

Section 1115 Demonstration Amendment

**Iowa Wellness Plan
Project #11-W-00289/5**

**State of Iowa
Department of Human Services**

May 1, 2017

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Overview

The Iowa Health and Wellness Plan (IHAWP) was implemented on January 1, 2014. Passed by the Iowa Legislature with bi-partisan support, the IHAWP provides access to healthcare for uninsured, low-income Iowans, while implementing a benefit design intended to address liabilities associated with simply expanding the number of enrollees in traditional Medicaid coverage. The IHAWP's design seeks to improve outcomes, increase personal responsibility, and ultimately lower costs, while supporting a population that may be new to full healthcare coverage. Through a unique incentive program, the IHAWP promotes responsible health care decisions by coupling a monthly required financial contribution with an incentive plan for members to actively seek preventive health services to earn an exemption from the monthly contribution requirement.

On May 1, 2014, the Centers for Medicaid and Medicare Services (CMS) approved the State of Iowa's (State) request to amend the IHAWP to provide tiered dental benefits through the Dental Wellness Plan (DWP). DWP enrollees are eligible to earn enhanced dental benefits when they demonstrate preventive care-seeking behaviors by returning for regular periodic recall exams. This model was designed to promote and encourage healthy preventive care-seeking behaviors among enrollees.

Through this 1115 waiver amendment (amendment), the State seeks to modify the current DWP structure based on analysis of independent evaluation findings and stakeholder feedback. Specifically, the State will implement an integrated dental program for all Medicaid enrollees aged 19 and over. The redesigned DWP incorporates an innovative incentive structure to improve oral health by encouraging utilization of preventive dental services and compliance with treatment plans. Movement of all adult enrollees to the DWP will result in a seamless experience for enrollees and dental providers as individuals transition through different eligibility categories. Further, the new DWP design will advance key State goals related to increased access to care, utilization of preventive services, quality improvement and continuity of care. Specifically, the State seeks to achieve the following goals through the modified DWP:

1. Ensure access to high quality dental services for all enrollees.
2. Ensure the seamless delivery of dental benefits for enrollees.
3. Allow for the seamless delivery of services by providers.
4. Improve the oral health of enrollees by encouraging engagement in preventive services and compliance with treatment plans.
5. Encourage enrollee linkage to a dental home.
6. Ensure fiscal sustainability.

Discussion

The State currently provides dental benefits to adult enrollees via two different benefit packages and management strategies, which vary based on an enrollees' Medicaid eligibility group. Specifically, individuals eligible as an expansion adult are enrolled in the DWP, which implements a tiered earned benefit structure delivered via managed care through a dental prepaid ambulatory health plan (PAHP). All other Medicaid-enrolled adults receive State Plan benefits via a fee-for-service delivery system. As discussed further below, the current delivery of adult dental benefits via two separate programs has posed challenges and complexities for both enrollees and providers. In response, the State seeks to implement a unified adult dental program through this amendment.

Dental Wellness Plan Background

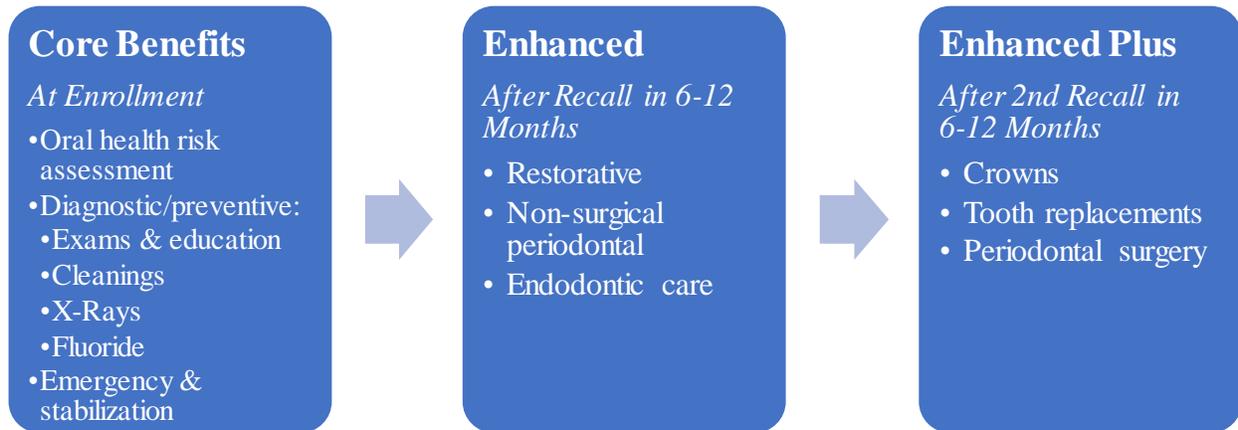
Prior to the 2014 implementation of the IHAWP, dental benefits were not available to the Plan's target population. Therefore, substantial pent-up demand was anticipated, and there were concerns that the

Medicaid dental provider network was insufficient to serve an influx of over 100,000 new enrollees. In turn, the State sought to develop an innovative program design to address these challenges and to align with the larger policy goals underpinning the IHAWP legislation. Thus, the DWP was developed and implemented on May 1, 2014.

The DWP currently incorporates an earned benefits model, which was intended to encourage healthy preventive care-seeking behaviors. Enrollees are currently rewarded with additional covered services when they demonstrate preventive care-seeking behaviors by returning for regular periodic recall exams. Completion of a preventive exam is also counted as one of two healthy behavior activities needed for an enrollee to have his or her IHAWP premiums waived. All enrollees are eligible for a “Core” set (tier one) of dental benefits upon enrollment including emergency and stabilization services. If they return for a periodic recall exam within 6-12 months of the initial exam, members earn the ability to receive “Enhanced” (tier two) services. After receiving a second recall exam within 6-12 months of the first recall, members earn the ability to receive “Enhanced Plus” (tier three) services. DWP enrollees who fail to return for dental exams every 6-12 months remain eligible for Core benefits and emergency and stabilization services only.

Further, DWP enrollees under 21 years of age are eligible for medically necessary dental services in accordance with federal early and periodic screening, diagnostic, and treatment (EPSDT) requirements. DWP benefits are delivered via a managed care delivery system; the State contracts with two prepaid ambulatory health plans (PAHPs) for the delivery of dental services to the expansion adult population.

Figure 1: Current Dental Wellness Plan Benefits



Current Medicaid Adult Dental Benefit

The benefits available to Iowa Medicaid enrollees are the same as under the DWP, including the availability of all medically necessary dental services in accordance with EPSDT for enrollees under 21 years of age. However, there is not an earned benefit structure. That is, benefits designated as Enhanced or Enhanced Plus under the DWP are available to Medicaid enrollees without the requirement to complete a recall exam. Dental benefits for this population are currently administered through a fee-for-service delivery system.

Assessment of Current Models

The State is committed to ensuring continuous quality improvement in the delivery of dental benefits to all Medicaid and DWP enrollees. Analysis of findings from independent evaluations of the DWP and responses received from stakeholders in response to a Request for Information (RFI) process has provided

insight into challenges of the current model and potential opportunities for improvement. This analysis process has led the State to development of a new DWP and submission of this amendment.

Independent evaluations conducted by the University of Iowa Public Policy Center reveal the DWP has been successful in providing a statewide network of dentists supporting access to services for adults often new to dental coverage and demonstrating substantial pent up demand. However, the evaluation has raised several important points that the State has taken into consideration in redesign of the DWP through this amendment:

- How best to promote and support member understanding of the benefits of healthy dental care
- How best to design the benefit structure
- How best to explain program requirements and benefits to members

In addition to considering findings from these independent evaluations in the redesign of the DWP, the State sought input from stakeholders. On December 13, 2016, the State issued a Request for Information (RFI) regarding the delivery of dental services for the DWP and adult Medicaid enrollees. All RFI respondents showed interest in a unified adult dental program that eliminates eligibility churn, while using a simple program design to streamline efforts.

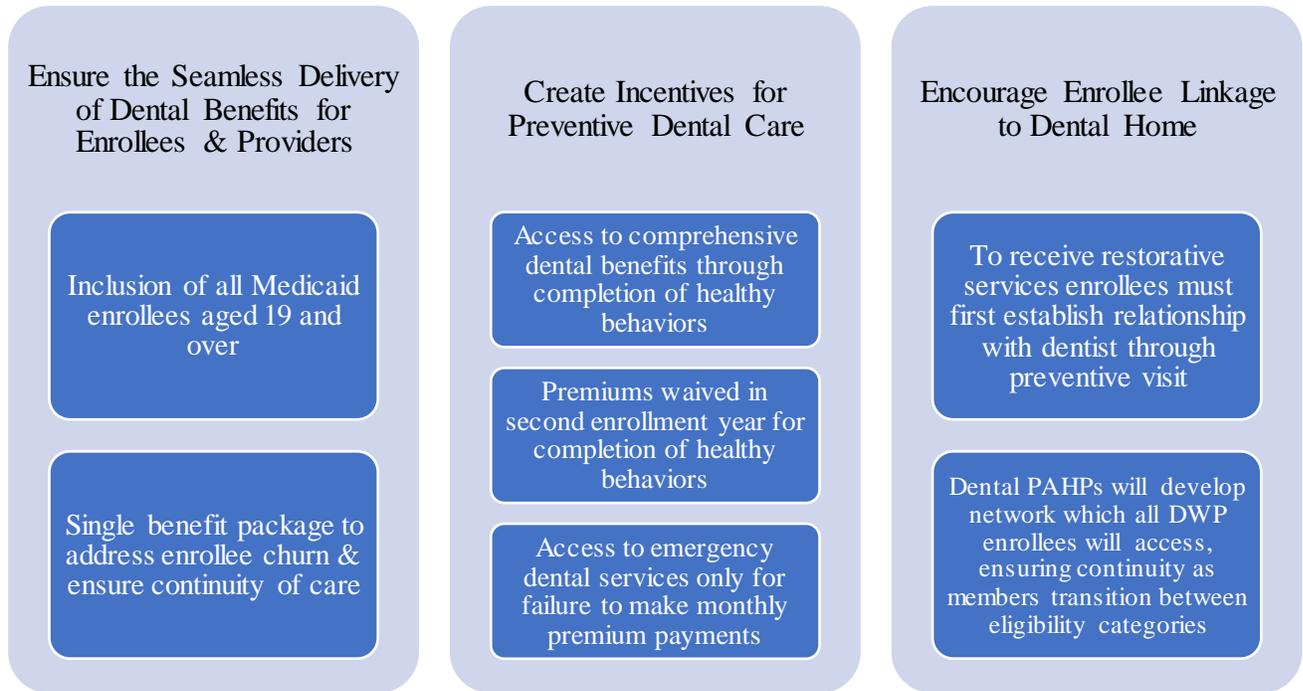
Amendment Overview

Through this amendment, the State will implement an integrated dental program for Medicaid enrollees aged 19 and over. The redesigned DWP incorporates an innovative incentive structure to improve oral health by encouraging utilization of preventive dental services and compliance with treatment plans. Movement of adult enrollees to the DWP will result in a seamless experience for enrollees and dental providers as individual's transition through different eligibility categories.

Under the new DWP, incentives will be created for enrollees to appropriately utilize preventive dental services and maintain oral health through the elimination of premium requirements for enrollees who complete preventive dental service requirements. An earned benefit structure will be maintained; however, the current tiered benefit structure will be eliminated to address the concern that few enrollees have been eligible for the current tier two and tier three DWP benefits due to enrollee churn.

Under the modified earned benefit structure, to maintain comprehensive dental benefits after their first year of enrollment without a premium obligation, enrollees must complete a State designated "healthy behavior," including an oral health self-assessment and preventive dental exam. This structure is intended to create incentives for members to establish a dental home and encourage the receipt of preventive dental services to promote oral health and preventable oral disease conditions. Enrollees over 50% of the federal poverty line (FPL) who fail to complete these healthy behaviors within their first year of enrollment are required to contribute financially toward their dental health care costs through monthly premium contributions. Failure to make monthly premium payments will result in the enrollee being eligible for emergency dental services only for the remainder of the benefit year.

Figure 2: Overview of Dental Wellness Plan Redesign



Modified Eligibility

All Iowa Medicaid enrollees, aged 19 and older, except for the populations described in Table 2 will receive dental benefits through the new DWP.

Table 1: Dental Wellness Plan Eligible Populations

Eligibility Group Name	Social Security Act and CFR Citations	Income Level		Age Requirement
Adult Group	1902(a)(10)(A)(i)(VIII) 42 CFR. 435.119	0-133% FPL		19 and over
Parents and Other Caretaker Relatives	1902(a)(10)(A)(i)(I) 1931(b) and (d) 42 CFR 435.110	<i>Household Size</i>	<i>Income Limit</i>	
		1	\$447	
		2	\$716	
		3	\$872	
		4	\$1,033	
		5	\$1,177	
		6	\$1,330	
		7	\$1,481	
		8	\$1,633	
9	\$1,784			
10	\$1,950			
Transitional Medical Assistance	408(a)(11)(A) 1931(c)(2) 1925 1902(a)(52)	First 6 months: N/A Additional 6 months: 0-185% FPL		

Eligibility Group Name	Social Security Act and CFR Citations	Income Level	Age Requirement
Pregnant Women	1902(a)(10)(A)(i)(III) and (IV) 1902(a)(10)(A)(ii)(I), (IV) and (IX) 1920 43 CFR 435.116	0-375% FPL	19 and over
Mandatory Aged, Blind and Disabled Individuals	42 CFR 435.120 through 42 CFR 435.138	SSI Limit	
Optional Eligibility for Individuals who Meet Income & Resource of Cash Assistance Programs	1902(a)(10)(A)(ii)(I) 42 CFR 435.210	SSI Limit	
Optional Eligibility for Individuals who would be Eligible for Cash Assistance if they Were not in Medical Institutions	1902(a)(10)(A)(ii)(IV) 42 CFR 435.211	N/A	
Institutionalized Individuals	1902(a)(10)(A)(ii)(V)	300% SSI FBR	
Optional Aged, Blind & Disabled Coverage for States Using Criteria More Restrictive than SSI	42 CFR 435.230	N/A	
Medicaid for Employed People with Disabilities	1902(a)(10)(A)(ii)(XIII)	250% FPL	
Former Foster Care Children up to Age 26	1902(a)(10)(A)(i)(IX) 42 CFR 435.150	N/A	
Independent Foster Care Adolescents	1902(a)(10)(A)(ii)(XVII)	254% FPL	
Reasonable Classifications of Children	42 CFR 435.222	N/A	
§ 1915(c) HCBS Physical Disability Waiver	1902(a)(10)(A)(ii)(VI) 42 CFR 435.217	300% SSI FBR	
§ 1915(c) HCBS Health and Disability Waiver	1902(a)(10)(A)(ii)(VI) 42 CFR 435.217	300% SSI FBR	
§ 1915(c) HCBS Elderly Waiver	1902(a)(10)(A)(ii)(VI) 42 CFR 435.217	300% SSI FBR	
§ 1915(c) HCBS Intellectual Disability Waiver	1902(a)(10)(A)(ii)(VI) 42 CFR 435.217	300% SSI FBR	
§ 1915(c) HCBS AIDS Waiver	1902(a)(10)(A)(ii)(VI) 42 CFR 435.217	300% SSI FBR	

Eligibility Group Name	Social Security Act and CFR Citations	Income Level	Age Requirement
§1915(c) HCBS Brain Injury Waiver	1902(a)(10)(A)(ii)(VI) 42 CFR 435.217	300% SSI FBR	19 and over
Breast & Cervical Cancer Treatment Program	1902(a)(10)(A)(ii)(XVIII) 42 CFR 435.213	N/A	

Table 2: Medicaid Populations Not Included in Dental Wellness Plan

1. Persons enrolled in the Program of All-Inclusive Care for the Elderly (PACE)
2. Persons enrolled in the Health Insurance Premium Payment Program (HIPP)
3. Presumptively eligible individuals
4. Nonqualified immigrants receiving time-limited coverage of certain emergency medical conditions
5. Persons eligible only for the Medicare Savings Program
6. Medically needy
7. Periods of retroactive eligibility

Benefit Design Modifications

The current DWP tiers will be removed from the earned benefits model design. This program modification is being made to address concerns raised through the independent program evaluations. Specifically, most current DWP enrollees never receive Enhanced or Enhanced Plus benefits due to Medicaid eligibility changes or churn. Approximately 3% of enrollees made it to tier two (n=3,414), and 4% moved through tier two to tier three (n=4,296).¹

Although the current tiered structure is being eliminated, the DWP will maintain an earned benefit design. Enrollees will have access to the following dental benefits during their first year of DWP enrollment:

- Diagnostic/preventive dental service
 - Exams and education
 - Cleanings
 - X-rays
 - Fluoride
- Emergency & stabilization services
- Restorative services
- Non-surgical periodontal
- Endodontic care
- Crowns
- Tooth replacements
- Periodontal surgery

Additionally, enrollees under 21 years of age will continue to be eligible for medically necessary dental services in accordance with federal EPSDT requirements.

To maintain access to these full benefits in their second year of enrollment without a premium obligation, enrollees must complete the required healthy behaviors during their first enrollment year. These healthy behaviors include completion of an oral health self-assessment and preventive dental exam. Enrollees who do not complete the required healthy behaviors in this first year will have a premium obligation as further

¹ McKernan, S., Momany, E., Ingleswar, A., Ayyagari, P., Singhal, A., Ghattas, A., and Damiano, P. (2016, December). *Access, Utilization & Cost Outcomes: Iowa Dental Wellness Plan Evaluation 2014-2016*.

described in the *Cost Sharing* section. Enrollees with a premium obligation who fail to make ongoing monthly premium payments will be eligible for emergency dental benefits only. At minimum, covered emergency benefits will include the benefits described in Table 3 to relieve significant pain or relieve acute infection.

Table 3: Dental Wellness Plan Emergent Coverage Benefit List by CDT Code

CDT Code	Description
D0140, D0170, D0160	Problem focused evaluations
D0460	Pulp vitality test
D9223, D9243, D9248	Sedation
D7270	Tooth reimplantation and/or splinting
D7510, D7511	Incision and drainage of abscess
D0220, D0230, D0330	Periapical/panoramic radiographs
D3221, D3220, D3222	Pulpal debridement and pulpotomy
D9440	Office visit after regularly scheduled hours
D7285, D7286	Biopsy
D9110	Palliative treatment of dental pain
D7140, D7250	Extraction and surgical removal of residual tooth roots
D7210, D7220, D7230, D7240, D7241	Surgical extraction, impactions

Cost Sharing

Enrollees over 50% FPL who have not completed a DWP healthy behavior in their first year of program enrollment will be charged a monthly dental premium, not to exceed \$3, beginning in their second year of enrollment. Annual completion of the required healthy behaviors will waive an enrollee's premium for the following year. Therefore, members who continue to complete the required healthy behaviors will never be subject to a monthly premium. Enrollees with a premium obligation who fail to make monthly DWP premium payments will receive emergency dental services only for the remainder of the benefit year. The \$3 copayment for dental services currently charged to adult Medicaid enrollees in the fee-for-service program will be eliminated.

The State shall comply with the requirements at 42 CFR 447.56 regarding eligibility groups excluded from premium payment obligations. The following waiver eligibility groups will be exempt from DWP premiums, and therefore will not have their benefits reduced to emergency services in their second year of enrollment: (i) pregnant women; (ii) individuals whose medical assistance for services furnished in an institution is reduced by amounts reflecting available income other than required for personal needs; (iii) 1915(c) waiver enrollees; (iv) individuals receiving hospice care; (v) Indians who are eligible to receive or have received an item or service furnished by an Indian health care provider or through referral under contract health services; (vi) breast and cervical cancer treatment program enrollees; and (vii) medically frail enrollees (referred to as medically exempt in Iowa). Further, DWP enrollees under 21 years of age will continue to have access to EPSDT services, regardless of completion of healthy behaviors or premium payment. Additionally, enrollees who self-attest to a financial hardship will not have a premium obligation.

Delivery System

The DWP benefits will be provided through a managed care delivery system via Prepaid Ambulatory Health Plan(s) (PAHP). The State currently contracts with two PAHPs to deliver DWP benefits to Medicaid expansion adults. All Medicaid enrollees age 19 and over as described in the *Modified Eligibility* section will be transitioned from the current dental fee-for-service delivery system and will begin receiving benefits through a PAHP.

The DWP PAHPs are currently compliant with provider network adequacy standards. Additionally, prior to initial contracting with the State, they were deemed to have met requirements to ensure sufficient access, quality of care and care coordination for beneficiaries. However, prior to the implementation of the modified DWP and transition of current fee-for-service adults, the State will conduct a readiness review to ensure operational readiness for the modified program design and additional enrollment. The readiness review process will include both an onsite and desk review component, and an assessment of the ability and capacity of the PAHP to perform satisfactorily within all applicable areas as outlined at 42 CFR 438.66(d)(4).

Additionally, the State intends to renegotiate and amend the existing PAHP contracts to implement the new DWP. PAHPs will be expected to develop provider incentive programs aligned with State goals. All PAHP-developed programs will be subject to State review and approval. Contract amendments will be submitted for CMS review and approval.

Implementation Plan

Statewide enrollment in the new DWP will be effective July 1, 2017. The State will initiate a comprehensive communication strategy to impacted enrollees, providers and stakeholders. Current DWP enrollees will maintain enrollment with their current dental PAHP. To facilitate the PAHP assignment for enrollees who are currently receiving dental benefits via fee-for-service, enrollees will receive enrollment notices that include a tentative PAHP assignment based on an algorithm to: (i) distribute the population evenly among the PAHPs; and (2) assign all family members to the same PAHP. The notice will also include information regarding both available PAHP options and will provide the opportunity for enrollees to make an alternative selection prior to the tentative assignment becoming effective. Enrollees will be fully enrolled based on their tentative assignment in the absence of an alternative choice made by the required response date listed on the notice. Once fully enrolled, members will have the opportunity to change PAHPs in the first 90 days of enrollment without cause. The State will ensure continuity of care for transitioning participants by requiring that PAHPs honor existing authorizations for covered benefits for a minimum of ninety calendar days, without regard to whether such services are being provided by contract or non-contract providers.

Title XIX Waiver Request

The State requests to continue all currently approved waivers and proposes the following revisions and additions to the existing Iowa Wellness Plan Title XIX waivers:

1. Premiums Section 1902(a)(14) and Section 1916

To the extent necessary to enable the State to charge premiums for all Dental Wellness Plan enrollees above 50 percent of the federal poverty level who fail to complete State designated healthy behaviors, with cost-sharing subject to a quarterly aggregate cap of 5 percent of family income.

2. Comparability Section 1902(a)(10)(B)

To the extent necessary to enable the State to provide emergency services only to Dental Wellness Plan enrollees subject to a premium obligation who fail to make monthly premium contribution.

Amendment Process Required Elements

Public Notice

The State provided the public the opportunity to review and provide input on this amendment in accordance with the requirements set forth in the Iowa Wellness Plan Demonstration (11-W-00289/5)

special terms and conditions (STCs). Public notice was provided on May 1, 2017. A copy of the public notice is contained in Appendix A. This notice, the waiver amendment, and other documentation regarding the proposal were posted at <https://dhs.iowa.gov/ime/about/initiatives/MedicaidModernization/federal-documents>, and non-electronic copies were made available for review at Iowa Department of Human Services (DHS) Field Offices. Additional notice was also provided via the Iowa Medicaid e-News, which was sent to more than 4,100 stakeholders on May 1, 2017. In addition, a summary notice was published in several newspapers with statewide circulation. The notice provided the option for any individual to submit written feedback to the State by email or by USPS mail. Comments were accepted via email and a physical address was provided for written comments to be submitted by mail or in person.

In addition, the State is holding two public hearings to offer an opportunity for the public to provide written or verbal comments on the amendment. Hearings will be held on May 8, 2017, at the Council Bluffs Public Library 400 Willow Ave, Council Bluffs, IA 51503. Toll free conference call capabilities will be made available for the hearing May 9, 2017, State Capitol, Room 116 1007 E. Grand Ave, Des Moines, IA 50319 to accommodate interested parties who were unable to attend a hearing in person. The public comment period will end on June 2, 2017.

Tribal Notice

The State initiated consultation with Iowa’s federally recognized Indian tribes, Indian health programs, and urban Indian health organizations on May 1, 2017. Consultation was conducted in accordance with the process outlined in Iowa’s Medicaid State Plan, and consisted of a phone call to the State of Iowa’s Indian Health Services Liaison followed by electronic notice directed to Indian Health Service/Tribal/Urban Indian Health (I/T/U) Tribal Leaders and Tribal Medical Directors identified by the Iowa Indian Health Services Liaison. A copy of the tribal notice is contained in Appendix B.

Budget Neutrality Impact

**State of Iowa
Department of Human Services
SFY 2018 Dental Program Estimated Fiscal Impact**

<u>Population</u>	<u>Estimated Expenditures (millions)</u>			<u>Member Months</u>
	<u>Total</u>	<u>Federal</u>	<u>State</u>	
Wellness Plan	\$ 28.4	\$ 26.0	\$ 2.4	1,700,000
Adult FFS	31.5	18.2	13.3	1,800,000
Total	59.9	44.2	15.7	3,500,000

The State is still finalizing the necessary budget neutrality documentation for this amendment and will submit the final information to CMS when submitting the revised waiver that incorporates public comment. However, the above table illustrates the estimated SFY 2018 fiscal impact of the dental managed care program, stratified by federal and state expenditures. The estimate assumes a 58.05% FMAP for the currently adult fee-for-service (FFS) population and a 91.95% FMAP for the Wellness Plan population, as well as a 50% FMAP for state administrative expenditures. The Wellness Plan population currently has dental coverage through the DWP, and the adult fee-for-service population currently has coverage through the fee-for-service program. The illustrated costs reflect a continuation of the dental benefit for these populations under a managed care environment. Estimated costs include provision for dental service costs, managed care organization (MCO) administrative loads, and state administrative costs. Illustrated member months reflect calendar year 2016 membership; an increase in enrollment due to the modified DWP design is not anticipated. Again, the estimated costs illustrated are preliminary and

will change as program details are finalized.

CHIP Allotment

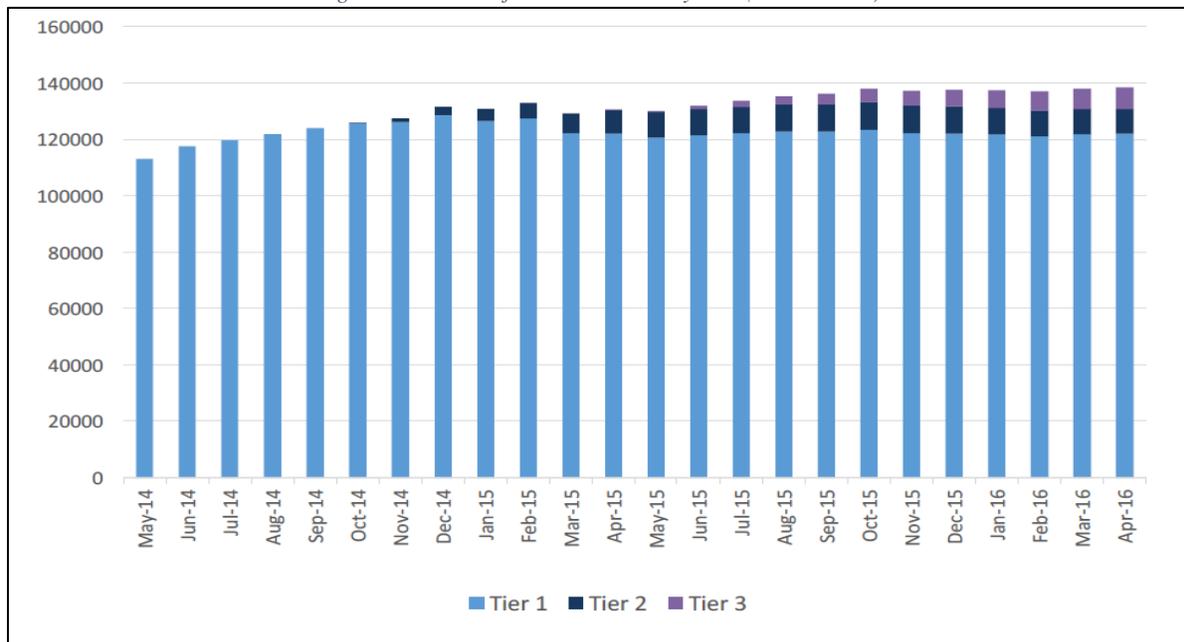
This requirement is not applicable to this amendment request, as the CHIP population is not covered under the DWP.

Supporting Data

As previously described, the State has utilized findings from independent evaluations conducted by the Iowa Public Policy Center to inform its decision to seek modifications to the DWP design via this amendment. Data regarding churn, movement through the current DWP tiers, and member survey responses have led to a simplified earned benefit design and creation of a single adult dental program under this amendment.

Specifically, there was a significant churn rate during the first two years of the DWP. Almost half of the members who joined the DWP in May 2014 left the program within the first two years. Approximately one-third of the original cohort of enrollees remained in Tier 1 (n=40,307), whereas 3% of members made it to Tier 2 (n=3,414), and 4% moved through Tier 2 to Tier 3 (n=4,296).

Figure 3: Number of DWP Enrollees by Tier (2014 – 2016)



Additionally, a substantial number of restorative services were provided to members in tier one because the member’s oral health situation met the provision of “emergency and stabilization” to reduce pain. Overall, 9% of all tier one benefits provided in the first waiver year were restorative and 10% in the second waiver year. While this utilization was necessary and appropriate, it provided an opportunity to evaluate how best to design the benefit structure.

While eliminating the current tiered benefit design through this amendment, the State has sought to maintain an earned benefit component. DWP members were 10 times more likely to have a routine oral evaluation in year one than Medicaid State Plan enrollees and nearly 11 times more likely in year two,

after controlling for the characteristics of the members in the two programs. Therefore, the State seeks to continue providing incentives for accessing preventive care through an earned benefit design and to extend such a model to current State Plan enrollees to improve their utilization of preventive dental care.

Evaluation

The current DWP has a comprehensive, CMS-approved evaluation plan that has been successful in tracking the DWP's progress toward achieving its stated goals. Throughout the demonstration period to date, the evaluation tools have revealed the positive impact of the DWP in providing a statewide network of dentists supporting access to services for adults often new to dental coverage and demonstrating substantial pent up demand. The evaluation tools have also raised several important points that the State has taken into consideration in redesign of the DWP through this amendment. The State proposes to modify the evaluation design to assess the impact of the redesigned DWP presented within this waiver amendment. Specifically, the State will include an analysis of the following revised goals and hypotheses within its updated evaluation plan:

Goal 1 Ensure member access to high quality dental services

Hypothesis 1.1

DWP members will have greater access to dental care when compared to the current model.

Hypothesis 1.2

DWP members will be more likely to receive preventive dental care than under the traditional fee-for-service model.

Hypothesis 1.3

DWP members will be less likely to use emergency department services for non-traumatic dental care.

Goal 2 Ensure the seamless delivery of benefits for DWP enrollees

Hypothesis 2.1

The earned benefit structure will not be perceived by members as a barrier to care in comparison to the current DWP.

Hypothesis 2.2

DWP members will report equal or greater satisfaction with the care provided in comparison to the current DWP.

Hypothesis 2.3

DWP members will report better understanding of their benefits when compared to the current DWP tiered structure.

Goal 3 Allow for the seamless delivery of services by providers

Hypothesis 3.1

The earned benefit structure will not be perceived by DWP providers as a barrier to providing care when compared to the current DWP structure.

Hypothesis 3.2

DWP members will have the same access to an adequate provider network.

Goal 4 Improve the oral health of DWP enrollees by encouraging engagement in preventive services and compliance with treatment plans

Hypothesis 4.1

The DWP earned benefit structure will increase regular use of preventive dental exams.

Hypothesis 4.2

DWP policies will promote member compliance with healthy behavior activities.

Hypothesis 4.3

In year 2 of the revised DWP and beyond, use of preventive care will be higher than in the first year of the program.

Goal 5 Encourage enrollee linkage to a dental home

Hypothesis 5.1

DWP enrollees will be equally or more likely to use preventive dental exams through a dental home provider.

Hypothesis 5.2

DWP enrollees will be less likely to receive non-traumatic dental care through an emergency department.

Hypothesis 5.3

DWP enrollees will be more likely to comply with follow-up dental appointments.

Goal 6 Ensure fiscal sustainability

Hypothesis 6.1

The DWP will remain budget-neutral for both the federal and State governments.

Upon waiver approval, the State will update the evaluation plan to include appropriate methodologies to study the hypotheses.

Conclusion

The DWP has demonstrated success in providing access to dental services for a previously ineligible population. To ensure continuous quality improvement, the State seeks to modify the current program design through this waiver amendment and to create a single streamlined dental program for all adult Medicaid enrollees. By leveraging lessons learned from the current design, the redesigned DWP will incorporate an improved incentive structure to promote oral health and a seamless experience for adult Medicaid enrollees and providers.

Appendix A – Public Notice

NOTICE OF IOWA DEPARTMENT OF HUMAN SERVICES PUBLIC COMMENT PERIOD TO AMEND THE 1115 IOWA WELLNESS DEMONSTRATION WAIVER – DENTAL WELLNESS PLAN

Pursuant to 42 CFR 431.408, notice is hereby given that the Iowa Department of Human Services (DHS) will provide the public the opportunity to review and provide input on an amendment to the §1115 Iowa Wellness Plan Demonstration Waiver to implement program improvements to the Dental Wellness Plan (DWP) effective July 1, 2017. This notice provides details about the waiver amendment submission and serves to open the 30-day public comment period, which closes on June 2, 2017.

In addition to the 30-day public comment period in which the public will be able to provide written comments to the DHS via US postal service or electronic mail, the DHS will host two public hearings in which the public may provide verbal comments. Hearings will be held at the following dates, times, and locations:

May 8, 2017

Council Bluffs Public Library
400 Willow Ave.
Council Bluffs, IA 51503
1:00 p.m. – 2:00 p.m.

May 9, 2017

State Capitol, Room 116
1007 E. Grand Ave
Des Moines, IA 50319
11:00 a.m. – 12:00 p.m.
Call in number: (866)-685-1580
Conference code: 5157251031

Prior to finalizing the proposed waiver amendment, the DHS will consider all the written and verbal public comments received. The comments will be summarized and addressed in the final draft of the waiver amendment to be submitted to the Centers for Medicare and Medicaid Services (CMS).

AMENDMENT PROPOSAL SUMMARY

The DHS currently provides dental benefits to adult enrollees via two different benefit packages and management strategies which vary based on an enrollees' Medicaid eligibility group. Specifically, individuals eligible as an expansion adult are enrolled in the DWP which implements a tiered earned benefit structure delivered via managed care through a dental prepaid ambulatory health plan (PAHP). All other Medicaid-enrolled adults receive State Plan benefits via a fee-for-service delivery system.

Analysis of findings from independent evaluations of the DWP and responses received from stakeholders in response to a Request for Information (RFI) process have provided insight into the program and potential opportunities for improvement. This analysis has indicated the current delivery of adult dental benefits via two separate programs has posed challenges and complexities for both enrollees and providers. In response to these findings, the DHS seeks to implement a unified adult dental program through the proposed waiver amendment.

The State will implement an integrated dental program for all Medicaid enrollees aged 19 and over. The redesigned DWP incorporates an innovative incentive structure to improve oral health by encouraging utilization of preventive dental services and compliance with treatment plans. Movement of all adult enrollees to the DWP will result in a seamless experience for enrollees and dental providers as individuals transition through different eligibility categories.

Under the new DWP, incentives will be created for enrollees to appropriately utilize preventive dental

services and maintain oral health through the elimination of premium requirements for enrollees who complete preventive dental service requirements. An earned benefit structure will be maintained; however, the current tiered benefit structure will be eliminated to address the concern that few enrollees have been eligible for the current tier two and tier three DWP benefits due to changes in Medicaid eligibility, also referred to as churn.

Under the modified earned benefit structure, to maintain comprehensive dental benefits after their first year of enrollment without a premium obligation, enrollees must complete a State designated “healthy behavior,” including an oral health self-assessment and preventive dental exam. This structure is intended to create incentives for members to establish a dental home and encourage the receipt of preventive dental services to promote oral health and preventable oral disease conditions. Enrollees over 50% of the federal poverty level (FPL) who fail to complete these healthy behaviors within their first year of enrollment are required to contribute financially toward their dental health care costs through monthly premium contributions. Failure to make monthly premium payments will result in the enrollee being eligible for emergency dental services only for the remainder of the benefit year.

GOALS AND OBJECTIVES

The DWP seeks to meet the following key goals through the redesigned DWP:

1. Ensure access to high quality dental services for all enrollees.
2. Ensure the seamless delivery of dental benefits for enrollees
3. Allow for the seamless delivery of services by providers.
4. Improve the oral health of enrollees by encouraging engagement in preventive services and compliance with treatment plans.
5. Encourage enrollee linkage to a dental home.
6. Ensure fiscal sustainability.

ELIGIBILITY

Through this proposed waiver amendment, all Medicaid enrollees aged 19 and over, with the exception of the following, will be enrolled in the DWP:

- Persons enrolled in the Program of All-Inclusive Care for the Elderly (PACE)
- Persons enrolled in the Health Insurance Premium Payment Program (HIPP)
- Presumptively eligible individuals
- Nonqualified immigrants receiving time-limited coverage of certain emergency medical conditions
- Persons eligible only for the Medicare Savings Program
- Medically needy
- Periods of retroactive eligibility

Inclusion of the majority of enrollees aged 19 and over will help ensure a seamless transition for enrollees and providers as individuals’ transition through different Medicaid eligibility categories.

ENROLLMENT & FISCAL PROJECTIONS

**State of Iowa
Department of Human Services
SFY 2018 Dental Program Estimated Fiscal Impact**

<u>Population</u>	<u>Estimated Expenditures (millions)</u>			<u>Member</u>
	<u>Total</u>	<u>Federal</u>	<u>State</u>	<u>Months</u>
Wellness Plan	\$ 28.4	\$ 26.0	\$ 2.4	1,700,000
Adult FFS	31.5	18.2	13.3	1,800,000
Total	59.9	44.2	15.7	3,500,000

The State is still finalizing the necessary budget neutrality documentation for this amendment and will submit the final information to CMS when submitting the revised waiver that incorporates public comment. However, the above table illustrates the estimated SFY 2018 fiscal impact of the dental managed care program, stratified by federal and state expenditures. The estimate assumes a 58.05% FMAP for the currently adult fee-for-service (FFS) population and a 91.95% FMAP for the Wellness Plan population, as well as a 50% FMAP for state administrative expenditures. The Wellness Plan population currently has dental coverage through the DWP, and the adult fee-for-service population currently has coverage through the fee-for-service program. The illustrated costs reflect a continuation of the dental benefit for these populations under a managed care environment. Estimated costs include provision for dental service costs, managed care organization (MCO) administrative loads, and state administrative costs. Illustrated member months reflect calendar year 2016 membership; an increase in enrollment due to the modified DWP design is not anticipated. Again, the estimated costs illustrated are preliminary and will change as program details are finalized.

BENEFITS

Enrollees will have access to the following dental benefits during their first year of DWP enrollment:

- Diagnostic/preventive dental service
 - Exams and education
 - Cleanings
 - X-rays
 - Fluoride
- Emergency & stabilization services
- Restorative services
- Non-surgical periodontal
- Endodontic care
- Crowns
- Tooth replacements
- Periodontal surgery

Additionally, enrollees under 21 years of age will continue to be eligible for medically necessary dental services in accordance with federal early and periodic screening, diagnostic, and treatment (EPSDT) requirements.

To maintain access to these full benefits in their second year of enrollment without a premium obligation, enrollees must complete the required healthy behaviors during their first enrollment year. These healthy behaviors include completion of an oral health self-assessment and preventive dental exam. Enrollees who do not complete the required healthy behaviors in this first year will have a premium obligation. Enrollees with a premium obligation who fail to make ongoing monthly premium payments will be eligible for emergency dental benefits only.

COST SHARING

Enrollees over 50% FPL who have not completed a DWP healthy behavior in their first year of program enrollment will be charged a monthly dental premium, not to exceed \$3.00, beginning in their second year of enrollment. Annual completion of the required healthy behaviors will waive an enrollee's premium for the following year. Therefore, members who continue to complete the required healthy behaviors will never be subject to a monthly premium. Enrollees with a premium obligation who fail to make monthly DWP premium payments will receive emergency dental services only for the remainder of the benefit year. The \$3 copayment for dental services currently charged to adult Medicaid enrollees in the fee-for-service program will be eliminated.

The following DWP enrollees will not be charged premiums and therefore would not have their benefits reduced to emergency services only in their second year of enrollment for failure to complete healthy behaviors. Additionally, 19 & 20 year olds will continue to have EPSDT coverage regardless of completion of healthy behaviors or premium payment.

- Pregnant women
- Individuals whose medical assistance for services furnished in an institution is reduced by amounts reflecting available income other than required for personal needs
- 1915(c) home and community based waiver enrollees
- Individuals receiving hospice care
- Indians who are eligible to receive or have received an item or service furnished by an Indian health care provider or through referral under contract health services
- Breast and cervical cancer treatment program enrollees
- Medically frail enrollees (also referred to as medically exempt).

Additionally, enrollees who self-attest to a financial hardship will not have a premium obligation.

DELIVERY SYSTEM

DWP benefits will continue to be delivered through the State's two dental PAHPs. All Medicaid enrollees age 19 and over will be transitioned from the current dental fee-for-service delivery system and will begin receiving benefits through a PAHP.

HYPOTHESES & EVALUATION

The waiver amendment will investigate the following hypotheses related to each program goal:

Goal 1 Ensure member access to high quality dental services

Hypothesis 1.1

DWP members will have greater access to dental care when compared to the current model.

Hypothesis 1.2

DWP members will be more likely to receive preventive dental care than under the traditional fee-for-service model.

Hypothesis 1.3

DWP members will be less likely to use emergency department services for non-traumatic dental care.

Goal 2 Ensure the seamless delivery of benefits for DWP enrollees

Hypothesis 2.1

The earned benefit structure will not be perceived by members as a barrier to care in comparison to the current DWP.

Hypothesis 2.2

DWP members will report equal or greater satisfaction with the care provided in comparison to the current DWP.

Hypothesis 2.3

DWP members will report better understanding of their benefits when compared to the current DWP tiered structure.

Goal 3 Allow for the seamless delivery of services by providers

Hypothesis 3.1

The earned benefit structure will not be perceived by DWP providers as a barrier to providing care when compared to the current DWP structure.

Hypothesis 3.2

DWP members will have the same access to an adequate provider network.

Goal 4 Improve the oral health of DWP enrollees by encouraging engagement in preventive services and compliance with treatment plans

Hypothesis 4.1

The DWP earned benefit structure will increase regular use of preventive dental exams.

Hypothesis 4.2

DWP policies will promote member compliance with healthy behavior activities.

Hypothesis 4.3

In year 2 of the revised DWP and beyond, use of preventive care will be higher than in the first year of the program.

Goal 5 Encourage enrollee linkage to a dental home

Hypothesis 5.1

DWP enrollees will be equally or more likely to use preventive dental exams through a dental home provider.

Hypothesis 5.2

DWP enrollees will be less likely to receive non-traumatic dental care through an emergency department.

Hypothesis 5.3

DWP enrollees will be more likely to comply with follow-up dental appointments.

Goal 6 Ensure fiscal sustainability

Hypothesis 6.1

The DWP will remain budget-neutral for both the federal and State governments.

WAIVER AUTHORITY

The State will request continuation of all currently approved waivers and proposes the following revisions and additions to the existing Iowa Wellness Plan Title XIX waivers:

1. **Premiums:** Section 1902(a)(14) and Section 1916

To the extent necessary to enable the State to charge premiums for all Dental Wellness Plan enrollees above 50 percent of the federal poverty level who fail to complete State designated healthy behaviors, with cost-sharing subject to a quarterly aggregate cap of 5 percent of family income.

2. **Comparability:** Section 1902(a)(10)(B)

To the extent necessary to enable the State to provide emergency services only to Dental Wellness Plan enrollees subject to a premium obligation who fail to make monthly premium contribution.

REVIEW OF DOCUMENTS & SUBMISSION OF COMMENTS

All information regarding the DWP amendment, including this public notice, the waiver amendment, and other documentation regarding the proposal are available at <https://dhs.iowa.gov/ime/about/initiatives/MedicaidModernization/federal-documents>. To reach all stakeholders, non-electronic copies will be made available for review at a DHS Field Office. A complete listing of DHS Field Offices is provided as an attachment to this notice.

Written comments may be addressed to Sabrina Johnson, Department of Human Services, Iowa Medicaid Enterprise, 100 Army Post Road, Des Moines, IA 50315. Comments may also be sent via electronic mail to imedentalwellnessplan@dhs.state.ia.us. All comments must be received by June 2, 2017 at 5:00 p.m.

Submitted by:

Mikki Stier, Medicaid Director
Iowa Medicaid Enterprise
Iowa Department of Human Services

Attachment: DHS Field Office Locations

County	Building Name	Building Address	City	Zip
Benton	Benton County DHS	114 E 4th Street	Vinton	52349
Black Hawk	Black Hawk County DHS	1407 Independence Ave.	Waterloo	50704
Buchanan	Buchanan County DHS	1415 1st Street West	Independence	50644
Buena Vista	Buena Vista County DHS	311 E. 5th Street	Storm Lake	50588
Butler	Butler County DHS	713 Elm Street	Allison	50602
Carroll	Carroll County DHS	608 N Court Street, Ste. C	Carroll	51401
Cass	Cass County DHS	601 Walnut Street	Atlantic	50022
Cerro Gordo	Cerro Gordo County DHS	Mohawk Square, 22 N Georgia Ave, Ste. 1	Mason City	50401
Clarke	Clarke County DHS	109 S Main	Osceola	50213
Clay	Clay County DHS	1900 North Grand Ave. Ste. E-8	Spencer	51301
Clinton	Clinton County DHS	121 Sixth Ave S.	Clinton	52733
Dallas	Dallas County DHS	210 N 10th Street	Adel	50003
Des Moines	Des Moines County DHS	560 Division Street, Suite 200	Burlington	52601
Dickinson	Dickinson County DHS	Dickinson County Courthouse 1802 Hill Ave, Suite 2401	Spirit Lake	51360
Dubuque	Dubuque County DHS	410 Nesler Center, 799 Main Street	Dubuque	52004
Emmet	Emmet County DHS	220 S 1st Street	Estherville	51334
Fayette	Fayette County DHS	129 A North Vine	West Union	52175
Floyd	Floyd County DHS	1206 S Main Street	Charles City	50616
Hamilton	Hamilton County DHS	2300 Superior Street	Webster City	50595
Harrison	Harrison County DHS	204 E 6th St	Logan	51546
Henry	Henry County DHS	205 W Madison Street	Mt. Pleasant	52641
Jasper	Jasper County DHS	115 N 2nd Ave E. Suite H	Newton	50208
Jefferson	Jefferson County DHS	304 South Maple	Fairfield	52556
Johnson	Johnson County DHS	855 S. Dubuque Street	Iowa City	52240
Lee	Lee County DHS	933 Avenue H	Ft. Madison	52627
Lee	Lee County DHS	307 Bank Street	Keokuk	52632
Linn	Linn County DHS	411 3rd Street SE, Suite 600	Cedar Rapids	52401
Linn	Linn County DHS, Harambee House	404 17th Street Southeast	Cedar Rapids	52403
Mahaska	Mahaska County DHS	410 S 11th Street	Oskaloosa	52577

County	Building Name	Building Address	City	Zip
Marshall	Marshall County DHS	206 W State Street	Marshalltown	50158
Montgomery	Montgomery County DHS	1109 Highland Ave	Red Oak	51566
Muscatine	Muscatine County DHS	3210 Harmony Lane	Muscatine	52653
O'Brien	O'Brien County DHS	160 Second Street Se	Primghar	51245
Polk	Polk County DHS	Polk County River Place, 2309 Euclid Ave	Des Moines	50310
Polk	Polk County DHS- Carpenter Office	1900-1914 Carpenter	Des Moines	50314
Polk	Centralized Service Intake Unit	401 SW 7th St, Suite G	Des Moines	50309
Pottawattamie	Pottawattamie County DHS	417 E Kanessville Blvd.	Council Bluffs	51503
Pottawattamie	Income Maintenance Customer Call Center	300 W Broadway, Suite 110	Council Bluffs	51503
Scott	Scott County DHS	600 W. 4th St. 2nd & 3rd Floors	Davenport	52801
Sioux	Sioux County DHS	215 Central Ave. Se	Orange City	50141
Story	Story County DHS	126 S Kellogg Ave, Suite 101	Ames	50010
Union	Union County DHS (SVC)	304 N Pine St	Creston	50801
Union	Union County DHS	300 N Pine St	Creston	50801
Wapello	Wapello County DHS	120 E Main St	Ottumwa	52501
Warren	Warren County DHS	1005 South Jefferson Way	Indianola	50125
Webster	Webster County DHS	330 1st Ave. N	Fort Dodge	50501
Winneshiek	Winneshiek County DHS	2307 US Highway 52 South	Decorah	52101
Woodbury	Woodbury County DHS	Trosper-Hoyt Co Svc Bld., 822 Douglas St	Sioux City	51101

Appendix B – Tribal Notice
NOTICE OF IOWA DEPARTMENT OF HUMAN SERVICES
TRIBAL COMMENT PERIOD TO AMEND THE 1115 IOWA WELLNESS
DEMONSTRATION WAIVER – DENTAL WELLNESS PLAN

Pursuant to 42 CFR 431.408(b), notice is hereby given to all federally recognized tribes, Indian Health Programs and Urban Indian Organizations within the State of Iowa that the Iowa Department of Human Services (DHS) will be submitting a request to the Centers for Medicare and Medicaid Services (CMS) to amend the §1115 Iowa Wellness Plan Demonstration Waiver to implement program improvements to the Dental Wellness Plan (DWP) effective July 1, 2017. This notice provides a summary of the purpose of the proposed changes and describes the method for providing comments and questions.

AMENDMENT PROPOSAL SUMMARY

The DHS currently provides dental benefits to adult enrollees via two different benefit packages and management strategies which vary based on an enrollees' Medicaid eligibility group. Specifically, individuals eligible as an expansion adult are enrolled in the DWP which implements a tiered earned benefit structure delivered via managed care through a dental prepaid ambulatory health plan (PAHP). All other Medicaid-enrolled adults receive State Plan benefits via a fee-for-service delivery system.

Analysis of findings from independent evaluations of the DWP and responses received from stakeholders in response to a Request for Information (RFI) process have provided insight into the program and potential opportunities for improvement. This analysis has indicated the current delivery of adult dental benefits via two separate programs has posed challenges and complexities for both enrollees and providers. In response to these findings, the DHS seeks to implement a unified adult dental program through the proposed waiver amendment.

The State will implement an integrated dental program for all Medicaid enrollees aged 19 and over. The redesigned DWP incorporates an innovative incentive structure to improve oral health by encouraging utilization of preventive dental services and compliance with treatment plans. Movement of all adult enrollees to the DWP will result in a seamless experience for enrollees and dental providers as individuals transition through different eligibility categories.

Under the new DWP, incentives will be created for enrollees to appropriately utilize preventive dental services and maintain oral health through the elimination of premium requirements for enrollees who complete preventive dental service requirements. An earned benefit structure will be maintained; however, the current tiered benefit structure will be eliminated to address the concern that few enrollees have been eligible for the current tier two and tier three DWP benefits due to changes in Medicaid eligibility, also referred to as churn.

Under the modified earned benefit structure, to maintain comprehensive dental benefits after their first year of enrollment without a premium obligation, enrollees must complete the State designated "healthy behaviors," including an oral health self-assessment and preventive dental exam. This structure is intended to create incentives for members to establish a dental home and encourage the receipt of preventive dental services to promote oral health and preventable oral disease conditions. Enrollees over 50% of the federal poverty level (FPL) who fail to complete these healthy behaviors within their first year of enrollment are required to contribute financially toward their dental health care costs through monthly premium contributions. Failure to make monthly premium payments will result in the enrollee being eligible for emergency dental services only for the remainder of the benefit year.

TRIBAL IMPACT

American Indian and Alaskan Native (AI/AN) Medicaid enrollees age 19 and over, with the exception of the following, will be enrolled in the new DWP:

- Persons enrolled in the Program of All-Inclusive Care for the Elderly (PACE)
- Persons enrolled in the Health Insurance Premium Payment Program (HIPP)
- Presumptively eligible individuals
- Persons eligible only for the Medicare Savings Program
- Medically needy
- Periods of retroactive eligibility

Dental benefits will be delivered to all enrollees through a prepaid ambulatory health plan (PAHP). PAHP contracts will include protections for Medicaid participating Indian health care providers and AI/AN enrollees required pursuant to Section 5006(d) of the American Recovery and Reinvestment Act of 2009 (AARA) and 42 CFR §438.14.

While AI/AN enrollees will be encouraged to complete the DWP healthy behaviors, failure to do so will not result in the imposition of a premium requirement or a reduction in benefits. AI/AN enrollees will continue to have dental coverage with no cost sharing or premium obligation.

AI/AN enrollees will have access to the following dental benefits without a premium obligation:

- Diagnostic/preventive dental service
 - Exams and education
 - Cleanings
 - X-rays
 - Fluoride
- Emergency & stabilization services
- Restorative services
- Non-surgical periodontal
- Endodontic care
- Crowns
- Tooth replacements
- Periodontal surgery

Additionally, enrollees under 21 years of age will continue to be eligible for medically necessary dental services in accordance with federal early and periodic screening, diagnostic, and treatment (EPSDT) requirements.

REVIEW OF DOCUMENTS & SUBMISSION OF COMMENTS

All information regarding the DWP amendment, including the public notice, the waiver amendment, and other documentation regarding the proposal are available at <https://dhs.iowa.gov/ime/about/initiatives/MedicaidModernization/federal-documents>. Written comments may be addressed to Sabrina Johnson, Department of Human Services, Iowa Medicaid Enterprise, 100 Army Post Road, Des Moines, IA 50315. Comments may also be sent via electronic mail to imedentalwellnessplan@dhs.state.ia.us. Additionally, DHS would be happy to schedule a phone or in-person consultation to discuss the DWP amendment in further detail. All comments must be received by June 2, 2017 at 5:00 p.m.

Submitted by:
Mikki Stier, Medicaid Director
Iowa Medicaid Enterprise