



August 17, 2015

DHS Announces Winning Bidders for Medicaid Modernization Initiative

(Des Moines, Iowa) - The Iowa Department of Human Services (DHS) has issued a Notice of Intent to Award contracts to four bidders for Governor Branstad's Medicaid Modernization initiative.

The bidders announced Monday include:

- Amerigroup Iowa, Inc.
- AmeriHealth Caritas Iowa, Inc.
- UnitedHealthcare Plan of the River Valley, Inc.
- WellCare of Iowa, Inc.

A Request for Proposals for the Iowa High Quality Health Care Initiative was issued February 16, 2015. The state received 11 bids from potential vendors, with one withdrawing, as it moves toward a risk-based managed care approach for Iowa's Medicaid program, which serves about 560,000 Iowans.

This modernization initiative aims to:

- Improve quality and access through better coordinated care
- Promote accountability for outcomes
- Create a more predictable and sustainable Medicaid budget

"This patient-centered approach will mean that Medicaid members get the right care, at the right time, and in the right setting," said DHS Director Charles M. Palmer. "That will lead to a healthier Medicaid population, and that's good news for members and Iowa taxpayers who make this program possible."

The cost of delivering Medicaid has grown 73 percent since 2003 at more than \$4.2 billion in the last fiscal year, including \$1.39 billion in state general fund taxpayer dollars. The Iowa High Quality Health Care Initiative allows the state to hire modern health plans to coordinate care and manage spending. Moving to a managed care approach and capitated rate allows the state to achieve the goal of a more stable budget.

"These companies have demonstrated that they can manage Iowans' care so they'll be connected with the services they need to help them lead healthier lives," said Palmer. "Starting January 1, these experienced MCOs are positioned to help us achieve savings at a time when there is an ever-growing demand on our state's medical assistance program."

This new approach for the Medicaid program will be called the IA Health Link. With the announcement of awards, DHS will launch a targeted communications campaign with Medicaid members, stakeholder organizations, providers, and other interested audiences about upcoming enrollment and program activities.

“We’ll keep Iowans informed about their choices and how this patient-centered approach can help improve the overall health of the member,” Palmer said. “Through the IA Health Link program, we’ll improve the coordination of care for Iowans who receive health care assistance and provide greater predictability in Medicaid spending for all Iowa taxpayers.”

You can access the RFP on the BidOpportunities website here:
http://bidopportunities.iowa.gov/?pgname=viewrfp&rfp_id=11140

Information about the IA Health Link/Medicaid Modernization initiative, including fact sheets, presentations and FAQs can be found here:
<http://dhs.iowa.gov/ime/about/initiatives/MedicaidModernization>

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