***hawk-i*** program in 2009:

- AmeriChoice expanded into 9 additional counties on September 1, 2009. AmeriChoice provides managed care coverage in 53 Iowa counties.

- AmeriChoice changed their name to UnitedHealthcare on November 1, 2009.
- The contract with Wellmark Classic Blue (Indemnity) plan ended on September 30, 2009. Children enrolled with Wellmark Classic Blue were transferred toWellmark Health Plan of Iowa (WHPI-managed care) effective October 1, 2009.
- The contract with Blue Access Dental ended on July 1, 2009. Children enrolled with Blue Access Dental were transferred to Delta Dental of Iowa effective July 1.2009.
- Wellmark Health Plan of Iowa (WHPI-managed care) expanded into an additional 16 counties on July 1, 2009. WHPI provides managed care health coverage in 99 Iowa counties effective September 30, 2009.
- Delta Dental of Iowa began providing dental coverage statewide on July 1, 2009.

Currently, families in 53 counties have a choice of two managed care health plans; UnitedHealthcare or Wellmark Health Plan of Iowa.

The ***hawk-i*** Board remains very committed to meeting challenges set forth by the Governor and the Iowa General Assembly ensuring that Iowa's children have access to quality health care coverage. The Board has been supported in its work by the Department of Human Services, the Department of Public Health, the Department of Education, the Division of Insurance, advisory committees, health plans, advocacy groups, and providers.

Respectfully submitted,

Susan Salter, Chair
hawk-i Board

ANNUAL REPORT OF THE *hawk-i* BOARD 2009

I. PROGRAM DESCRIPTION:

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A. New Mandates

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III. BUDGET:

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General Fund	$13,555,770
Health Care Reform Bill-SF 389 (HR2539) Funds	$ 1,488,652
HF820	$ 3,899,643
Outreach and PERM funds from Medicaid	$ 166,600
SFY 2009 ***hawk-i*** trust fund carried over to SFY 2010	$ 5,364,543
Total Appropriation	$24,475,208.

Attachment 1: Allotment and Expenditure Federal Funding History, SFY 2009 Final Budget Report, and SFY 2010 Budget

IV. ENROLLMENT AND DISENROLLMENT:

Governor Culver is committed to covering 100 percent of the state's eligible uninsured children by the end of his first term in office through his Health Opportunities for Every Iowan Initiative.

As of October 31, 2009, 39,097 children were enrolled in both components of Iowa's CHIP program. Of the total number enrolled, 14,810 were enrolled in the Medicaid Expansion (M-CHIP) and 24,287 in the ***hawk-i*** program.

Enrollment continues to grow. It is projected that by June 30, 2010, the total number of children enrolled in CHIP (both Medicaid Expansion and ***hawk-i***) will reach approximately 42,200.

Overall, enrollment in the ***hawk-i***, Medicaid Expansion, and Medicaid programs experienced significant growth since the publication of the Annual Report in October 2008. In the twelve-month period between October 31, 2008, and October 31, 2009, total growth equaled 26,135 children, surpassing the Governor's enrollment goal of 18,750 children by the end of SFY 2009.

Enrollment Growth
(October 31, 2008 to October 31, 2009)

Program	Enrollment as of October 31, 2008	Enrollment as of October 31, 2009	Increase in Enrollment
Medicaid	183,444	203,969	+20,525
Medicaid Expansion	17,329	21,132	+3,803
hawk-i Program	*22,480	24,287	+1,807
Total Enrollment	**223,253**	**249,388**	**+26,135**

**hawk-i* enrollments as of October 31, 2009, include projected number of children that will receive retroactive coverage.

A. Uninsured Children in Iowa

The most recent U.S. Census Bureau Current Population Survey data available (released September, 2009) provides the following information:

All of the following are based on 3-year survey (CPS) averages – 2006-2008:

Total Uninsured Children (age 0-18) in Iowa: **41,078**

Of These:

Total Uninsured Children at or below 300% FPL: **30,706**

- At or below 200% FPL **22,404**
- Between 200% and 300% of FPL **8,302**

Iowa currently ranks second (tied with Hawaii & New Jersey) in having the lowest number of uninsured children at 5.1 percent. Massachusetts ranks first at 3.2 percent. (Source: *"Weathering the Storm,"* Georgetown University Center for Children and Families Report, September 2009). The primary reasons for Iowa's success are:

- Consistent commitment from government leaders and employers,
- Consistency in the CHIP and Medicaid programs (never a waiting list, never a benefit offered and then revoked), and
- Successful outreach campaigns reaching families across the state.

B. Number of Applications Received and Referred to Medicaid

From October 31, 2008, through October 31, 2009, the ***hawk-i*** program received 16,713 new (or initial) applications and 10,177 renewal applications; totaling 26,890 applications. Approximately 9,014 (34%) of these applications were referred to Medicaid.

In addition 7,858 additional applications were referred from Medicaid to ***hawk-i***. The total number of applications received in the twelve-month period was 34,748.

As noted above, the ***hawk-i*** program expanded to 300 percent of the federal poverty level effective July 1st. Based on uninsured projections, the Department estimates that approximately 4,000 additional children are eligible under the expanded coverage. As of November 30th, 1,815 children have been enrolled in the new expansion group.

*Attachment 2: Organization of the **hawk-i** Program Chart,*
*History of Participation of Children in Medicaid and **hawk-i**,*
*Iowa's CHIP Program Combination Medicaid Expansion and **hawk-i***

C. Unduplicated Number of *hawk-i* Children Ever Enrolled by Federal Fiscal Year

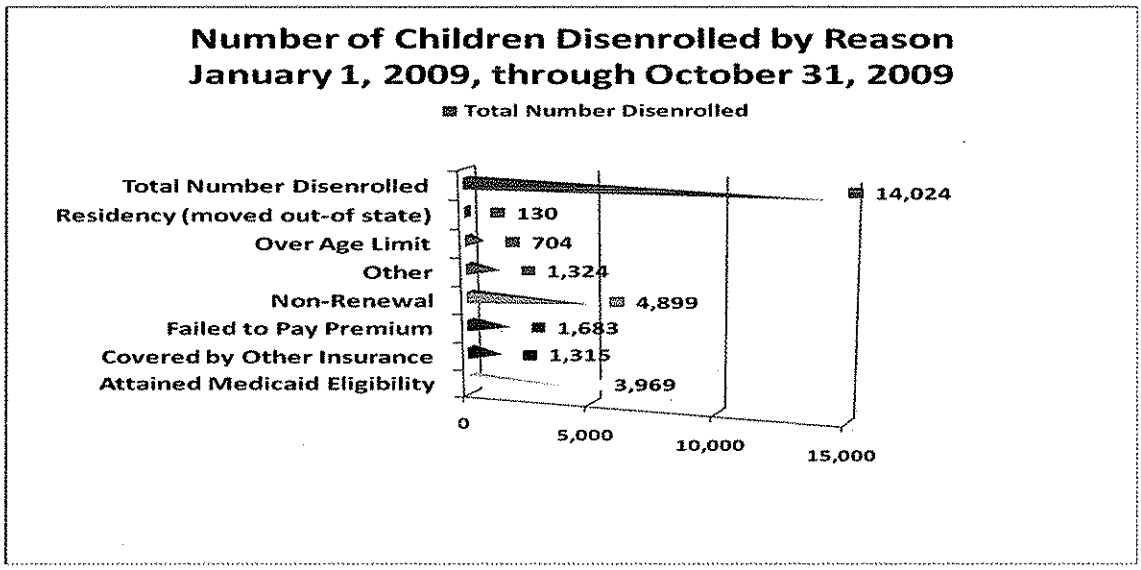
The table below reflects the history of the unduplicated number of children enrolled in the ***hawk-i*** program by Federal Fiscal Year (October 1st through September 30th) and by federal poverty level since FFY 2000. Each child is counted once regardless of the number of times a child was enrolled or re-enrolled in the program during the year. This unduplicated count represents the total children served by the ***hawk-i*** program rather than a point-in-time enrollment.

Unduplicated Number Children Ever Enrolled in *hawk-i* by Federal Fiscal Year

	Federal Poverty Level				Total Children Served
	<=100%	>101%<=200%	>201%<=250	>251%<=300%	
Federal Fiscal Year 2000	285	8,256	158	0	8,699
Federal Fiscal Year 2001	679	15,737	256	0	16,672
Federal Fiscal Year 2002	682	20,449	3	0	21,134
Federal Fiscal Year 2003	956	22,103	0	0	23,059
Federal Fiscal Year 2004	1,235	25,405	0	0	26,640
Federal Fiscal Year 2005	1,236	28,873	0	0	30,109
Federal Fiscal Year 2006	1,018	30,801	0	0	31,819
Federal Fiscal Year 2007	1,143	31,169	0	0	32,312
Federal Fiscal Year 2008	1,468	31,213	0	0	32,681
Federal Fiscal Year 2009	1,840	27,178	198	881	30,097

D. Disenrollment

To better understand why children are disenrolled from the ***hawk-i*** program a report is generated monthly identifying the specific reasons. From October 31, 2008, to October 31, 2009, children were disenrolled from the ***hawk-i*** program for the following reasons:



In 2009, the Department implemented a monthly premium billing process to reduce the number of disenrollments attributed to families forgetting to send in their premium payment. Monthly billing replaces the 12 monthly coupons that were historically issued when a child was first approved. The Department is also exploring costs associated with accepting electronic premium payments. The goal is to implement this additional option to pay premiums in SFY 2010.

V. STATE AND FEDERAL HEALTH CARE REFORM

A. Sentate File 389, Health Reform Bill

The Iowa General Assembly passed Senate File (SF) 389 in 2009. SF 389 directs the Department to implement several initiatives that will expand coverage to children in both Medicaid and ***hawk-i*** and reduce barriers to enrollment and retention.

S.F. 389 Provision	Implementation Date
Submit one pay stub as verification on earned income when indicative of future income. Average 3 years of income for self employed. Per legislative direction, changed income verification policies to allow earned income to be verified using a single pay stub if it is a good indicator of future income, and to allow net profit from self-employment enterprises to be averaged over a period not to exceed three years when an average would be a better indicator of future income. No rule changes were necessary.	4-1-09

<table>
<tr><td>Expand hawk-i income limits from a maximum of 200% of FPL to 300% of FPL. Rules changed – 86.2(514I)

Establish hawk-i family cost sharing & graduated premiums based on a rationally developed sliding fee scale for families over 200% FPL
The Board unanimously approved to charge a premium of $20 per child per month with a $40 cap per family per month for families with income between 200 and 300 percent of FPL.</td><td>7-1-09

12-1-08</td></tr>
<tr><td>Cover all eligible children in hawk-i for whom FFP is available (Lawfully Residing Children)

The hawk-i and Medicaid programs began covering lawfully residing alien children under age 19 who would have otherwise been subject to the 5-year bar. Rules changed – 86.2(7). CMS has advised the state that this provision cannot be limited to children under age 19 and it must be expanded to children under 21 in Medicaid as well. The State Plan Amendment is currently being amended to reflect this requirement.</td><td>7-01-09</td></tr>
<tr><td>State Tax Return –
Required the Department of Revenue to add a question to the state income tax form about dependent child health insurance coverage.</td><td>1-10-10</td></tr>
<tr><td>hawk-i Dental Only Program
Implement a supplemental dental only program based on the CHIPRA legislation that allows states this option.

The hawk-i Board unanimously approved a dental only premium at the August 2009 meeting:

<table>
<tr><th>Income - % of FPL</th><th>Monthly Premium</th></tr>
<tr><td>150 – 200%</td><td>$5 per child
$10 maximum per family</td></tr>
<tr><td>201 – 250%</td><td>$10 per child
$15 maximum per family per month</td></tr>
<tr><td>250 – 300%</td><td>$15 per child
$20 maximum per family per month</td></tr>
</table>
In blended families (one child on health and dental and one child on dental only), the total premium would never exceed what their maximum would be if they had full benefits. CMS has clarified that states must provide medically necessary orthodontia. The Department is in the process of getting CMS approval of the benefit package.</td><td>3-1-10</td></tr>
<tr><td>Presumptive Eligibility for children in hawk-i

The Department is designing a presumptive eligibility program that will allow 'qualified entities' to become certified to make presumptive determinations through a web-based provider portal. The Iowa Medicaid Enterprise will assist in the enrollment and training of qualified entities. All presumptively eligible children will be enrolled in Medicaid until a formal eligibility determination is made. Upon determination, they will either remain in Medicaid or move into the hawk-i program.</td><td>3-1-10</td></tr>
<tr><td>Express Lane Eligibility (ELE)

Initially, the Department will be designing an ELE process that will enroll children who receive Food Assistance, but not Medicaid, into the Medicaid program. It is anticipated that ELE will be expanded to include programs outside of DHS in the out years.</td><td>6- 1-10</td></tr>
</table>

Joint application / supplemental forms & same application & renewal verification processes for both Medicaid & *hawk-i*	TBD

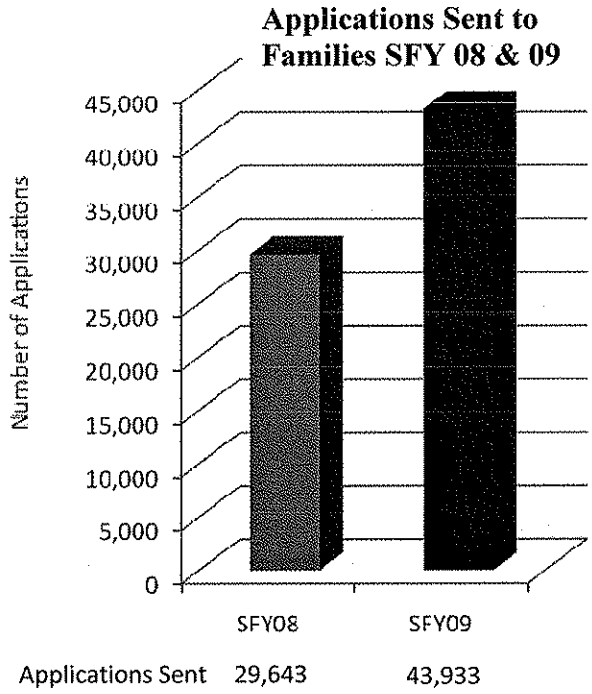
VI. OUTREACH:

The Department continues to educate the public about the ***hawk-i*** program through a comprehensive outreach campaign including publications, media campaigns, free-and-reduced lunch mailings, statewide grassroots outreach, State of Iowa income tax forms and by giving presentations to various groups who can assist with enrolling uninsured children in the ***hawk-i*** program.

A. Overview of Outreach Conducted by Iowa Department of Human Services in SFY 2009:

Department of Education's Free and Reduced Meal Program:

DHS continues to partner with the Department of Education on the Free and Reduced Meal Program outreach campaign as a result of Iowa Administrative Code, 283A.2. Public schools are required to share household information for the students eligible for free or reduced price meal benefits that have expressed interest in learning about the ***hawk-i*** or Medicaid programs. In addition to public schools, private schools are also encouraged to share this household information. In SFY 09, 42,933 households received a cover letter and ***hawk-i*** application which was up 31 percent from SFY 08. For the first time, non-public school agencies (i.e. childcare facilities) were asked to share household information for children enrolled in the Free and Reduced Meal Program. This resulted in 265 additional households receiving ***hawk-i*** applications. The ***hawk-i*** application also serves as a Medicaid application for those families whose countable income falls below 133 percent of the federal poverty level.



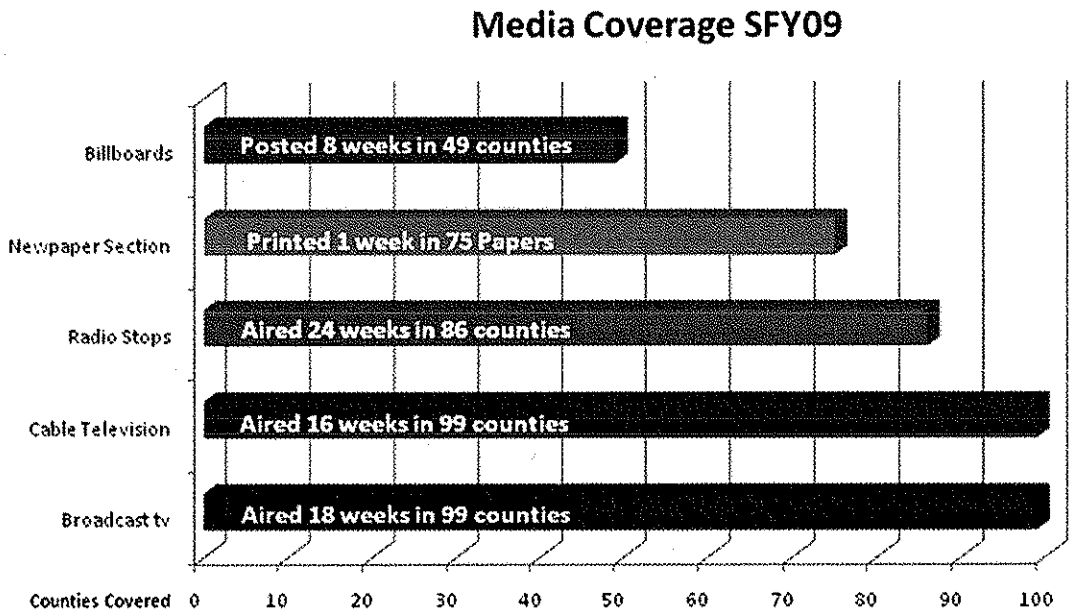
Results: 450 applications were filed as a result of outreach with the Department of Education's Free and Reduced Meal Program.

Outreach to the Taxpayers:

The Department partnered with the Iowa Department of Revenue (IDR) to implement HF 2539, Section 4. IDR was required to add a question to the 2008 Iowa income tax

form asking if all of the dependent children listed on the form have healthcare coverage. All families who indicate an uninsured child and family income that falls is within the ***hawk-i*** income limits were sent a letter informing them about ***hawk-i***, an application was also enclosed. The SFY 2009 mailings resulted in 460 uninsured children obtaining ***hawk-i*** coverage as of October 31, 2009.

Media Outreach Campaign:



Funding for the expanded outreach campaign began in SFY 07 under HF 909. In January 2008, DHS began an extensive media campaign with ZLR*IGNITION* which continued in SFY 09. The advertising vehicles included the following:

- Broadcast television spots aired for 18 weeks in 99 counties.
- Cable television spots aired for 16 weeks in 99 counties.
- Radio spots and traffic announcements aired for 24 weeks covering 86 counties.
  - Radio extended the message to the hard-to-reach rural areas of the state.
  - Radio advertisements aired on stations targeted to African-American and Hispanic populations.
  - Total traffic sponsorship announcements were aired to supplement the campaign.
- Newspaper advertisement with a special section in 75 papers. The section's articles included: "***hawk-i*** *Helps Family Through Life-changing Accident*", "*Uninsured Kids at Greater Risk for Vaccine Preventable Diseases*", "*Medicaid Provides Financial Lifeline*", "*Tips to Raise Healthy Kids*", and "*Study Finds Fewer Delays in Care, Better Overall Health for* ***hawk-i*** *Covered Children*".
- Outdoor billboards were posted in February and March covering 49 counties in both metro and rural areas.

- In addition, the Department received $680,570 in added values advertisement through 2,511 broadcast TV public service announcements, 51,988 cable TV public service announcements, 448 bonus radio spots, and $109,258 worth of extra posting days on billboards.

B. Overview of Grassroots Outreach Conducted by Iowa Department of Public Health in SFY 2009:

On July 11, 2006, the Department contracted with the Iowa Department of Public Health (IDPH) to provide oversight for a statewide ***hawk-i*** grassroots outreach program. The three-year contract is for the period, July 1, 2006, through June 30, 2009, with three one-year extensions. Approval of the extensions is at the discretion of the ***hawk-i*** Board.

DHS continues to provide leadership resulting in an effective collaboration between DHS, IDPH, and the ***hawk-i*** Board. Over the previous year, IDPH and the 23 local Title V local child health agencies built upon the successes from the previous year and made new gains in previously unexplored areas. Outreach coordinators received trainings throughout the year assisting them with their outreach efforts. In addition to individualized training, outreach coordinators participated in two outreach taskforce meetings where best practices are shared and program updates are given.

Outreach to Schools:

Coordinating with schools at both the local and statewide level continues to be a centerpiece for successful ***hawk-i*** outreach efforts. Local coordinators from across the state work with school nurses to ensure informational program material is available at local schools. In addition, brochures and application assistance is available at back-to-school fairs and at kindergarten round ups.

- In central Iowa, the local coordinator worked with the schools to survey families regarding their health insurance coverage. Phone calls and letters with ***hawk-i*** applications were sent to each household that reported they had no health insurance.
- In other areas across the state, the coordinators worked directly with the schools to send ***hawk-i*** information to families enrolled in the free and reduced lunch program.
- Other coordinators submitted articles about ***hawk-i*** to the school newsletter and ran continuous ***hawk-i*** advertisements on the school cable channel.

Outreach to the Faith-Based Community:

Outreach coordinators continued to make innovative progress in establishing relationships with faith-based organizations. Local outreach coordinators continued to collaborate with their local ministerial associations and churches across Iowa to promote the ***hawk-i*** program.

- The local outreach coordinator from the Jasper County area provided ***hawk-i*** information to local vacation bible schools and area churches.
- Many outreach coordinators have submitted articles or short advertisements to churches to be printed in the weekly church bulletins.

- The coordinator from the Linn county area is working with the Muslim American Society, making information available to display in the resource area of the mosque.

Outreach to Medical Providers:

Outreach coordinators are continuously developing new ways to work with Iowa's medical and dental providers. An emphasis continues to be placed on engaging hospitals, medical clinics, oral dental offices, and pharmacists across the state and asking these trusted community leaders to talk to families about the ***hawk-i*** program.

- The outreach coordinator in central Iowa provided English and Spanish ***hawk-i*** information at the Iowa Mission of Mercy dental care event in Newton, Iowa.
- State outreach coordinators continue to distribute ***hawk-i*** information to local pharmacies, primary care physician offices, dental offices and local hospital admissions and emergency room departments.

Outreach to Diverse Ethnic Populations:

Reaching out to underserved populations about the ***hawk-i*** program continues to be a top outreach priority in Iowa. Outreach efforts are as diverse as the populations that call Iowa home. Efforts are tailored to the populations that are being targeted. Outreach is offered through potential employers, businesses, churches, medical and dental clinics, and schools. Information is also made available at Iowa Welcome Centers and immigration resource agencies. Additionally, outreach continues to be conducted at local and statewide ethnic health fairs, conferences, festivals, ethnic radio stations, print press, and numerous other events that target ethnic populations. Coordinators are offered culturally competent resources and information throughout the year to help in their local outreach efforts. These resources are usually print/web resources, face–to-face trainings, and webinars.

Additional Outreach Activities:

Every year outreach coordinators go beyond the four focus areas to reach families who may have eligible children. In light of recent reductions in the workforce and increasing unemployment rates, coordinators have focused on strengthening the information link to Iowa Workforce Development centers, temporary employment agencies, and 1-800 toll-free information/resource lines. In addition,

- The local coordinator in the Dubuque area worked with the local child health screening center to identify families disenrolled from Medicaid. In turn, approximately 420 ***hawk-i*** applications were mailed to families.
- One local coordinator in the Marshall County area has recently designed tray-liners for a local fast food restaurant advertising the importance of children's health insurance and how families can apply.
- On a statewide level, outreach staff members were present every day to hand out ***hawk-i*** information and answer questions about the program at the 2009 Iowa State Fair.

- Materials were also available at the annual Iowa School Nurse's Conference, a statewide direct care workers conference and a statewide diversity conference.

Attachment 3: How Applicants Heard About ***hawk-i*** in Calendar Year 2009

VII. 2009 CENTERS FOR MEDICARE AND MEDICAID CHIP SITE VISIT

The Centers for Medicare and Medicaid Services (CMS) conducted a review of Iowa's Health Insurance Program during the week of June 8, 2009. The CMS review team met with staff from the Department and MAXIMUS, the State's third party administrator for the ***hawk-i*** program. The review focused on the functional areas of outreach, screening and enrollment; application, enrollment and determination; access and delivery; quality and appropriateness of care; fraud and abuse; and adherence to federal requirements.

In addition to interviews with DHS and MAXIMUS staff, CMS staff conducted desk reviews of existing data and documentation submitted by the state.

Best practices included:

- The outreach contract with ZLR*IGNITION* for media.
- The partnership with the Department of Revenue for identifying uninsured children via tax forms. CMS was interested that data can be tracked and best practices can be shared with other states.
- Iowa's approach to conducting the insurance match. Several states conduct a match when children apply for CHIP, but CMS was unaware of any state that also did a quarterly match in order to identify children who have obtained other coverage since enrollment. Iowa's experience has been that other insurance is identified on 8 percent of applications and 2 percent of enrollees after becoming eligible for CHIP.
- Compliments because Iowa consistently submits their annual report on time and notifies CMS in advance of any delays.

Recommendations:

- Continue to develop ways to evaluate the effectiveness of outreach methods and look for ways to refine current evaluation efforts. Encourages data matching whenever possible.
- Continue to work with CMS to strengthen CHIP quality improvement activities and performance measures related to increasing access to care and the use of preventative care.

VIII. PAYMENT ERROR RATE MEASUREMENT (PERM) PROJECT

The Improper Payments Act of 2002 (Public Law 107-300) requires CMS to estimate improper payments (due to overpayments, underpayments, and payments made to ineligible persons) in the Medicaid and CHIP programs. CMS has contracted with three entities to operate the project and Iowa is mandated to participate in FFY 2008. Lewin is the statistical contractor and is responsible for fathering documentation and claims data, as well as calculating error rates. Livanta gathered Medicaid and CHIP policies and requested the records for the medical reviews. Health Data Insights performed the data processing and medical review. CMS and the national contractors estimate the amount of improper

payments, report these estimates to Congress, and, if necessary, submit a report on actions the state agency is taking to reduce erroneous payments.

The PERM project operates on a federal fiscal year basis (October 1 – September 30). Iowa was selected to participate in FFY 2008 and will be reviewed every three years thereafter. The intended effect of this project is to reduce the rate of improper payments and produce an increase in program savings at both the state and federal levels.

PERM is an unfunded mandate by the federal government estimated to cost the state $2.6 million for the first three-year period. It is a quality initiative where the state has to have an entity outside of the policy development, eligibility, and administrative arm of the agency review both Medicaid and ***hawk-i***. A Request for Proposal (RFP) was issued for competitive bid to oversee the eligibility quality review in SFY 2007. Meyers and Stauffer was awarded the contract. CMS requires that the state develop a sample plan to pull a sample of cases monthly to be reviewed; the sample plan has was approved by CMS.

The Department's Division of Results Based Accountability and Meyers and Stauffer developed a PERM project plan and selected sample cases for FFY 2008. Medicaid and CHIP case files were reviewed to make sure eligibility was determined correctly and if claims were paid appropriately for any service members received.

On February 4, 2009, the Children's Reauthorization Act of 2009 (CHIPRA), (Pub. L. 111-3) was enacted. The CHIPRA requires a new PERM rule and delayed any calculation of the PERM error rate for CHIP until six months after the new PERM rule is effective. CHIPRA provides states, that were scheduled for PERM measurement in FFY 2008, to either elect to accept their CHIP PERM error rate determined in FFY 2008 in full or in part, or may elect instead to consider PERM measurement conducted for FY 2011 as the first federal fiscal year for which PERM applies to the State of Iowa for CHIP.

Although Iowa was told that states may elect to accept or not accept the CHIP PERM error rate, Health Data Insights was directed by CMS and Livanta to discontinue the CHIP medical claim and record reviews components of PERM mid-way into the FFY 2008 review. A CHIP (Medicaid Expansion or separate ***hawk-i*** program) error rate was not published by CMS. Therefore, a CHIP corrective action plan or error rate will not be submitted to CMS. The next PERM review year for Iowa's CHIP program will take place in FY 2011.

IX. PARTICIPATING HEALTH AND DENTAL PLANS:

Three health plans and two dental plans provided benefits to children participating in the ***hawk-i*** program in 2009:

- AmeriChoice expanded into 9 additional counties on September 1, 2009. AmeriChoice provides managed care coverage in 53 Iowa counties.
- AmeriChoice changed their name to UnitedHealthcare on November 1, 2009.
- The contract with Wellmark Classic Blue (Indemnity) plan ended on September 30, 2009.
- Children enrolled with Wellmark Classic Blue were transferred toWellmark Health Plan of Iowa (WHPI-managed care) effective October 1, 2009.

- The contract with Blue Access Dental ended on July 1, 2009. Children enrolled with Blue Access Dental were transferred to Delta Dental of Iowa effective July 1.2009.
- Wellmark Health Plan of Iowa expanded into an additional 16 counties on July 1, 2009. WHPI provides managed care health coverage in 99 Iowa counties effective September 30, 2009.
- Delta Dental of Iowa began providing dental coverage statewide on July 1, 2009.

Currently, families in 53 counties have a choice of two managed care health plans; UnitedHealthcare or Wellmark Health Plan of Iowa.

Delta Dental of Iowa provides dental services to enrolled children statewide (99 counties).

Health and Dental Plans Capitation Rates:

The Board approved a 2.2 percent capitation rate increase for Delta Dental of Iowa and a 2 percent increase for Wellmark Health Plan of Iowa and UnitedHealthcare effective July 1, 2009. Please refer to *History of Per Member Per Month Capitation Rate for* ***hawk-i*** which outlines the historical and current per member per month (PM/PM) rate by federal and state funding and the annual percentage increase in capitation rates.

Attachment 4: County Health Plan Map,
History of *Per Member Per Month Capitation Rate for* ***hawk-i***

X. *hawk-i* BOARD MEMBERSHIP:

H.F.49 requires the ***hawk-i*** Board to meet no less than six, and no more than twelve times per calendar year. The Board meets on the third Monday every other month; meeting agenda and minutes are available on the ***hawk-i*** program web site at www.hawk-i.org.

***hawk-i* Board Membership in 2009**

Name	City	Term Ending Date/ Type of Appointment
Susan Salter, Chair	Mount Vernon	April 30, 2011
Kim Carson, Vice-Chair	Des Moines	April 30, 2010
Selden Spencer	Huxley	April 30, 2011
John Ortega	Bettendorf	April 30, 2010 (resigned and currently vacant)
Judy Jeffrey	Director Iowa Department of Education	Statutory
Jim Donoghue	Designee of Director of Education	
Thomas Newton	Director Iowa Department of Public Health	Statutory
Julie McMahon	Designee of Director of Public Health	
Susan Voss	Commissioner of Insurance Iowa Department of Commerce	Statutory
Angela Burke Boston	Designee of Commissioner of Insurance Division	

Ex officio members from the General Assembly

	Senate	
Amanda Ragan	Mason City	January, 2011
David Hartsuch	Bettendorf	January, 2011
	House	
Linda Upmeyer	Garner	January, 2011
Eric Palmer	Oskaloosa	January, 2011

*Attachment 5: Healthy and Well Kids in Iowa (**hawk-i**) Board Bylaws*

XI. HIGHLIGHTS OF THE BOARD ACTIVITIES & MILESTONES:

December 2008
The Board:

- Was advised by the Department that HF 2539 directs the Department to expand eligibility for kids in ***hawk-i*** up to 300 percent of FPL. The Board is to determine the amount of premiums that will be charged to families. Currently, premiums are charged to families with incomes between 150 and 200 percent of FPL at the rate of $10.00 per child per month with a $20.00 maximum per family.

- Information was gathered from other states including income limits, premiums charged, and the percent of family income that would go toward a premium. Additionally, there was discussion at the Iowa Choices Council meeting about having co-pays in addition to the premiums. The total cost sharing for a family cannot exceed more than 5 percent of the gross family income under federal CHIP rules. All co-pays would need to be tracked creating an administrative burden. Co-pays may also be a deterrent if families don't pay them, the provider will oftentimes refuse to see them until the unpaid bills are paid.

- Unanimously approved to charge a premium of $20 per child per month with a $40 cap per family per month for families with income between 200 and 300 percent of FPL.

- Was updated that the new contract with MAXIMUS begins January 1, 2009. Examples of changes include:
  - Waiving the first two months premium.
  - Generate monthly billing statements replacing the 12 payment coupons upon enrollment.

January 2009
No Meeting

February 2009
The Board:

- Was updated by the Department the reauthorization bill (CHIPRA) was signed by President Obama on February 4, 2009. The bill reauthorizes CHIP funding through September 30, 2013, and was designed to make programs more financially secure. Beginning with FFY 2009 allotment, states have two years to spend their allotment instead of three years under the original legislation.

- Was advised that the ***hawk-i*** budget should be able to absorb Governor Culver's across-the-board budget cut of 1.5 percent SFY 2009.

- Unanimously approved for notice rule amendments to increase the ***hawk-i*** income limits to 300 percent of FPL effective July 1, 2009 and implement changes to the premiums that the Board approved at their December 15, 2008, meeting. The premiums for children with gross family income between 250 and 300 percent of the federal poverty level will be $20 per month per child up to a maximum of $40 per family.

March 2009
No Meeting

April 2009
The Board:

- Was updated that ZLR*IGNITION*, the firm that has the contract for ***hawk-i*** media outreach activities, would be receiving a best news-writing award from the Central Iowa Public Relations Society of America as a result of the newspaper special section they developed for ***hawk-i*** program in 2008.

- Unanimously approved previously noticed rules for adoption regarding the expansion of ***hawk-i*** to 300% of the FPL.

- Reviewed Delta Dental of Iowa's *"Dental Plan Management Report for* ***hawk-i*** *Enrollees."* The report covers the period March 2008 through February 2009. Highlights include:
  - 53.5% of claims paid were in the preventative and diagnostic procedure categories.
  - Average claim payment was $128.48. Previous year's average was $123.75.
  - Average number of claims filed annually was 1.66 per subscriber, the same as the previous year.
  - Average age was 10.8.
  - 99.9% of the procedures were performed by Delta's network dentists.
  - Savings due to cost management tools were 16% of billed charges.
  - 5,236 used the plan, representing 83.5% of all members. Previous year was 6,436, or 85.4%.
  - 1.5% met or exceeded their annual maximum benefit (6 members).

- The results of the report show that the dental benefit is working the way that it should, there are no financial barriers to seeking service. For every dollar spent in diagnostic and preventative services, $4 is offset on the high cost of restoration. Additionally, an 83.5 percent utilization rate is a very good result. In some commercial plans utilization is as low as 44 to 45 percent. One factor contributing to higher utilization may be that services in the ***hawk-i*** program are paid at 100 percent, which is not the industry norm.

May 2009
The Board:

- Unanimously approved capitation rate increases of 2 percent for Americhoice (now UnitedHealthcare) and a 2.2 percent for Delta Dental of Iowa.

- Unanimously approved a one-year extension of the Health Management Systems (HMS) contract. HMS checks against the ***hawk-i*** eligibility and enrollment file daily for an insurance match.

- Was advised that an agreement has not been reached with Wellmark on their three contracts: Wellmark Blue Cross Blue Shield (indemnity); Wellmark Health Plan of Iowa (managed care); or Wellmark Blue Dental. Wellmark rejected the offer of 2 percent increase in capitation rates. They asked for a 14.4 percent increase for Classic Blue; 6.3 percent for Blue Access; and a 12.65 percent increase for Blue Dental.

- Unanimously approved the amendments to administrative rules to provide coverage to all children who are lawfully permanent residents of the United States. SF 389 and CHIPRA allow states the option to extend CHIP coverage.

June 2009
The Board:

- Was updated on SF 389 that includes a number of directives for the Department to implement during the next year. At the same time, new requirements because of CHIPRA and HF820 will be implemented (see Senate File 389 Directives)

- Unanimously approved the Fifth Amendment to the Wellmark Blue Cross and Blue Shield of Iowa contract for the Classic Blue (indemnity) plan. As a result of discussions between the Department and Wellmark:
  - The current contract, due to expire June 30, 2009, will be extended through September 30, 2009.
  - The capitation rate for July 1, 2009, through September 30, 2009, will be $179.93 per member per month.
  - No new ***hawk-i*** members will be enrolled in the Classic Blue plan as of July 1, 2009.
  - All ***hawk-i*** Classic Blue members will be transitioned to Wellmark Health Plan of Iowa's Blue Access on or before September 30, 2009.

July 2009
No Meeting

August 2009
The Board:

- Unanimously approved to adopt and file the following rules:
  - Lawfully Permanent Residents
  - Crowd Out (emergency filed) –CMS required under the CHIP state plan to expand ***hawk-i*** to 300 percent of FPL to implement a 30-day period of

uninsurance for children in families with income within the expanded ***hawk-i*** range. This 30-day period will apply to children for whom health insurance coverage was dropped in the month a ***hawk-i*** application is filed, for a reason not specifically exempted in the rule.

- Unanimously approved the following rule amendments to be noticed:
  - Citizenship and Identity & Social Security Number -Amendments are being made to the rules to implement new requirements under CHIPRA that require applicants and enrollees to provide acceptable proof of their citizenship status and identity and provide a social security number. The new requirement is effective January 1, 2010.
  - Dental only program – SF 389 directed the Department to implement a supplemental dental only program based on the CHIPRA legislation that allows states this option.

- The Board's nominating committee made a recommendation that Susan Salter, continue as Chair of the ***hawk-i*** Board and Kim Carson as Vice-Chair. The Board unanimously approved the officers.

September 2009
No Meeting

October 2009
The Board:

- Was updated on CHIPRA:
  - Outreach Grant – Iowa applied for a CMS outreach and enrollment grant. Although 41 grants were awarded, Iowa was not one of the states that was chosen to receive grant dollars. Only eight of the grant recipients were state agencies.
  - Managed Care Requirements: States received a "State Health Official" letter, SHO #09-008, CHIPRA #4, dated August 31, 2009, advising that in separate CHIP programs states must offer a choice of health and dental plans. Iowa does not have a health and dental plan choice in all 99 counties at this time. CMS is applying the Medicaid managed care rules to separate CHIP programs.
  - Orthodontia Coverage: States received a "State Health Official" letter, SHO #09-012, CHIPRA #7, dated October 7, 2009, informing them that CMS is defining the dental package in CHIPRA to include medically necessary orthodontia. ***hawk-i*** staff are working with Delta Dental of Iowa and Medicaid to cost out an "unlimited lifetime medically necessary benefit based on Medicaid policies".

- The Department's (***hawk-i*** program) contracted advertising agency, ZLR*IGNITION*, provided the Board an update on the advertising campaign. The objectives for SFY 2010 are:
  - Continue to build awareness of ***hawk-i*** program
  - Awareness of new income levels
  - ***hawk-i*** health and dental coverage
  - Reduce welfare stigma
  - Increase the number of calls and applications

- Multi-media advertising started October 1, 2009, with network and cable television buys and extends through June 2009.

- Unanimously approved adoption and filing of rules to implement a crowd out strategy that CMS is requiring as a condition of approving the state plan amendment to expand to 300 percent of FPL.

- Unanimously approved a proposed rule amendment to implement a 14-day grace period. When ***hawk-i*** coverage is cancelled or denied for a procedural reason and the information is provided within 14 calendar days, the denial or cancellation notice is rescinded and the application or annual renewal will be processed.

- Tabled consideration of the rule amendment to implement a dental only program for qualified children who have health benefits, but no dental benefits until their December, 2009 meeting.

November 2009
No Meeting

Attachment 1: Allotment and Expenditure Federal Funding History, SFY 2009 Final Budget Report and SFY 2010 Budget

Allotment and Expenditure Federal Funding History
For Iowa's SCHIP Program
2009

Federal Fiscal Year (FFY)	Allotment	Balance Carryforward (from previous years)	Retained Dollars	Redistributed Dollars	Supplemental Dollars	Total Federal Dollars Available	Total Federal Dollars Spent	Balance Remaining	
1998	$32,460,463	$-	$-	$-	$-	$32,460,463	$276,280	$32,184,183	
1999	$32,307,161	$32,184,183	$-	$-	$-	$64,491,344	$10,562,636	$53,928,708	
2000	$32,382,884	$53,928,708	$-	$-	$-	$86,311,592	$15,493,125	$70,818,467	*1*
2001	$32,940,215	$64,690,045	$3,957,863	$-	$-	$101,588,123	$24,846,556	$76,741,567	*2*
2002	$22,411,236	$65,323,099	$4,787,171	$-	$-	$92,521,506	$28,724,907	$63,796,599	*3*
2003	$21,368,268	$55,351,451	$4,222,574	$-	$-	$80,942,293	$32,885,307	$48,056,986	*4*
2004	$19,703,423	$43,779,504	$2,138,741	$-	$-	$65,621,668	$37,273,256	$28,348,412	*5*
2005	$28,266,206	$28,348,412	$-	$4,379,212	$-	$60,993,830	$40,757,756	$20,236,074	*6*
2006	$26,986,944	$20,236,074	$-	$-	$6,108,982	$53,332,000	$47,861,826	$ 5,470,174	*7*
2007	$36,229,776	$5,470,174	$-	$-	$14,001,050	$55,701,000	$51,337,743	$ 4,363,257	*8*
2008	$33,177,409	$-	$-	$-	$29,196,591	$62,374,000	$55,307,598	$ 7,066,402	*9*
2009	$34,057,616	$-	$-	$-	$31,197,684	$65,255,300	$43,060,001	$22,195,299	*10*

1 $6,128,422 of the FFY98 allotment that remains unspent added to redistribution pool

2 $11,418,468 of the FFY99 allotment that remains unspent added to redistribution pool

3 $8,445,148 of the FFY00 allotment that remains unspent added to redistribution pool

4 $4,277,482 of the FFY01 allotment that remains unspent added to redistribution pool

5 $0 of the FFY02 allotment that remains unspent added to redistribution pool

6 $0 of the FFY03 allotment that remains unspent added to redistribution pool

7 $0 of the FFY04 allotment that remains unspent added to redistribution pool

8 $4,363,257 of the FFY07 supplemental that remains unspent reverts to treasury

9 $7,066,402 of the FFY08 supplemental that remains unspent reverts to treasury

10 Iowa received $31,197,684 additional dollars in FFY 2009 due to the CHIPRA legislation- FFY 09 total dollars spent is through the 3rd quarter only, and does not include the 4th Quarter expenditures.

CHIP Budget
SFY 2009
Jun-09
Plus 60- FINAL

SFY 2009 Appropriation	$ 13,660,852	
Amount of ***hawk-i*** Trust Fund dollars added to appropriation	$ 9,659,560	
Amount funded by HF 2539 - Health Care Reform Bill	$ 1,970,000	HF 2539
Possible Outreach and PERM dollars from Medicaid	$ 134,147	
Total state appropriation for SFY 2009	$ 25,424,559	
Donations	$ -	
Wellmark Grant dollars earned	$ -	
Total	$ 25,424,559	

Budget Category	State Dollars Projected Expenditures	YTD * Expenditures
Medicaid Expansion	$6,669,681	$6,270,746
hawk-i premiums	$13,010,408	$12,529,567
Processing Medicaid claims / AG fees	$149,792	$233,038
Outreach	$324,060	$445,327
hawk-i administration	$1,289,775	$876,756
Earned interest from hawk-i fund	$ -	-$295,420
Totals	$ 21,443,716	$ 20,060,015

hawk-i Trust Fund Balance (In State Dollars)	
Amount in ***hawk-i*** Trust Fund held in reserve at FY 08 year end.	$ 9,659,560

The general fund appropriations above were adjusted by a 1.5% reduction mandated by the Governor.

CHIP Budget
SFY 2010
Oct-09

FY 2010 Appropriation	$ 13,555,770	*HF 811
Amount of ***hawk-i*** Trust Fund dollars added to appropriation	$ 5,364,543	actual
Amount funded by HF 2539 - Health Care Reform bill	$ 1,488,652	*HF 811
Gov't stabilization dollars	$ 3,899,643	HF820
Possible Outreach and PERM dollars from Medicaid	$ 166,600	
Total state appropriation for FY 2010	$ 24,475,208	
Donations	$ -	
Total	$ 24,475,208	

State Dollars

Budget Category	Projected Expenditures	YTD * Expenditures
Medicaid Expansion	$8,362,852	$2,335,334
hawk-i premiums (includes up to 300% FPL group)	$12,893,679	$4,607,788
Supplemental dental	$315,910	$0
Processing Medicaid claims / AG fees	$478,233	$0
Outreach	$217,750	$25,861
hawk-i Administration	$1,314,863	$122,730
Earned interest from ***hawk-i*** trust fund	$ -	-$12,692
Totals	$ 23,583,287	$ 7,079,021

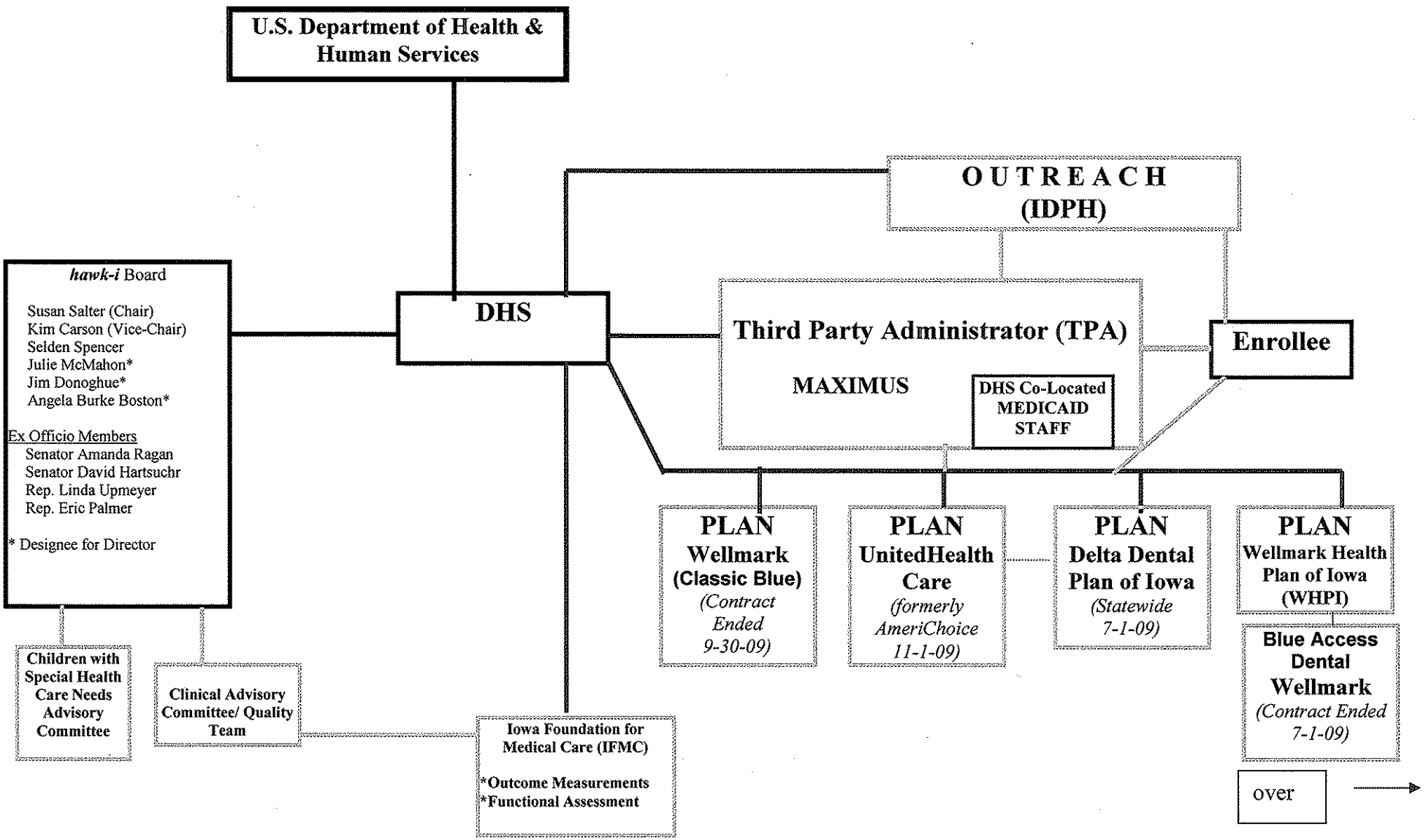
hawk-i Trust Fund Balance (In State Dollars)

Amount in ***hawk-i*** Trust Fund held in reserve at SFY 09 year end	$ 5,364,543

* HF 811 FUNDING REDUCED BY 10% PER GOVERNOR'S INITIATIVE.

Attachment 2: Organization of *hawk-i* Program Chart,
History of Participation of Children in Medicaid and *hawk-i*,
Iowa's SCHIP Program Combination Medicaid Expansion and *hawk-i*

Organization of the ***hawk-i*** Program



Referral Sources/Outreach Points

Any entity that is accessed by children or their families is potentially an outreach point where applications and information about the program could be available. In addition to local DHS offices, schools, daycare centers, WIC sites, etc., other potential sources through which information could be provided may include organizations that deal with children (Girl Scouts, Boy Scouts, Little League, Big Brothers and Sisters, YMCA, etc.) and places frequented by children and their families (churches, fast food restaurants, roller skating rinks, & toy stores). Applications would be sent to the TPA.

Function of the outreach points:
1. Disseminate information about the program.
2. Assist with the application process if able.

hawk-i Board

The function of the ***hawk-i*** Board includes, but is not limited to:
1. Adopt administrative rules developed by DHS
2. Establish criteria for contracts and approve contracts
3. Approve benefit package
4. Define regions of the state
5. Select a health assessment plan
6. Solicit public input about the ***hawk-i*** program
7. Establish and consult with the clinical advisory committee
8. Establish and consult with the advisory committee on children with special health care needs
9. Make recommendations to the Governor and General Assembly on ways to improve the program

DHS

The function of DHS includes, but is not limited to:
1. Work with the ***hawk-i*** Board to develop policy for the program
2. Oversee administration of the program.
3. Administer the contracts with the TPA, plans, IDPH and IFMC
4. Administer the State Plan.
5. Coordinate with the TPA when individuals applying for the ***hawk-i*** program may be Medicaid eligible and when Medicaid eligible recipients lose eligibility.
6. Provide statistical data and reports to CMS.

Third Party Administrator (TPA)

The functions of the TPA include, but may not be limited to:
1. Receive applications and determine eligibility for the program.
2. Staff a 1-800 number to answer questions about the program and assist in the application process.
3. Coordinate with DHS when it appears an applicant may qualify for Medicaid.
4. Determine the amount of family cost sharing.
5. Bill and collect cost sharing.
6. Assist the family in choosing a plan.
7. Notifying the plan of the enrollment.
8. Provide customer service functions to the enrollees.
9. Provide statistical data to DHS.
10. Calculate and refer overpayments to DIA

Plans

The functions of the plan(s) are to:
1. Provide services to the enrollee in accordance with their contract.
2. Issue insurance cards.
3. Process and pay claims.
4. Provide statistical and encounter data to the TPA.

Clinical and Children with Special Health Care Needs AdvisoryCommittees

1. The Clinical Advisory Committee is made up of health care professionals who advise the ***hawk-i*** Board on issues around coverage and benefits.
2. The Children with Special Health Care Needs Advisory Committee is made up of health care professionals, advocates, and parents who provide input to the ***hawk-i*** Board on how to best meet the needs of children with special health care issues.

Medicaid Staff

The function of the Medicaid staff that is co-located at MAXIMUS is to determine Medicaid eligibility when a person who applies for ***hawk-i*** is referred to Medicaid.

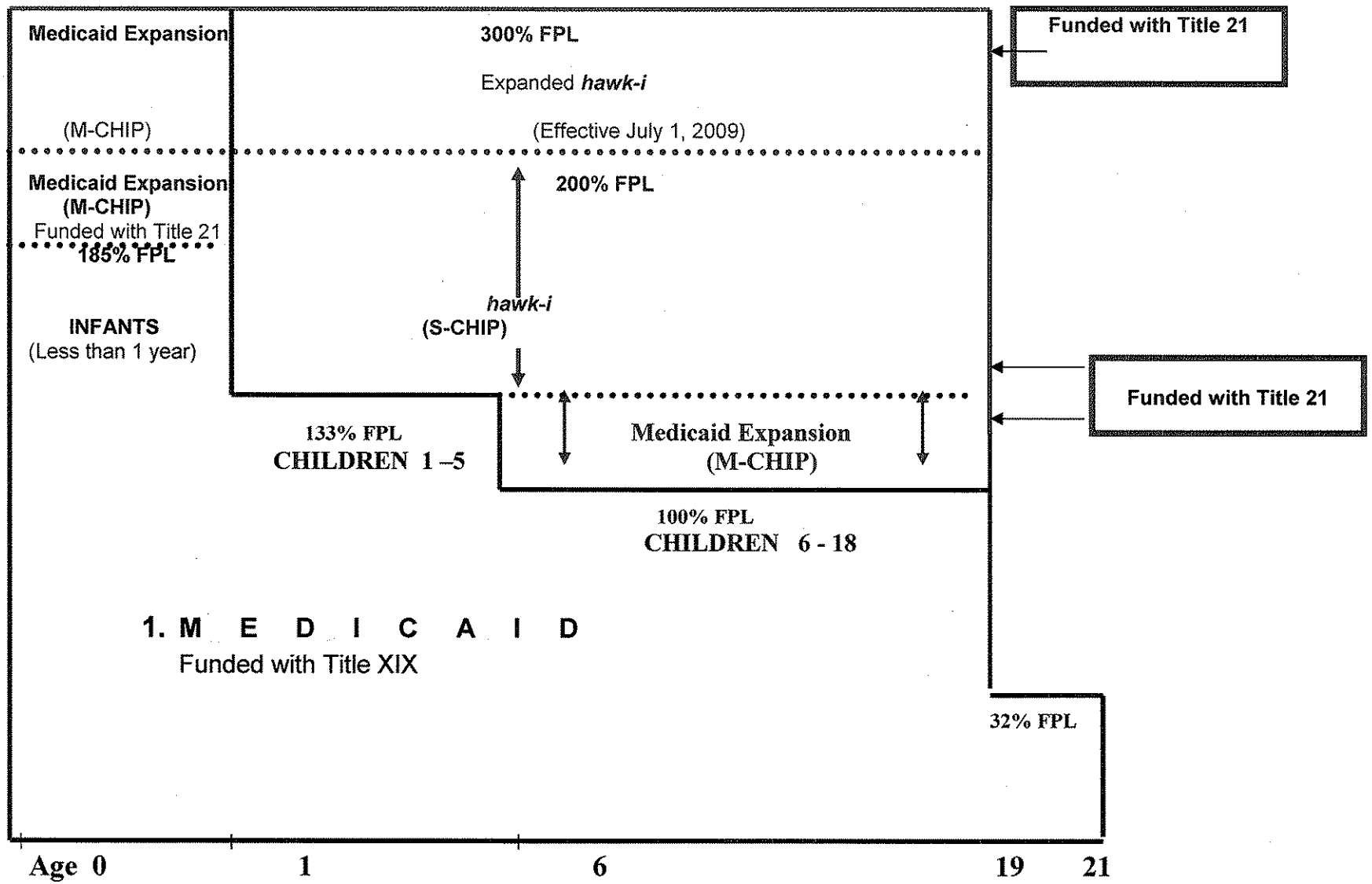
History of Participation of Children in Medicaid and *hawk-i*

		SCHIP (Title XXI Program)	
Month	**Total Children on Medicaid**	**Expanded Medicaid***	***hawk-i* Program (began 1/1/99)**
SFY 99	91,737		
SFY 00			
July 1,1999	104,156	7,891	2,104
SFY 01			
July 1, 2000	106,058	8,477	5,911
SFY 02			
July 1, 2001	126,370	11,316	10,273
SFY 03			
July 1, 2002	140,599	12,526	13,847
SFY 04			
July 1, 2003	152,228	13,751	15,644
SFY 05			
July 1, 2004	164,047	14,764	17,523
SFY 06			
July 1, 2005	171,727	15,497	20,412
SFY 07			
July, 1, 2006	179,967	16,140	20,775
SFY 08			
July 1, 2007	181,515	16,071	21,877
SFY 09			
July 1, 2008	190,054	17,044	22,458
SFY 10			
July 31, 2009	219,476	22,278	22,151
August 31, 2009	220,474	22,132	22,894
September 30, 2009	222,305	21,717	23,564
October 31, 2009	225,118	21,149	24,037
		Total SCHIP Enrollment	45,186

Total growth in Medicaid enrollment from SFY 99 to resent =	133,381
Total growth in ***hawk-i*** enrollment from SFY 99 to present =	24,037
Total children covered	**157,418**

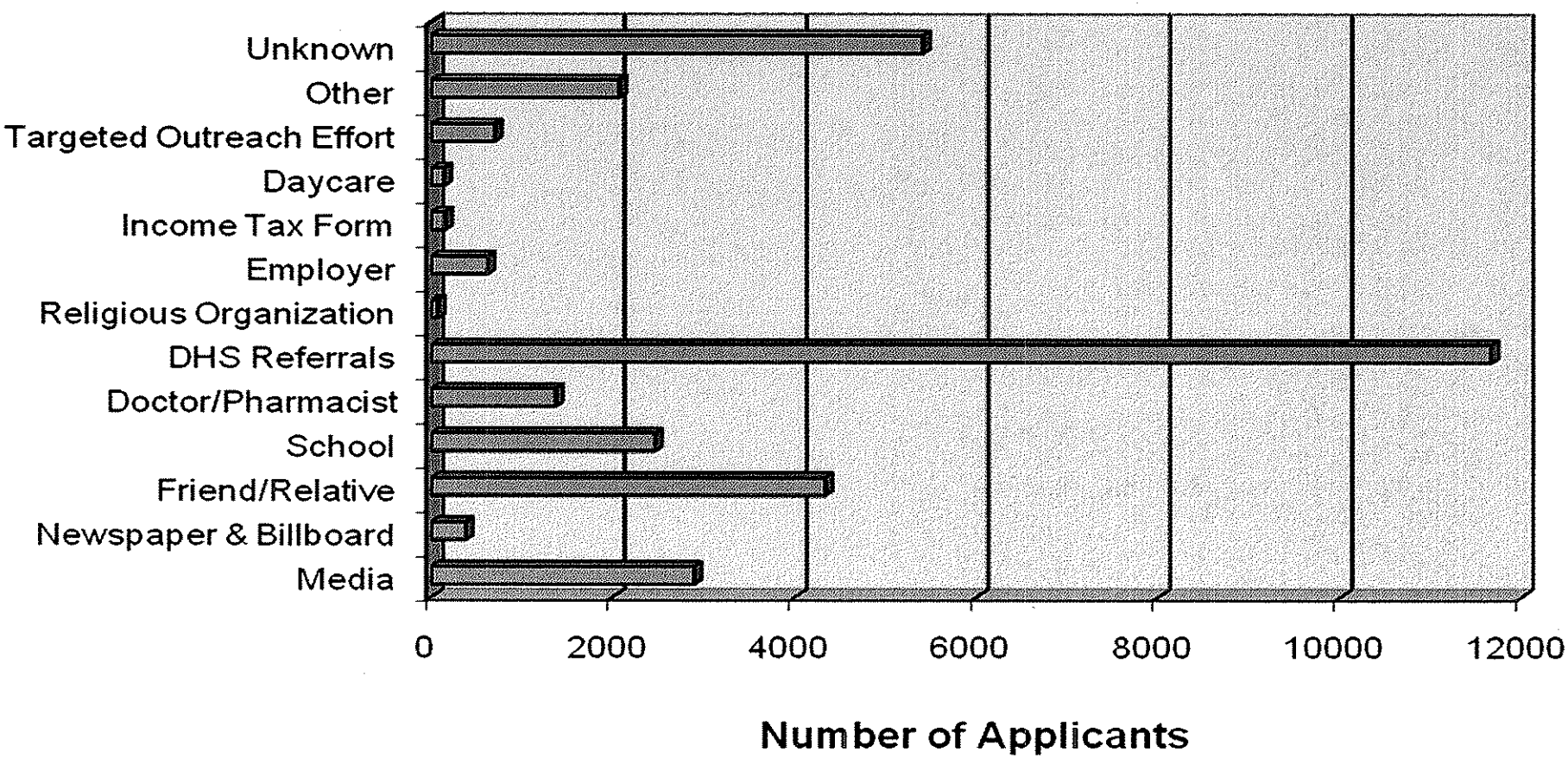
*Expanded Medicaid number is included in "Total Children on Medicaid" number

Iowa's Health Care Programs for Non-Disabled Children
H.F. 2539/S.F. 839/H.F. 820



Attachment 3: How Applicants Heard About *hawk-i* in Calendar Year 2009

How Applicants Heard About *hawk*-i in Calendar Year 2009



Attachment 4: County Heath Plan Map and History of Per Member Per Month Capitation Rate for *hawk-i*

hawk-i

Health Coverage Area
Enrollment Effective September 1, 2009
All counties have Delta Dental of Iowa for dental care

History of Per Member Per Month Capitation Rate for *hawk-i*
SFY 2000 to SFY 2010

State Fiscal Year (SFY)	Managed Care Health and Dental Monthly Capitation Rate		Managed Care Health and Dental Capitation Percent Increase (SFY)	Wellmark Classic Blue (Indemnity) & Blue Dental Monthly Capitation Rate		Indemnity Capitation Percent Increase (SFY)
	Federal Share	State Share		Federal Share	State Share	
SFY '00	$84.97			$110.63		
	$63.00 74.14%*	$21.97 25.86%*		$82.02 74.14%*	$28.61 25.86%*	
SFY '01	$90.92		7%	$118.37		7%
	$67.16 73.87%*	$26.76 26.13%*		$87.44 73.87%	$30.93 26.13%	
SFY '02	$106.52			$131.98		
	$78.82 74.00%*	$27.70 26.00%*	17%	$97.67 74.00%*	$34.31 26.00%*	12%
SFY '03	$119.30			$155.87		
	$88.82 74.45%*	$30.48 25.55%*	12%	$116.05 74.45%*	$39.82 25.55%*	18%
SFY '04	$131.23			$169.59		
	$98.09 74.75%*	$33.14 25.25%*	10%	$126.77 74.75%*	$42.82 25.25%*	9%
SFY '05 (7-1-2004)	$148.30			$169.59		
	$110.85 74.75%*	$37.45 25.25%*	13%	$126.77 74.75%	$42..82 25.25%	0%
SFY '05 (1-1-2005)	John Deere			Wellmark Classic Blue and Blue Access Dental		
Health Only	$132.74					
	$98.88 74.49%*	$33.86 25.51%*	N/A			N/A
Health and Dental	$148.30			N/A		
	$110.47 74.49%*	$37.83 25.51%*	N/A			
SFY '05 (1-1-2005)	Delta Dental of Iowa					
	$15.94					
	$11.87 74.49%*	$4.07 25.51%*	N/A	N/A		N/A
SFY '06 (7-1-05)	AmeriChoice (formerly John Deere Health Plan)			Wellmark Classic Blue and Blue Access Dental		
Health Only	$143.36					
	$106.79 74.49%*	$36.57 25.51%*	8%			
Health and Dental	$160.16			$176.13		
	$119.30 74.49%*	$40.86 25.51%*	8%	$131.19 74.49%	$44.94 25.51%	3.9%
	Delta Dental of Iowa					
Dental Only	$15..94		0%			
	$11.87 74.49%	$4.07 25.51%		N/A		N/A
Dental Only (1-1-2006)	Delta Dental of Iowa					
	$16.58					
	$12..35 74.53%	$4.23 25.47%	4%	N/A		N/A

History of Per Member Per Month Capitation Rate for *hawk-I (Continued)*

State Fiscal Year (SFY)	Managed Care Health and Dental Monthly Capitation Rate		Managed Care Health and Dental Capitation Percent Increase (SFY)	Wellmark Classic Blue (Indemnity) & Blue Dental Monthly Capitation Rate		Indemnity Capitation Percent Increase (SFY)
	Federal Share	State Share		Federal Share	State Share	
SFY '07 (7-1-06)	AmeriChoice			Wellmark Classic Blue and Blue Access Dental		
Health Only	$158.86			$183.60		
	$118.40 74.53%	$40.46 25.47%	10.8%	$136.84 74.53%	$46.76 25.47%	4.2%
Dental Only **(7-1-06)	Dental Dental of Iowa**					
	$17.41					
	$12.98 74.53%	$4.43 25.47%	5%			
Health and Dental (7-24-06)	Wellmark Health Plan of Iowa (WHPI) and Blue Access Dental					
	$177.31		0%			
	$132.15 74.53%	$45.16 25.47%				
SFY '08 (7-1-07)	AmeriChoice			Wellmark Classic Blue and Blue Access Dental		
Health Only	$163.94		3.2%	$189.80		3.4%
	$120.02 73.21%	$43.92 26.79%		$138.95 73.21%	$50.85 26.79%	
Dental Only	Delta Dental of Iowa					
	$18.98		9%			
	$13.90 73.21%	$5.08 26.79%				
Health and Dental	Wellmark Health Plan of Iowa and Blue Access Dental		3.4%			
	$183.29					
	$134.19 73.21%	$49.10 26.79%				
SFY '09 (7-1-08)	AmeriChoice			Wellmark Classic Blue and Blue Access Dental		
Health Only	$170.01		3.7%	$193.56		2%
	$125.52 73.83	$44.49 26.17		$142.91 73.83	$50.65 26.17	
Dental Only	Delta Dental of Iowa					
	$20.50		8%			
	$15.14 73.83	$5.36 26.17				
Health and Dental	Wellmark Health Plan of Iowa and Blue Access Dental					
	$186.95		2%			
	$138.03 73.83	$48.92 26.17				

History of Per Member Per Month Capitation Rate for *hawk-i* (Continued)

State Fiscal Year (SFY)	Managed Care Health and Dental Monthly Capitation Rate		Managed Care Health and Dental Capitation Percent Increase (SFY)	Wellmark Classic Blue (Indemnity) & Blue Dental Monthly Capitation Rate		Indemnity Capitation Percent Increase (SFY)
	Federal Share	State Share		Federal Share	State Share	
SFY 2010 (7-1-09) Health Plan	United Healthcare		2%	Wellmark Classic Blue (Contract ended 9-30-09)		
	$173.41					
	74.46 $129.12	25.55 $44.29				
Health Plan	Wellmark Health Plan of Iowa		4%			
	$173.41					
	74.46 $129.12	25.55 $44.29				
Dental Plan	Delta Dental of Iowa (Statewide Coverage 7-1-09)		2.2%	Blue Access Dental (Contract ended 7-1-09)		
	$20.96					
	74.46 $15.61	25.55 $5.35				

Attachment 5: Healthy and Well Kids in Iowa (*hawk-i*) Board Bylaws, Healthy and Well Kids in Iowa (*hawk-i*) Board Members

BYLAWS

Healthy and Well Kids in Iowa (*hawk-i*) Board

I. NAME AND PURPOSE

A. The ***hawk-i*** Board, hereafter referred to as the Board, is established and operates in accordance with the Code of Iowa.

B. The Board's specific powers and duties are set forth in Chapter 514I of the Code of Iowa.

II. MEMBERSHIP

The Board consists of eleven (11) members. Four members are appointed by the Governor to two-year terms. Statutory members are the Director of the Department of Education, the Director of the Department of Public Health, and the Commissioner of Insurance, or their designees. Ex officio members from the General Assembly are appointed: two Senate members and two House members.

III. BOARD MEETINGS

A. The Board shall conduct its meetings in accordance with Iowa's Open Meetings Law.

B. The Board shall conduct its meetings according to parliamentary procedures as outlined in Robert's Rules of Order. These rules may be temporarily suspended by the Chairperson with a majority vote of the Board members in attendance.

C. The Board shall meet at least six times a year at a time and place determined by the chairperson.

D. Department of Human Services (DHS) staff will ship the meeting packets (including the agenda) to Board members at least five days prior to Board meetings.

E. Special meetings may be held at any time at the call of the chairperson, the DHS program manager or at the call of any five members of the Board, provided that notice thereof be given to all Board members at least twenty-four hours in advance of the special meeting.

F. A quorum at any meeting shall consist of five or more voting Board members.

G. DHS staff shall be present and participating at each meeting of the Board.

H. The Board shall record its proceedings as minutes and shall maintain those minutes in accordance with the Iowa Open Records Law.

IV. OFFICERS AND COMMITTEES

A. The officers of the Board shall be chairperson and vice-chairperson. DHS staff will serve as Secretary. The chairperson and vice-chairperson shall be elected at the first regular meeting of each fiscal year and shall assume their duties at next meeting or immediately upon the resignation of the current officers.

B. The duties of all officers shall be such as by custom and law and the provisions of the Act as usually devolving upon such officers in accordance with their titles.

C. The chairperson shall appoint committees as are needed and/or recommended unless provided for statutorily.

D. Each committee shall act in an advisory capacity and shall report its recommendations to the full Board.

V. DUTIES AND RESPONSIBILITIES

A. The Board shall have the opportunity to review, comment, and make recommendations to the proposed ***hawk-i*** budget request.

B. The Board shall set policy and adopt rules. The DHS program manager will periodically make policy recommendations to the Board in order to promote efficiency or to bring the program into compliance with state or federal law.

C. DHS staff shall keep the Board informed on budget, program development, and policy needs.

VI. AMENDMENTS

Amendments to these bylaws may be proposed at any regular meeting but become effective only after a favorable vote at a subsequent meeting. Any of the foregoing rules may be temporarily suspended by a unanimous vote of all the members present at any meeting provided they do not conflict with the provisions of the Act.

Healthy and Well Kids in Iowa

Board Members

as of August, 2009

Susan Salter, Chair **Kim Carson, Vice Chair**

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