
STATE OF IOWA DEPARTMENT OF

Health ^{AND} Human

SERVICES

Iowa Medicaid Overview

Health Policy Oversight Meeting

December 9, 2022

Overview

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Iowa Medicaid Strategic Plan



Mission and Vision

Mission

Iowa Medicaid is committed to ensuring that all members have equitable access to high quality services that promote dignity, barriers are removed to increase health engagement, and whole-person health is improved across populations.

Vision

Iowa Medicaid works diligently to operate a fiscally responsible and sustainable program that improves the lives of its members through effective internal and external collaboration, innovative solutions to identified challenges, and data driven program improvement.

Values

Partnership

Integrity

Diversity,
Equity, and
Inclusion

Accountability

Advocacy

Mission

Iowa Medicaid is committed to ensuring that all members have equitable access to high quality services that promote dignity, barriers are removed to increase health engagement and whole person health is improved across populations.

Vision

Iowa Medicaid works diligently to operate a fiscally responsible and sustainable program that improves the lives of its members through effective internal and external collaboration, innovative solutions to identified challenges and data-driven program improvement.

Objectives

1. Identify and mitigate program gaps in meaningful service delivery.

2. Shift program operations and planning to focus on outcomes.

3. Promote transparency in program development and performance.

4. Modernize Iowa Medicaid infrastructure and operations.

Action Items

1. Gap analysis of disability and behavioral health services.
2. Evaluate service delivery and engagement through the lens of equity to remove barriers to engagement.
3. Implementation of pilot programs to measure successful innovations.
4. Develop necessary maternal health coordination & reimbursement strategies that lead to appropriate risk identification & referrals.
5. Coordinate policy initiatives to ensure that oral health is a component of whole person health.

Action Items

1. Overhaul contracts to create balance between compliance and outcome monitoring.
2. Evaluate the value of administrative processes, such as prior authorization and claims cycles, relative to member outcomes and return on investment.
3. Evaluate internal Iowa Medicaid administrative purposes to reduce low value tasks and increase high value tasks.

Action Items

1. Provide thoughtful, audience-focused communications to members and other stakeholders.
2. Consistent application of program mission, vision and objectives.
3. Engage internal and external stakeholders early and often in development and monitoring activities.
4. Refine reports and dashboards so that they are reflective of stakeholder needs, while ensuring protection of patient privacy and dignity.
5. Readily share opportunities for improvement and solicit input.

Action Items

1. Pursue technology solutions that supports collaboration, data-driven decisions efficiency and monitoring of program outcomes.
2. Promote business process and IT modernization that drives high quality data.
3. Update team project structures to leverage resources within and out of the agency for more impactful interagency collaboration.
4. Modernize the process of updating Medicaid provider reimbursement rates.
5. Align reimbursement structures that incent quality services that improve outcomes.

Values: Partnership, Integrity, Diversity/Equity/Inclusion, Accountability, Advocacy

Progress on Objectives

Identify and mitigate program gaps in meaningful service delivery.

Gap analysis of disability and behavioral health services.

Final report expected in January 2023.

Equity analysis of service delivery and utilization.

Dashboard scheduled to launch in July 2023.

Implementation of pilot programs to measure successful innovation.

Therapeutic foster care programs to measure successful innovation.

Develop necessary maternal health coordination & reimbursement strategies that lead to appropriate risk identification referrals.

Maternal health report expected in Dec. 2023.

Coordinate policy initiatives to ensure that oral health is a component of whole person health.

Oral health workgroup began October 2022.

Shift program operations and planning to focus on outcomes.

Overhaul contracts to create balance between compliance and outcome monitoring.

Managed care contract refresh in 2023, professional contracts rolling beginning in 2022.

Evaluate the value of administrative processes, such as prior authorization and claims cycles, relative to ROI.

Prior authorization workgroup and Iowa Hospital Association workgroup pushing out ongoing improvements.

Evaluate internal Iowa Medicaid administrative processes to reduce low value tasks and increase high value tasks.

Evaluation as part of Medicaid Enterprise Modernization Effort (MEME) work.

Promote transparency in program development and performance.

Provide thoughtful, audience-focused communication to members and other stakeholders.

Monthly Town Halls and Listening Sessions launched 2021.

Consistent application of program mission, vision and objectives.

Engage internal and external early and often in development and monitoring activities.

Refine reports and dashboards so they are reflective of stakeholder needs.

Dashboard scheduled to launch in July 2023.

Readily share opportunities for improvement and solicit input.

Includes stakeholder surveys and Town Hall discussions.

Modernize Iowa Medicaid infrastructure and operations.

Pursue technology solutions that support collaboration, data driven decisions, efficiency and monitoring of program outcomes.

Provider module development 2023.

Additional priorities mapped February 2023.

Promote business processes and IT modernization that drive high quality data.

Embedded in MEME plan.

Update team project structures to leverage resources within and outside of agency for more impactful collaboration.

Modernize process of updating Medicaid provider reimbursement rates.

First set of rate reviews ready in February 2023.

Align reimbursement structures that incentivize quality services that improve outcomes.

UIHC directed payment approved and others are in development.



Medicaid Director's Office
Responsible for strategic program vision setting,
communication and decisions.

Deputy Director's Office
Responsible for operational implementations and
oversight.

Bureau Chiefs

**Program
Integrity &
Compliance**

**Managed
Care
Reporting &
Oversight**

**Long-Term
Supports &
Services**

**Quality
Innovation &
Medical
Policy**

**Eligibility
Policy & HIPP**

**Medicaid
Contracting**

Implementation of Legislation Appropriations



Functional Family Therapy & Multisystemic Therapy

HHS is required to submit a Medicaid State Plan amendment to include Functional Family Therapy (FFT) and Multisystemic Therapy (MST) for youth under covered Medicaid services.

Iowa Medicaid partnered with the Coalition for Family and Children's Services in Iowa and the New York Foundling Implementation Support Center to identify the costs associated with implementing the evidence-based practice models.

New York Foundling provided a summary of their findings and recommendations in late October.

The State Plan amendment will be submitted to CMS for review prior to the end of the year.

Medicaid Postpartum Coverage

In 2022, the Iowa Legislature directed Iowa HHS to review postpartum coverage available to members' pregnancy-related Medicaid coverage and develop a report to the General Assembly.

Number of Postpartum Members Receiving Services		
Year	Pharmacy	Medical, Dental and Institutional Services
2020	694	7,187
2021	916	10,075
2022	854	8,771

Legislative Rate Increases

All below rates went into effect July 1, 2022, except psychiatric tiered rates which went into effect January 1, 2023.

Home Health Rural Incentives

- An increase of \$1,777,082

Immediate Care Facilities for Intellectual Disabilities (ICF/ID)

- An increase of \$1,339,971

Behavioral Health Intervention Services

- An increase of \$1,277,082

Psychiatric Tiered Rates

- An increase of \$1,500,000

Applied Behavioral Analysis Services Rates

- An increase of \$385,000

HCBS Rate Increases

HCBS and habilitation providers were given a 4.25% rate increase during the last legislative session leveraging ARPA funds.



Waiver Interest List Buy-Down

Intellectual Disability (ID) Waiver (Nov. 2022)

- 5,996 people on the waiting list (Nov. 2022).
- The buy-down for ID slots gave 399 new slots that can be filled as of July 1, 2022.
- Since July 1, Iowa Medicaid has released 1,060 ID waiver slots to fill the new slots AND the slots that open because of attrition each month.

Psychiatric Intensive Care Tiered Rates

Rolled out by collaborating with our MCOs and our providers and partners.

Training for providers and claims processors is being developed.

- To roll out near the end of the year

Starting January 2023, Iowa Medicaid will have a rate for:

- General Psychiatric Care
- Intensive Psychiatric Care

Ground Emergency Medical Transportation (GEMT)



The GEMT program allows providers of public ambulance transportation to receive supplemental payments to cover the difference between provider costs and the Iowa Medicaid base payment for transportation.



To be eligible for the GEMT program, GEMT enrollees must meet all the following requirements:

- Be enrolled as an Iowa Medicaid provider for the period being claimed on their annual cost report.
- Provide ground emergency medical transport services to Iowa Medicaid members.
- Owned or operated by an eligible governmental entity.

EMS Services do not adjust the method in which they submit claims:

- The only difference for GEMT providers is the use of an additional line-item entry for A0999.
- A0999 pays the provider their specific uncompensated average cost per transport for the current state fiscal year.

GEMT Payment Program is conducted in such a way that it does not result in any additional expenditures from the state general fund:

- Payments are not considered an individual increase to current fee-for-service rates.
- Payments are based on the actual costs to perform EMS transports.

FY2023 MCO Contracts and Rates



FY2023 MCO Contracts and Rates

- Iowa HHS recently executed two contract amendments with Amerigroup Iowa (AGP) and Iowa Total Care (ITC) to administer the IA Health Link program. These amendments were executed to include changes to rates based on the final appropriations bill and to update contract language based on Iowa Legislation.
- These contract amendments are pending approval by CMS and may be subject to change.



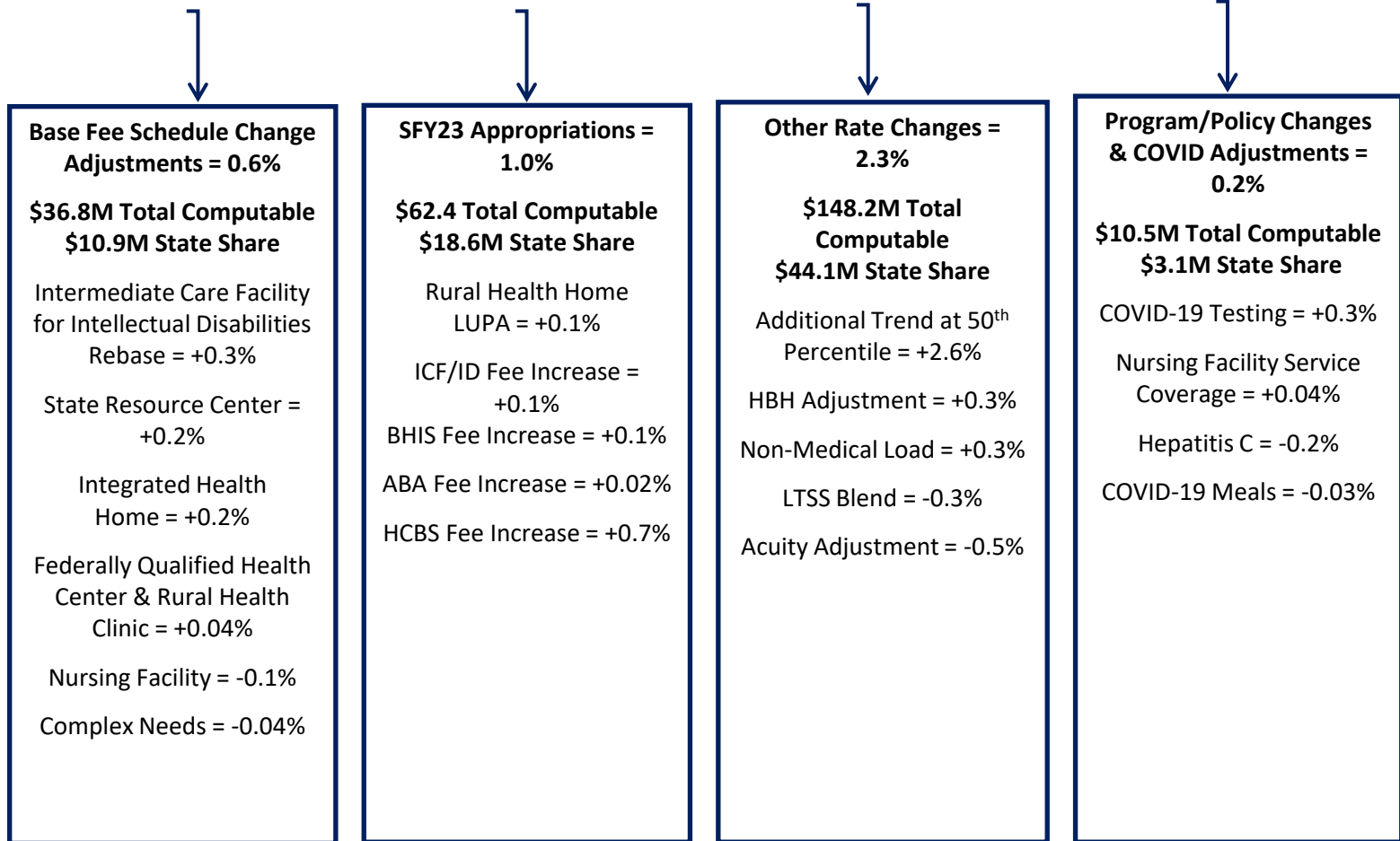
Contract Changes

Iowa HHS has made the following improvements to the MCO contracts through the following amendments:

Improvements made:

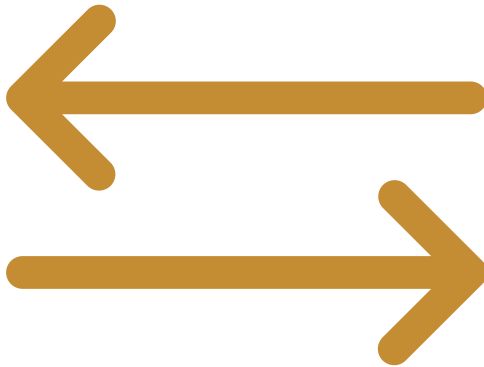
- Updated federally mandated language
- Updated state-directed payments
- SFY23 updated capitation rates
- Revised TPL responsibilities
- MLR update
- Update to pharmacy carve-out
- Pay-for-performance updates
- Reporting adjustments on MCOs
 - Iowa Medicaid reviews and makes ongoing changes to MCO reporting every year. The next round of review and changes will occur February 2023.

SFY22 to SFY23 Rate Increase with Appropriations¹ = 4.0%
\$257.9M Total²
\$76.7 M State Share³



1. Based on comparison of SFY23 Health Link capitation rates.
2. Values are rounded.
3. Total funds are based on an annualized impact of December 2021 enrollment. Actual funds will vary based on enrollment within the SFY23 contract period.
4. Blended State Share = 29.74% blended aggregate FMAP includes regular, enhanced, & PHE enhancement through December 31, 2022.

What are Capitation Rates?



- “Capitation rates” refers to the way in which the state pays managed care plans (medical and dental) for covered services.
- Managed care plans are paid a determined dollar amount per member per month. This takes into consideration:
 - Member eligibility
 - Enrollment changes
 - Provider rate changes
 - Goals
 - Costs to operate the program
- Amounts to be paid are updated each year.

Medical Loss Ratio (MLR) Update

This information is available in the [SFY22 Quarter 4 report](#).



SFY22 Q3 SFY22 Q4

Capitation Totals	\$841.06 M	\$843.74 M
Adjustments	-\$.22 M	\$.57 M
Current	\$822.18 M	\$823.45 M
Retro	\$19.1 M	\$19.72 M
Third Party Liability (TPL) Recovered	\$22.91 M	\$28.23 M
Financial Ratios		
Medical Loss Ratio (MLR)	89.9%	93.9%
Administrative Loss Ratio (ALR)	5.4%	5.5%
Underwriting Ratio (UR)	4.7%	0.6%
	Annual MLR⁵	90.0%
Reported Reserves		
Acceptable Quarterly Reserves per Iowa Insurance Division (IID)	Y	Y



SFY22 Q3 SFY22 Q4

Capitation Totals	\$611.36 M	\$613.33 M
Adjustments	-\$.82 M	-\$.02 M
Current	\$588.32 M	\$594.66 M
Retro	\$23.87 M	\$18.68 M
Third Party Liability (TPL) Recovered	\$36.03 M	\$39.45 M
Financial Ratios		
Medical Loss Ratio (MLR)	95.1%	94.2%
Administrative Loss Ratio (ALR)	3.8%	7.6%
Underwriting Ratio (UR)	1.1%	-1.8%
	Annual MLR⁵	93.3%
Reported Reserves		
Acceptable Quarterly Reserves per Iowa Insurance Division (IID)	Y	Y

⁵ Annual MLR converts IID reported data on a calendar year basis into an average that follows state fiscal year. All amounts listed are unaudited. MCOs are required to submit data as prescribed within 30 days following the six (6) month claims run-out period for final determination of SFY MLR.

Managed Care Requirements to Pay for Services

For every dollar paid to managed care plans:

92 cents is targeted at services.

Eight cents are targeted at care coordination and plan operating costs.



If a managed care plan spends less than **89** cents per dollar on medical services, those unspent funds must be returned to the state.



Public Health Emergency Unwind Plan





Overview of the End of the Continuous Coverage Unwind Plan

- On December 29, 2022, the Consolidated Appropriations Act was signed into law. This law included updated language within the Families First Coronavirus Response Act that ‘de-linked’ the Medicaid continuous coverage requirement from the federal PHE and instead set a final date of the continuous coverage requirement of March 31, 2023.
- The end of the continuous coverage requirement is strictly for Medicaid eligibility. The PHE will not necessarily end at the same time and other Medicaid PHE flexibilities (such as telehealth and vaccine coverage) may still be in effect until the end of the PHE.

Continuous Coverage Unwind Timeline

	Green Phase	Blue Phase	Red Phase	Yellow Phase
Date	Prior to January 1, 2023	January 1, 2023 – April 1, 2023	Iowa's 12-month unwind period: after the member receives their renewal packet in the mail.	Iowa's 12-month unwind period: If a member receives notice that they are no longer eligible for Medicaid.
Description	Updating member information to have the correct address, phone, and email contacts to reach members with important updates about their health coverage.	Preparing members and stakeholders for the Iowa Medicaid unwinding period. This includes explaining changes that will resume normal Medicaid operations, timelines for these changes, and how that might impact them.	Helping members successfully fulfill their renewal requirements to ensure that their annual Medicaid eligibility renewal is completed accurately. This will help to prevent members from losing their Medicaid eligibility for procedural reasons.	Specifically for individuals that were disenrolled from Medicaid based on their annual renewal, this phase will focus on providing information, resources, and processes on obtaining alternative health coverage after disenrollment.

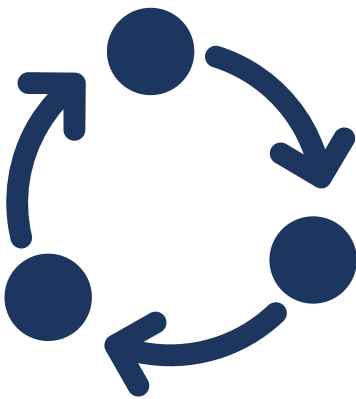
Note: Phases Blue, Red, and Yellow all occur during Iowa's full 12-month unwinding period but are different for each member based on their scheduled renewal month.

Communications Summary



1. Iowa Medicaid is using all avenues of communication available through call centers, digital, and social platforms, and working through third-party entities like the navigator agencies to make the transition back to normal Medicaid operations seamless and understandable to Iowans.
2. Members will find current updates for the unwind plan on the HHS website now and continuing through Iowa Medicaid's 12-month unwinding period.
3. Where applicable, communication will include links to social media and web platforms where members, providers, stakeholders, and Iowa Medicaid partners can receive current information.
4. Iowans are encouraged to attend the monthly Medicaid town halls to receive updates and ask questions about the unwind plan.
5. Iowa Medicaid will work closely with MCOs and dental care plans to ensure all members are given appropriate communications with clear and concise timing for each phase of the communications plan.

PHE Unwind Plan: Goals



1. Quick redeterminations of eligibility for all Medicaid enrollees.
2. Seamless member experience for redeterminations and possible coverage transitions.
3. Minimize impact to eligibility workers and state staff.
4. To clearly communicate the continuous coverage unwind plan to our Medicaid members, providers, stakeholders, and partners, and be transparent with the progress of the plan.

Unwind Plan: Dashboard

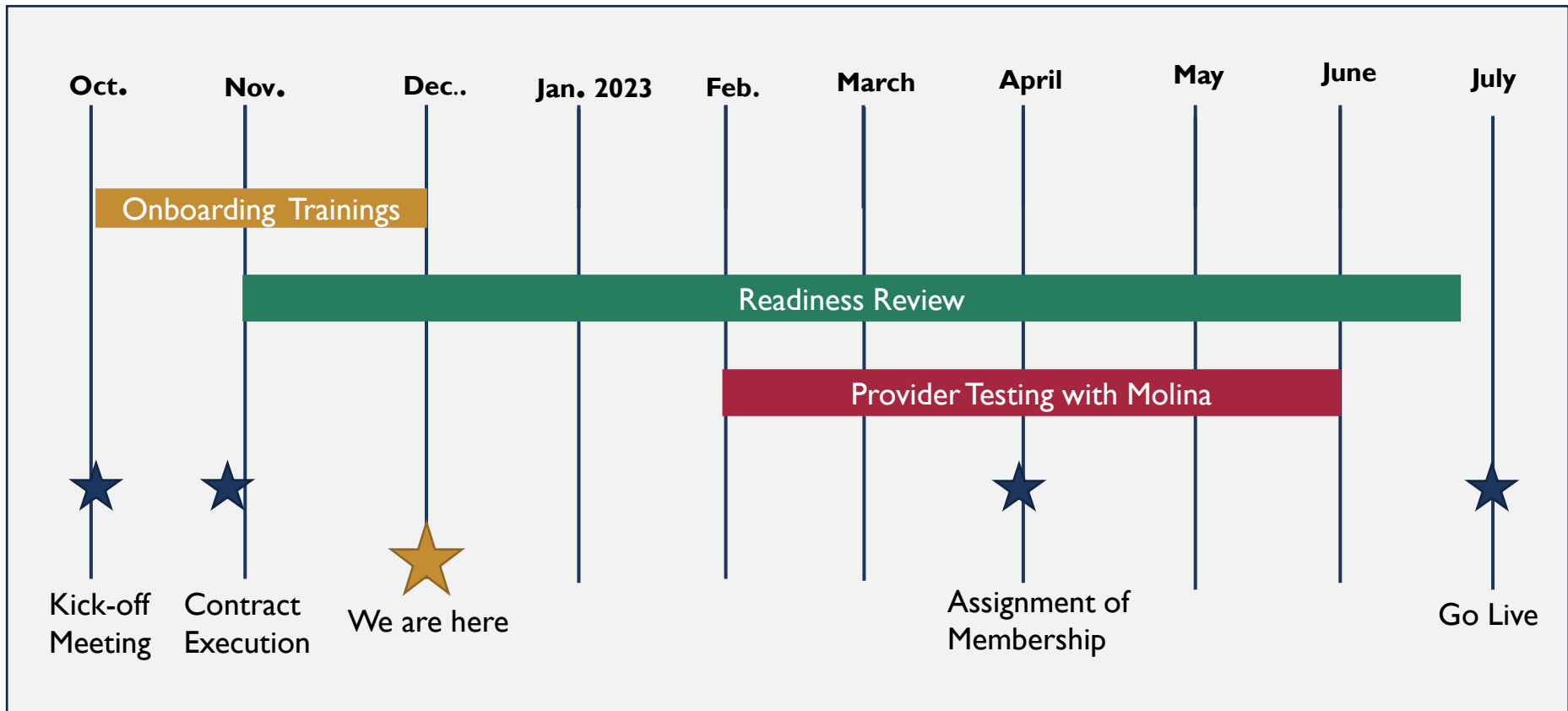
Find it here: https://dhs.iowa.gov/dashboard_medical_COVID_Unwind



Molina Healthcare of Iowa Onboarding Timeline



Molina Onboarding Timeline



- Molina has completed approximately 110 orientation sessions.
- That's equal to approximately 120 hours of training.

Questions?

