



THOMAS J. VILSACK, GOVERNOR
SALLY J. PEDERSON, LT. GOVERNOR

DEPARTMENT OF HUMAN SERVICES
CHARLES M. PALMER, DIRECTOR

FEB 25 1999

Health Care Financing Administration
Center for Medicaid and State Operations
7500 Security Blvd.
Baltimore, MD 21244

Attn: Family and Children Health Program Group
Mail Stop C4-14-16

To the Administrator:

On behalf of the State of Iowa, I am pleased to submit an amendment to the Iowa State CHIP Plan that incorporates the implementation of phase two, the Healthy And Well Kids in Iowa (HAWK-I) program into Iowa's state Plan.

As identified in this State Plan submission, Iowa is taking a combination approach in implementing the provisions of Title XXI. Phase one, a Medicaid expansion to 133% of the federal poverty level for all children under nineteen was implemented on July 1, 1998. The HAWK-I program represents the non-Medicaid component in which health care coverage is provided, via contracts with commercial health care plans, to children whose family income does not exceed 185% of the federal poverty level.

Iowa looks forward to working with HCFA to gain approval of this State Plan Amendment. The Department of Human Services is prepared to provide whatever clarifications may be needed to expedite the approval of the plan. Enclosed are twenty copies of the plan with attachments. Three copies are also being sent to the HCFA Region VII office in Kansas City. Due to technical difficulty, we are unable to provide an electronic transmission of the State Plan Amendment at this time. However, we hope to be able to provide an electronic copy in the near future.

Questions about the plan may be directed to Anita Smith of the Division of Medical Services at 515-281-8791.

Sincerely,

Charles M. Palmer
Director

CMP:as

Enclosures (20)

**STATE CHILD HEALTH PLAN
UNDER TITLE XXI OF THE SOCIAL SECURITY ACT**

STATE CHILDREN'S HEALTH INSURANCE PROGRAM

(Required under 4901 of the Balanced Budget Act of 1997 (New section 2101(b)))

State/Territory: **State** of Iowa

As a condition for receipt of ~~Federal~~ funds under Title XXI of the **Social Security Act,**

Thomas J. ~~Vilsack~~, Governor

2-25-99

Date

submits the following amendment to the State Child Health Plan for the State Children's ~~Health~~ Program and hereby **agrees to administer the program** in accordance with the provisions of the State Child Health Plan, the requirements of Title XXI and XIX of the ~~Act~~ and all applicable ~~Federal~~ regulations and other official issuance's of the Department.

Proposed Effective Date: January 1, 1999

TABLE OF CONTENTS

	<u>Page</u>
Section 1. General Description and Purpose of the State Child Health Plans	1
Section 2. General Background and Description of State Approach to Child Health Coverage	4
Section 3. General Contents of State Child Health Plan	12
Section 4. Eligibility Standards and Methodology	13
Section 5. Outreach and Coordination	19
Section 6. Coverage Requirements for Children's Health Insurance	24
Section 7. Quality and Appropriateness of Care	29
Section 8. Cost Sharing and Payment	31
Section 9. Strategic Objectives and Performance Goals for the Plan Administration.	34
Section 10. Annual Reports and Evaluations	39
ATTACHMENTS	47

Section 1 General Description and Purpose of the State Child Health Plans (Section 2101)

The *state* will use funds provided under Title XXI primarily for (Check appropriate box):

- 1.1. Obtaining coverage that **meets** the requirements for a State Child Health Insurance Plan (Section 2103); OR
- 1.2. Providing expanded benefits under the State's Medicaid plan (Title XIX); OR
- 1.3. A combination of both of the above.

Phase 1: Medicaid Expansion

Effective July 1, 1998, the State expanded its Medicaid program to cover children up to age 19, in families with incomes at or below 133% of the federal poverty level (FPL). Infants up to 1 year of age, are currently covered if family income does not exceed 185% of FPL and children under age 6 are currently covered if family income does not exceed 133% of FPL. This expansion provides coverage for children ages 6 through 14 between 100% and 133% of FPL and for children ages 15 through 18 between 37% and 133% of FPL.

Attachments A through H to this State CHIP Plan consists of eight Medicaid State Plan Amendments that will co-exist to effect Iowa's Medicaid eligibility expansion. These amendments expand Medicaid eligibility, as authorized by 1902(r)(2)(A), from its level as of July 1, 1998, to children up to the age of 19 in families with incomes at or below 133% of FPL for optional targeted low-income children. The state is also submitting a Medicaid State Plan amendment so that children who do not meet the definition of optional targeted low-income children can still be found Medicaid eligible. The Medicaid State Plan amendment, as authorized by 1903 (accelerated SOBRA) and 1902(r)(2), will allow the State to provide Medicaid coverage to children who meet the income requirements for the eligibility expansion but who have creditable coverage.

The State has implemented systems changes that allow for identification of children eligible for Medicaid via CHIP so they can be reported separately from children eligible for Medicaid via the 1902(r)(2) Medicaid State Plan Amendment. This will allow CHIP eligible children (optional targeted low-income children) to be reported and claimed at the enhanced rate, and other newly eligible children to be reported and claimed at the State's standard FMAP.

Children newly eligible for Medicaid as a result of the expansion will receive health care services through the same delivery systems that operate in the current Medicaid program.

The State understands that the initial state CHIP Plan submission secured the entire state allotment regardless of the estimated budget for Medicaid expansion. The State reserves the right to submit a State CHIP Plan amendment at any time.

Phase 2: Healthy And Well Kids in Iowa (HAWK-I) Program

Effective January 1, 1999, the State will implement the **Healthy** And Well Kids in Iowa (**HAWK-I**) program to cover **targeted** low-income **children** up to age **19**, in families with incomes **at or below 185%** of the federal poverty level (FPL). These amendments **create a new** program to provide health **care** coverage to **children** who are not eligible for Medicaid under Title **19** of the **Social Security Act**.

The HAWK-I program has **several** components and is **designed** to encompass a variety of entry points **into** the program. The delivery of **services** follows a private sector **commercial insurance** model. (Refer to Attachment "P")

Iowa Department of Human Services: The Department of **Human Services** has been designated as the **State** agency to **administer** the HAWK-I program.

HAWK-I Board. The Iowa General Assembly **authorized** the creation of the HAWK-I Board to provide **direction** to the Department of **Human Services** and to establish policy for the program. The HAWK-I Board is made up of **eleven** members:

- Director of the Iowa Department of Public Health
- Director of the Iowa Department of Education
- Commissioner of the Iowa Division of Insurance
- Four Governor-appointed public members
- Four ex-officio legislators (2 Senate/2 House of Representatives)

Third Party Administrator: The Department of Human Services **is** contracted with a third party administrator to provide, at a minimum, the following services:

- Distribute applications.
- Determine eligibility.
- Screen for Medicaid eligibility and coordinate with local DHS offices.
- Calculate, bill, and collect cost sharing.
- Assist the family in selecting a health plan and enrolling the child in the selected plan.
- Gather encounter data from the health plans.
- Provide DHS with demographic, statistical, and encounter data for federal reporting and other reporting requirements.

Outreach: The Department of Human Services has contracted with a public relations firm to develop an outreach campaign and marketing materials for the HAWK-I and Medicaid programs.

Advisory Committees: Two advisory committees have been established to provide input to the HAWK-I Board. The Clinical Advisory Committee is made up of health care professionals and will advise the HAWK-I Board on issues around benefits, access, and quality. The Children With Special Health Care Needs Advisory Committee is made up of health care professionals and advocates who will advise the HAWK-I Board on health care issues faced by children with special needs and make recommendations on how to address those needs.

Health Plans: The Department of Human Services contracts with health plans licensed by the Division of Insurance within the Department of Commerce to provide health care coverage to eligible children under the HAWK-I program.

Section 2 General Background and Description of State Approach to Child Health Coverage (Section 2102(a)(1)-(3)) and (Section 2105)(c)(7)(A)-(B))

- 2.1. Describe the extent to which, and manner in which, children in the *state* including targeted low-income children and other classes of children, by income level and other relevant factors, such as race and ethnicity and geographic location, currently have creditable health coverage (as defined in section 2110(c)(2)). To the extent feasible, make a distinction between creditable coverage under public health insurance programs and public-private partnerships (See Section 10 for annual report requirements).

Historically, Iowa is a rural, agricultural state. However, recently there has been a shift in population from rural areas to urban centers. New estimates from the U.S. Census Bureau show that population growth in Iowa during the 1990's is confined to two areas: in and around Des Moines; and in the Cedar Rapids/Iowa City corridor. At the same time, 45 of Iowa's 99 Counties are losing population. Data from 1994 suggests that 44 percent of Iowans live inside a metropolitan area.

Population projections for Iowa, 1995, show 807,807 children (<19 years). The 1990 census put the total population of Iowa at 2,776,754. The most recent U.S. Census reports show 11.5% of Iowa's population living below poverty. In general, the highest levels of poverty are in the southern counties along the Missouri border. Applying the U.S. Census estimate to the 1996 population projection of 2.842 million residents, indicates there are approximately 326,830 residents with incomes below federal poverty level (FPL)

While approximately 2,685,098 (96.6 %) of Iowa's population are white and 47,259 (1.7 %) are black, Iowa is experiencing an ever emerging diverse population. The Hispanic population in Iowa continues to increase significantly. In 1986, there were 4,191 Hispanic children in Iowa K - 12 schools. In 1996, this number had increased to 11,618 (64%).

Additionally, Iowa is becoming home to more and more refugees from all areas of the world. Most recently, Iowa has had significant numbers of Sudanese and Bosnians settle in some of the larger urban centers of the State.

Estimated Number of Refugees and Amerasians in Iowa

<u>Region of Origin</u>	<u>No. Who Originally Settled in Iowa</u>	<u>No. Who Moved to Iowa After Originally Settling Elsewhere in U.S.</u>
Africa		
Sudanese	563	454
All others	473	108
Middle/Near East Asia		
Iraqi	125	23
All Others	80 (Kurds)	
Former Soviet Union		
All Ethnic Groups	401	11
Eastern Europe		
Bosnian	2,211	1,303
All Others	361 (Romanian, Polish, Hungarian)	12
Southeast Asia		
Vietnamese	7,001	2,046
Tai Dam	2,740	2
Lowland Lao	3213	253
Cambodian/Khmer	840	17
Hmong	423	20
Latin America/Caribbean		
Haitian		
Cuban	5	5
Nicaragua		1
TOTAL	18,197	4,261

The Mesquaki Tribe is the only Federally recognized Native American Tribe in Iowa. It is a subset of the Sac and Fox of the Mississippi and Iowa Tribe and currently has 1,277 enrolled members. The improving economic conditions on the Mesquaki Settlement, primarily due to casino revenue, has resulted in a significant growth trend and a 200% birth rate increase since 1992. Approximately 37% of the Tribal members are under age 18.

The only public health insurance program generally available in Iowa is Medicaid. In March, 1998, there were 95,189 children (48,863 male / 46,326 female) receiving coverage through the Medicaid program. The State estimates that the

expansion of Medicaid eligibility for all children under age 19, up to 133% of FPL will make an additional 15,600 children eligible for Medicaid coverage.

The Iowa Caring Program for *children*, primarily privately funded, Wellmark (Blue Cross Blue Shield of Iowa and South Dakota) sponsored program, currently covers about 3,000 children below 133% of FPL. This program covers uninsured children who do not qualify for Medicaid. With the expansion of Medicaid and implementation of the HAWK-I program, the Caring Program plans to cease their current program operations effective July 1, 1999. At time of this submission, no decision has been made corporately as to how to redirect the focus of the Caring Program.

2.2. Describe the current state efforts to provide or obtain creditable health coverage for uncovered children by addressing: (Section 2102)(a)(2)

2.2.1. The steps the state is currently taking to identify and enroll all uncovered children who are eligible to participate in public health insurance programs (i.e. Medicaid and state-only child health insurance):

Medicaid

The Medicaid program is the only public health insurance program for children in Iowa. Medicaid is administered through the Department of Human Services (DHS) Central Office in Des Moines and through 104 DHS offices (including the Refugee Services Center) located in all 99 counties. Additionally, outstationed eligibility workers are currently located at the following sites:

Broadlawns Hospital	Des Moines
Marion Health Center	Sioux City
St. Luke's Medical Center	Sioux City

There are five Federally Qualified Health Centers (FQHC) in Iowa. Currently there are no outstationed eligibility workers at these sites.

Medicaid applications are readily available to anyone who requests one. Additionally, there is a toll-free number for anyone to call to ask questions about Medicaid eligibility and to find out where and how to apply. The number is 1-800-869-6334.

In March, 1998, Iowa had 95,189 children with health care coverage through the Medicaid program. Eligibility for Medicaid continues to remain available for the

following federal categories of children: Those who qualify because they would have been eligible for cash assistance prior to July 16, 1996, and related categorical programs; those who are in foster care and subsidized adoption; those who qualify for the Mothers and Children program (SOBRA); those who meet Medicaid disability criteria; those who are medically needy, and those who qualify under the following home and community based waivers:

	<u>Enrollment Cap</u>
• Ill and Handicapped Waiver	700 (currently has a waiting list)
• Mental Retardation Waiver	1,098 (currently has a waiting list)
• Brain Injury Waiver	60
• AIDS Waiver	150

Health Insurance ii Payment i (HIPP)

Iowa was one of the first states to implement the provisions of section 1906 of the Social Security Act which mandated states to purchase employer-related health insurance coverage for Medicaid-eligible persons when it was determined cost-effective to do so. Iowa implemented the Health Insurance Premium Payment (HIPP) program on July 1, 1991. Although section 1906 of the Social Security Act has now become optional, Iowa continues to maintain a strong HIPP program. Although this program is primarily designed to reduce Medicaid expenditures by providing a third party resource for Medicaid-eligible persons, oftentimes it is cost-effective to purchase family coverage which results in providing coverage for the non-Medicaid-eligible household members as well. By initiating coverage while on Medicaid, families have coverage in place when they leave the Medicaid roles.

Direct Health Services (Title V, Title X, WIC, etc.)

The Iowa Department of Public Health (IDPH) is the largest single provider of direct as well as support patient care for uninsured and Medicaid enrolled children and adolescents. Direct services for this population include: preventive child health services (EPSDT and well-child check-ups), prenatal services, Women, Infants and Children Supplemental Nutrition [WIC] program services, preventive health education, immunizations, and family planning services. Support services include case coordination services, the provision of information and referral via toll-free telephone lines, and laboratory services. These services are funded through federal Title V Maternal and Child Health Block Grant funds, federal Title X Family Planning program funds, federal WIC Program funds, Medicaid program reimbursements, federal immunization funds, state legislative appropriations, some local government appropriations, and a small amount of patient fee revenue collected on a sliding fee scale by Title V agencies. A variety of the above direct and support services are provided within each of the 99 Iowa counties. Twenty-

six Maternal Health Centers and twenty child Health Centers provide statewide services. Adolescent Services are provided in 25 locations in the state.

Additionally, there are approximately 486 full-time school health nurses working under the auspices of the Iowa Department of Education and local education agencies in the state who provide a variety of health screening services, care coordination and emergency services.

Income assessments are performed on patients enrolled in IDPH clinics. The income assessments are reviewed for possible Medicaid eligibility. New applications, as well as annual reviews of established patients, are assessed by IDPH intake staff and/or care coordinators for possible referral for medical assistance through Medicaid and/or SSL.

In order to provide additional outreach, the IDPH operates two toll-free telephone lines for use by the general public. The toll-free telephone lines are known as Healthy Families and Teen Line. These are information and referral services for health issues. The Healthy Families line addresses a wide variety of health issues with special emphasis on prenatal care. The Teen Line also addresses a wide variety of issues specifically related to the health of teenagers. Topics covered include drugs, sexual relationships, eating disorders, relationships with parents, and violence. Two integral parts of the information provided to callers, via these telephone lines, are information on Medicaid eligibility and referrals to community based care coordinators who can assist clients with locating local health providers who accept Medicaid-eligible children and Medicaid-eligible pregnant women. The toll-free number for Healthy Families is 1-800-369-2229. The Teen Line number is 1-800-443-8336. Both lines are operational 24 hours a day, seven (7) days a week.

Child Health Specialty Clinics

Each year, approximately 5,500 Iowa children receive services at the Child Health Specialty Clinics (CHSC). The Department of Human Services has an interagency cooperation agreement with the CHSC which serve as a link between major medical centers and the community by assisting families to obtain needed resources. The CHSC serves children from birth to 22 years with or at risk of a chronic health condition or disability which includes psychosocial, physical, health-related educational, and behavioral needs. The specific health concerns may be simple or complex, short-term or long-term.

Small Group Insurance Reform

Iowa enacted **small group reforms** in 1992. These reforms provided **more affordable** coverage for the small employer **group** market, thus **allowing** employees and their dependents to **obtain** coverage at **more affordable** rates. The **reforms** included **limitations** on rate increases as well as **limitations** on pre-existing condition clauses.

In 1996, Iowa implemented individual market **reforms** which provide for **portability** for employees and their dependents **from** a **group** to the individual **market**, as well as rating **restrictions** on individual products.

St High | I Pool

Iowa **law** established a state administered **high-risk** health **insurance** program for those individuals and their dependents **who** cannot **obtain** coverage in the private **market**. **This** program is funded by a **2% tax** on health insurance **premiums**. Persons **who** are eligible for Medicaid or COBRA **continuation** coverage **are** not eligible to participate in this program. **Coverage in the high risk program** provides portability for individuals to the private market.

- 2.2.2. The steps the state is currently **taking** to identify and enroll all uncovered children **who** are eligible to participate in **health insurance** programs that involve a public-private partnership:

The Caring Program for Children

There is only one health insurance program in Iowa that resembles a public-private partnership. However, it is not administered by the State. This program is known as the **Caring Program for Children** and is administered by Wellmark, (Blue Cross and Blue Shield of Iowa and South Dakota). The Iowa Caring Foundation provides **ambulatory health insurance** to low income, non-Medicaid/uninsured children under the age of 19 years who remain full-time students through grade 12.

Funded through a state appropriation and private donations, with matching funds from Wellmark, the Caring Foundation is in its 10th year of operation. At its peak, the Caring Program had an enrollment of over 3000 children. Outreach for this program is conducted through articles in Wellmark publications and public service announcements in local newspapers, television, and radio stations. Case finding is conducted by school administrators, school nurses, and day care operators. Additionally referrals to the Foundation are received from Department of Public Health, the Iowa Department of Human Services, the individual health care

providers, civic organizations, churches, Sunday school classes, other religious organizations, and from Foundation participants.

Initially, it was believed that the Medicaid expansion that became effective on July 1, 1998, would eliminate the need for The Caring Program for children because both programs had income limits of 133% of the federal poverty level. However, not all potentially eligible children applied and of those that did, many were found ineligible because they failed to follow through with the application process or were ineligible due to Iowa's \$10,000 (liquid) assets test.

With the implementation of HAWK-I, which has no assets test, The Caring Program for children will no longer need to exist because, financially, their enrollees will be absorbed into either the Medicaid or HAWK-I programs.

As of this submission, DHS continues to work with The Caring Program for Children to transition their enrollees into Medicaid and HAWK-L. The current Caring Program for Children will end on June 30, 1999. The future of the Caring Program for Children has not been determined. However, it is anticipated they will maintain their role in some capacity as a "safety-net" insurer for children who do not qualify for Medicaid.

- 2.3. Describe how the new State Title XXI program(s) is (are) designed to be coordinated with such efforts to increase the number of children with creditable health coverage so that only eligible targeted low-income children are covered:

(Section 2102)(a)(3)

Case 1: 2008-0000000000

The Medicaid program was expanded to include children to the age of 19 at financial eligibility levels up to 133% of the federal poverty level, effective July 1, 1998. Studies have shown that crowd out is more prevalent at income levels near or above 200% of the FPL. Since Iowa's Medicaid was only expanded to 133% of the FPL, it is not anticipated that crowd out will be a significant issue among the expansion population. We anticipate that many of the children who will be covered through the expansion will be siblings of younger children who are already receiving coverage through Medicaid.

In preparing the budget for the enrollment of the additional children, the Division of Medical Services does not anticipate the need to hire any additional Medicaid eligibility workers. Workers in all 99 counties will enroll children who are eligible for Medicaid under current eligibility rules as well as those who are eligible for the Medicaid expansion.

Information regarding the **expanded** Medicaid eligibility **was** widely disseminated throughout the **State**. In **addition to the** training of eligibility workers about the new **limits**, an article **was** published in "*The Difference*" which is a **quarterly** news letter for **clients** and advocates. (Refer to Attachment "Q")

Phase 2 Healthy And Well Kids in Iowa (HAWK-I) Program

The Healthy And Well **Kids** in Iowa (**HAWK-I**) program **will** cover children **living** in **families** whose income does not exceed **185%** of the federal **poverty** level and **who are** not eligible for **Medicaid**. The **State has** designed a universal application form that **can be used to** determine eligibility for either program. (Refer to Attachment "R").

Interested persons can call 1-800-257-8563 24 hours/7 days a week to obtain information about the HAWK-I program. This number is staffed with bi-lingual personnel from 6:00 a.m. - 10:00 p.m. and **has** bi-lingual voice **messaging** service for the hours it is not **staffed**. **Additionally, information and applications can be** found on the HAWK-I web site at **——.hawk-io rg.**

All applications are **screened** for Medicaid eligibility and the presence of health insurance coverage. If it appears **the child is eligible** for **Medicaid**, the HAWK-I application is referred to the county DHS office for an eligibility review. If the **applicant** is not Medicaid eligible, HAWK-I eligibility is determined. **If the child has health insurance coverage and is not Medicaid-eligible, coverage under HAWK-I is denied**

The State imposes a six-month waiting period when employer-related group health insurance coverage has been dropped unless certain exclusions apply. The six-month period begins with the last day of coverage. Refer to Section 4.4.3 for an explanation of the conditions that waive the six-month exclusion.

Section 3. General Contents of State Child Health Plan (Section 2102)(a)(4)

Check here if the state elects to use funds provided under Title XXI only to provide expanded eligibility under the state's Medicaid plan, and continue on to Section 4.

3.1. Describe the methods of delivery of the child health assistance using Title XXI funds to targeted low-income children: (Section 2102)(a)(4)

Phase 2: Healthy And Well Kids in Iowa (HAWK-I) Program

The State will enter into *contractual* agreements with commercial insurers to provide a benchmark equivalent benefit package to enrollees in the HAWK-I program. The insurer will provide the enrollee with a health plan card identifying them as an enrollee in that health plan. The enrollee will have a primary care physician if they are in a managed care plan.

Both indemnity and managed care plans will be allowed to participate in the program. The goal is to allow choice among plans so that enrollees can select the health plan from which they want to receive coverage.

3.2. Describe the utilization controls under the child health assistance provided under the plan for targeted low-income children: (Section 2102)(a)(4)

Phase 2: Healthy And Well Kids in Iowa (HAWK-I) Program

Health plans will be allowed to establish limits for services and implement utilization management guidelines such as requiring prior authorization and using drug formularies as long as the plan provides the required services and meets benchmark equivalency. Plans may not deny coverage due to the existence of a pre-existing medical condition.

Section 4. Eligibility Standards and Methodology. (Section 2102(b))

Check here if the state **elects to use** funds provided under Title XXI **only** to provide expanded eligibility under the state's Medicaid plan, and continue on to **Section 5**.

4.1. The following **standards** may be used to determine eligibility of **targeted low-income children** for child health assistance under the plan. Please note whether any of the following **standards** are **used** and check **all that** apply. **If applicable**, describe the **criteria** that will be used to apply the **standard**. (**Section 2102)(b)(1)(A)**)

Phase 2: Healthy And Well Kids in Iowa (HAWK-I) Program

4.1.1. **Geographic area served by the Plan:** The State has been divided into six regions for the purpose of establishing plan participation. (**Refer to Attachment "S"**) **If a health plan wants to provide coverage in any county within a region, it must provide coverage in every county within that region in which it is licensed and has a provider network established. Under HAWK-I, Managed care plans can only provide services in those areas of the State in which they are licensed and in which a provider network has been established. Effective: January 1, 1999 Iowa Health Solutions (a managed care plan) is providing coverage in the following sixteen (16) counties (refer to Attachment "T"):**

Boone	Hamilton	Mahaska	Polk
Clinton	Jackson	Marion	Scott
Des Moines	Lee	Marshall	Story
Dubuque	Linn	Muscatine	Van Buren

These counties represent approximately 47% of Iowa's child population.

Effective March 1, 1999, Wellmark Blue Cross Blue Shield of Iowa, an indemnity plan, will provide coverage to children in the remaining 83 counties of the State.

4.1.2. **Age:** Under HAWK-I, children up to the age of 19 are covered. Coverage ends effective the first day of the month following the month of the nineteenth birthday..

4.1.3. **Income:** Under HAWK-I, countable gross earned and unearned income cannot exceed 185% of the federal poverty limit for a family of the same size.

- 4.1.4. Resources (including **any standards relating to spend downs and disposition of resources**):
- 4.1.5. Residency: Under HAWK-I, the child must be a resident of **the State of Iowa**. There is **no** minimum period of time in which the child **must** reside in the State **to** establish residency. A resident is one:
- a. Who is living in **Iowa** voluntarily **with** the intention of making that **person's** home in **Iowa** and not **for** a temporary purpose; **or**
 - b. **Who, at** the time of application, is not receiving assistance from another state and **entered Iowa** with a **job** commitment or **to** seek employment **or who** is living with parents or **guardians** who entered **Iowa** with a job commitment or to **seek** employment.
- 4.1.6. Disability Status (so long as **any** standard relating to disability **status** does not restrict eligibility): _____
- 4.1.7. Access to or coverage under other health coverage: A child who is covered under other health insurance is **not eligible** for coverage under **HAWK-I unless** the coverage is a **single** service coverage such as a dental **only** or vision **only** policy. **Access** to coverage is not considered if the child is not **actually covered**.
- 4.1.8. Duration of eligibility: Eligibility for HAWK-I is granted in **12-month enrollment periods**. **At the end of the 12 months, a review is completed to establish eligibility for the next 12-month enrollment period.**
- 4.1.9. Other standards (identify and describe): **Pregnancy. During the 12-month enrollment cycle, if a child enrolled in the HAWK-I program becomes pregnant, Medicaid eligibility will be determined. If eligible, the pregnant child will be transferred to the Medicaid program. If Medicaid eligibility does not exist, eligibility will continue under HAWK-I.**
- 4.2. The state assures that it has made the following findings with respect to the eligibility standards in its plan: (Section 2102)(b)(1)(B))
- 4.2.1. These standards do not discriminate on the basis of diagnosis.

- 4.2.2. **Within a defined group of covered targeted low-income children, these standards do not cover children of higher income families without covering children with a lower family income.**
- 4.23. **These standards do not deny eligibility based on a child having a pre-existing medical condition.**
- 4.3. **Describe the methods of establishing eligibility and continuing enrollment. (Section 2102)(b)(2))**

Initial Enrollment

Applications for the HAWK-I program are received via mail by the third party administrator at a central location in Des Moines, Iowa.

Applications are screened for completeness of information, the presence of other health insurance, verification of income, the presence of State of Iowa employment, and Medicaid eligibility. If it appears the child is Medicaid eligible, the original application is referred to the county DHS office for a Medicaid eligibility determination. (Refer to Attachment "U")

Upon receipt of a completed application, the third party administrator must determine HAWK-I eligibility within 10 working days. If it is determined the child is uninsured, that countable income is below the HAWK-I income limit, and that the child otherwise qualifies, a notice of approval is sent to the family. Included with the approval notice is information about the health plan available to the family and a Plan Selection form on which the family must make their selection. If gross countable income exceeds 150% of the federal poverty level, the family is also required to pay a premium of \$10 per month per child, not to exceed \$20 per month, regardless of family size.

Upon receipt of the Plan Selection form and the premium (if applicable), the third party administrator notifies the health plan of the new enrollment. The health plan provides an identification card, an explanation of coverage, and a list of participating providers to the family.

Ongoing Eligibility During the 12-Month Enrollment

Once eligibility is established, the child shall remain enrolled in the HAWK-I program for a 12-month enrollment period unless one of the following occurs:

- a. The child moves to an area of the state not served by that plan. In which case, the child shall be enrolled in a participating plan in the new location. The enrollment period is the remaining months of the original 12-month enrollment.
- b. Age. The child shall be disenrolled from the HAWK-I program as of the first day of the month following the month of the nineteenth birthday.
- c. Nonpayment of premiums. The child shall be disenrolled as of the first day of the month following the month in which premiums are not paid.
- d. Iowa residence is abandoned. The child shall be disenrolled from the plan and canceled from the program as of the first day of the month following the month in which the child relocated to another state.
- e. Medicaid eligibility. The child shall be disenrolled from the plan and canceled from the program as of the first day of the month following the month in which Medicaid eligibility is attained.
- E Enrolled in other health insurance Coverage. The child shall be disenrolled from the plan as of the first day of the month following the month in which the child attains other health insurance coverage.
- g. Admission to a nonmedical public institution. The child shall be disenrolled from the plan and canceled from the program as of the first day of the month in which the child enters a nonmedical public institution unless it can be established that the absence is temporary.
- h. Employment with the State of Iowa. The child shall be disenrolled from the plan and canceled from the HAWK-I program as of the first day of the month in which the child's parent became eligible to participate in a health plan available to State of Iowa employees.

Recertification

All eligibility factors are reviewed annually as follows:

- a. Sixty (60) days prior to the end of the 12-month enrollment period, the third party administrator shall send out a Healthy And Well Kids in Iowa (HAWK-I) Application form to the family.
- b. If the family fails to return the information or required income verification, the child shall not be recertified for the next 12-month enrollment period.
- c. Upon a determination that the child continues to meet all eligibility factors, the family shall be allowed to select another plan for the next 12-month enrollment period if another plan is

available. If the **family** does not **select another plan**, the child **shall be re-enrolled** with the current plan for the next 12-month enrollment **period**.

4.4. Describe the procedures **that** assure:

4.4.1. Through intake and follow up screening, **that only** targeted low-income children who are ineligible for either Medicaid or other creditable coverage are furnished child health assistance under the state child health plan. (Section **2102)(b)(3)(A)**)

Refer to response in 4.3.

4.4.2. That **children** found through the screening to **be** eligible for medical assistance under the state Medicaid plan under Title **XIX** are enrolled for such assistance under such plan. (Section **2102)(b)(3)(B)**)

Applications are received via mail by the third party administrator in a central location in Des Moines, Iowa.

Applications are screened for completeness of information, the presence of **other** health insurance, verification of income, the **presence of State of Iowa** employment, and Medicaid eligibility. If it appears the child is Medicaid eligible, the **original** application is' referred to the **county DHS office** for a Medicaid eligibility determination. (Refer to Attachment "U").

4.4.3. That the insurance provided under the state child health plan does not substitute for coverage under group health plans. (Section **2102)(b)(3)(C)**)

A child who is currently enrolled in an individual or group health plan is not eligible to participate in the HAWK-I program.
Exception: A child who is enrolled in a single service plan that provides coverage only for a specific disease or service (e.g. dental only or vision only) is considered uninsured for the purpose of establishing HAWK-I eligibility.

The State imposes a 6-month waiting period for uninsured children who have been insured through an employer group health plan in the six months prior to the month of application unless good cause for the current uninsured status exists. Good cause exists when:

- a. Employment **was** lost for a **reason other than** voluntary termination; or
- b. Coverage **was** lost due to the death of a **parent**; or
- c. There **was a change** in employment to **an employer who** does not provide **an option** for dependent coverage; or
- d. The child moved to an **area** of the state where the existing plan does not have a **provider network** established; or
- e. The employer discontinued health benefits to all employees; **or**
- f. The coverage **period** allowed by **COBRA** expired; or
- g. The parent became self-employed; **or**
- h. Health benefits were terminated because of a long-term disability; or
- i. **Dependent** coverage **was terminated** due to an extreme economic hardship **on the part** of either the employee or **the employer**; or
- j. There **was a substantial** reduction in either lifetime medical benefits or a **benefit category** available to **an** employee and dependents under an employer's health **care** plan; or
- k. CHIP coverage in another state **was** terminated due to the family's move to Iowa.

4.4.4. The provision of child health **assistance** to targeted low-income children in the state who are Indians (as defined in section 4_ of the Indian Health Care Improvement Act, 25 U.S.C. 1603(c) (Section 2102)(b)(3)(D))

American Indian and Alaska Native children are eligible for the HAWK-I program on the same basis as any other children in the State, regardless of whether or not they may be eligible for or served by Indian Health Services-funded care.

4.4.5. Coordination with other public and private programs providing creditable coverage for low-income children. (Section 2102)(b)(3)(E))

Section 5. Outreach and Coordination (Section 2102(c))

Describe the procedures used by the state to accomplish

- 5.1. Outreach to families of children likely to be eligible for assistance or under other public or private health coverage to inform them of the availability of, and to assist them in enrolling their children in such a program: (Section 2102(c)(1))

Under the "Healthy Kids in Iowa" umbrella, Iowa will have two program to provide health care coverage to children under the provisions of Title XXI. The first is an expansion of Medicaid and the second is the Healthy And Well Kids in Iowa (HAWK-I) program. Due to the close coordination between the programs, it is anticipated that outreach activities targeted to Medicaid will lead ineligible children to HAWK-I while children responding to HAWK-I outreach activities may ultimately be determined eligible for Medicaid.

Phase I. Medicaid Expansion

This section consists of efforts targeted toward Medicaid eligible children from birth through age 18. There are three primary avenues through which outreach will be conducted initially. These avenues are (1) the use of existing outreach approaches, especially an intensive effort to reach previously ineligible children in families with other Medicaid covered children, and families that did not qualify based on income prior to the expansion; (2) an initiative to improve communication with schools and community agencies, such as Title V Maternal and Child health Centers, Head Start programs, child care centers, United Way agencies, etc. which come in frequent contact with potentially eligible children; and (3) coordination with medical providers to educate them and their potentially eligible patients. These avenues are described in more detail below.

Current Outreach Approaches

As presented in section 2.2.1 of this application, activities to promote the enrollment of eligible children in the Medicaid program and health clinics are conducted by several state agencies through a variety of means. Please refer to section 2.2.1 for a detailed description of these outreach activities. The current outreach methodologies will be updated so that older children and middle and older teens are included in the population targeted by these efforts. The state has implemented an outreach plan which will involve community education to providers and others who serve children. On May 14, 1998, a Request for Proposal (RFP) was released to contract for the development and implementation of an outreach program (see Attachments for a copy of the RFP). Through this contract, the Iowa Department of Human Services plans to provide education to provider associations, state agencies (e.g. Department of Human Rights, Commission for the Blind, Division of Deaf Services, etc.), and advocacy groups such as Native American Tribal Councils, Hispanic and African

American organizations, and refugee resettlement programs. Applications are available for distribution by these groups.

A notice to the parents of Medicaid recipients to inform them of the potential eligibility of their older children who are siblings of current Medicaid recipients was sent in June, 1998. A notice was also sent to all persons who had been denied Medicaid in the 60 days prior to the effective date of the expansion to inform them of the change in the eligibility rules.

The Iowa Departments of Human Services and Public Health, in collaboration with the Caring Foundation for Children, have applied for the "**Covering Kids: A National Health Access Initiative for Low-Income, Uninsured Children**" grant being offered through the Robert Wood Johnson Foundation. This grant will award states \$500,000 to \$1,000,000 to develop outreach programs that will increase the number of eligible children in health insurance programs. The purpose of the initiative is to facilitate efforts to:

- design and conduct outreach programs that identify and enroll eligible children into Medicaid and other coverage programs;
- simplify enrollment processes; and
- coordinate existing coverage programs for low-income children.

If Iowa is awarded this grant, the focus will be on community-based outreach programs.

In addition to the outreach activities aimed at enrolling eligible children, the state agencies' existing efforts to promote the use of health care services and continuity of care will also be expanded to include the new Title XXI enrollees. These activities include use of the media, case management and patient follow-up systems (especially within the Title V, Title XXII and Title XXI Block Grant Programs, and related programs for children within the Iowa Department of Human Services).

Case management consists of a variety of activities designed to identify an individual patient's psychosocial needs and barriers to obtaining health services (such as enrolling in Medicaid) and assist the patient in meeting those needs and accessing services. Patient follow-up includes a variety of activities designed to ensure that patients comply with the recommendations of their health care provider(s) and continue in the health care system.

One example of Iowa's continuing efforts to improve the health status of school-aged children, the Project Success Program, coordinates social and health services with parental involvement in 13 designated school sites in the Des Moines school district. Project Success sites, which include seven elementary schools, two middle schools, two high schools, and two alternative high schools, refer potentially eligible Medicaid children for eligibility determination. Additionally, sixteen school based/linked clinics

provide services to school-aged children, their siblings and preschool aged children in the district. The clinics are required to assess income levels and refer those children who appear to be Medicaid eligible for eligibility determination while at the same time providing needed medical services.

Phase 2: Healthy And Well Kids in Iowa (HAWK-I) Program

After the implementation of Phase 1, while the State continued to educate potential "partners" about the Medicaid expansion, the State also began educating the public about the upcoming implementation of the HAWK-I program. Initial efforts primarily were presentations by staff at various conferences and organizational meetings (school nurses conference, Des Moines Chamber of Commerce, WIC, Headstart, etc.). Additionally, during this period there were a significant number of articles about the HAWK-I program in various newspapers through out the State.

More intensive outreach efforts began on December 3, 1998, when a state-wide Iowa Cable Network (ICN) presentation was held at 108 sites to introduce the HAWK-I program to providers and organizations who are in contact with potentially eligible families. (Refer to Attachment "V" and Attachment "W") Approximately 2,000 individuals attended the ICN sessions to learn about the HAWK-I program and as a result, orders for over 100,000 brochures, applications, and posters were received. (Refer to Attachment "W").

Media (Refer to Attachment "X"):

- During the week of January 4, 1999, staff and the Chair of the HAWK-I Board met with the editorial boards of newspapers in Iowa's largest metropolitan areas to provide information about the HAWK-I program. This generated several newspaper articles supporting the program.
- Television and radio commercials began airing on January 7, 1999.
- Billboards will be posted in April to coincide with increased driving activity due to summer vacations.

Private Sector Partnerships - The State continues to develop partnerships with private-sector businesses and entities for outreach activities. Activities include:

- February 1999: FOX 17, station KDSM has donated a booth to the HAWK-I program at the FOX 17 Family Fair. Billed as central Iowa's largest family event, the FOX 17 Family Fair has been attended by over 100,000 people in the past five years (58% from Des Moines/ 42% from surrounding areas). The State will use this opportunity to provide

information. It is anticipated the State's participation will become an annual event. (Refer to Attachment "Y")

- **March 1999:** Negotiations are currently under way with fast food restaurant chains to display HAWK-I brochures on their counters beginning in March. It is anticipated that the restaurants will donate the cost of printing the materials in exchange for an acknowledgment of their donation on the cover of the brochure.
- **March 1999: Kids Fest.** The HAWK-I program will have a booth at the Kids Fest on March 13 - 14, 1999, to distribute information and assist people in signing up for the HAWK-I program. Kids Fest is sponsored by Children and Families of Iowa and will feature significant numbers of private and not-for-profit organizations that have an interest in children. It is anticipated that the State's participation will become an annual event. (Refer to Attachment "Z")
- **April 1999:** Negotiations are underway with the Iowa Pharmacy Association to display HAWK-I brochures on their counters beginning in April
- **April 16, 1999 -** The State will staff a HAWK-I booth at the Maternal and Child Health Conference to provide information about the HAWK-I program to MCH employees and their partners.
- **April 27 - 30, 1999 -** The State will staff a HAWK-I booth at the Association of Iowa Hospitals and Health Systems Conference to provide information to hospitals and other providers about the HAWK-I program.

Partnerships with WIC, Community Health Clinics, Maternal and Child Health Centers, etc. - In addition to the media campaign, the State feels it is critical to take a "grass roots" approach to outreach:

- **Pilot Projects:** The State is currently working on the development of a pilot project with the Maternal and Child Health Centers and the school nurses in the Monona, Crawford, Carroll, and Guthrie County MCH service area to have HAWK-I information available at the spring school conference sessions in these counties.
- **Latino Coalition:** The State is currently meeting with members of the Latino Coalition to develop outreach activities to encourage participation in the HAWK-I program among the Hispanic population. Members of the coalition have volunteered translator services and to assist in making arrangements for sign-up sites and other activities.

Future Outreach Activities

While the initial outreach activities were targeted at media and "getting the word out" to make HAWK-I a household word, it is anticipated that future activities will be a more "grass roots" approach. The State is currently evaluating options for this type of an outreach effort.

- 5.2. Coordination of the administration of this program with other public and private health insurance programs: (Section 2102(c)(2))

As described in Section 2, Medicaid is the only public health insurance program in Iowa.

Services are provided at Federally Qualified Health Centers (FQHCs) and disproportionate share hospitals through out the state.

**Section 6. Coverage Requirements for Children's Health Insurance
(Section 2103)**

Check here if the state elects to use funds provided under Title XXI only to provide expanded eligibility under the state's Medicaid plan, and continue on to Section 7.

6.1. The state elects to provide the following forms of coverage to children:

(Check all that apply.)

6.1.1. Benchmark coverage; (Section 2103(a)(1))

6.1.1.1. FEHBP-equivalent coverage; (Section 2103(b)(1))
(If checked, attach copy of the plan.)

6.1.1.2. State employee coverage; (Section 2103(b)(2)) (If checked, identify the plan and attach a copy of the benefits description.)

6.1.1.3. HMO with largest insured commercial enrollment (Section 2103(b)(3)) (If checked, identify the plan and attach a copy of the benefits description.)

6.1.2. Benchmark-equivalent coverage; (Section 2103(a)(2)) Specify the coverage, including the amount, scope and duration of each service, as well as any exclusions or limitations. Please attach signed actuarial report ~~that meets~~ the requirements specified in Section 2103(c)(4). See instructions.

There are currently two health plans participating in the MNWK-I program:

Iowa Health Solutions - Refer to the Iowa Health Solutions explanation of coverage for a listing of covered services and limitations. - (Refer to Attachment "AA")

Iowa Health Solutions actuarial analysis of plan - (Refer to Attachment "BB")

Wellmark Blue Cross Blue Shield of Iowa- Refer to the Wellmark explanation of coverage for a listing of covered services and limitations. (Refer to Attachment "CC")

Wellmark Blue Cross Blue Shield of Iowa actuarial analysis of plan - (Refer to Attachment "DD")

6.1.3. **Existing Comprehensive State-Based Coverage;** (Section 2103(a)(3))
[Only applicable to New York; Florida; Pennsylvania] Please **attach** a description of the benefits package, administration, date of enactment. If "existing comprehensive state-based coverage" is modified, please provide **an** actuarial opinion documenting **that** the actuarial value of the modification is greater than the value **as of 8/5/97** or one of the benchmark plans. Describe the fiscal **year 1996** state expenditures for "existing comprehensive state-based coverage."

6.1.4. Secretary-Approved Coverage. (Section 2103(a)(4))

6.2. The state elects to provide the following forms of coverage to children:

(Check all that apply. If an item is checked, describe the coverage with respect to the amount, duration and scope of services covered, as well as any exclusions or limitations) (Section 2110(a))

6.2.1. Inpatient services (Section 2110(a)(1))

6.2.2. Outpatient services (Section 2110(a)(2))

6.2.3. Physician services (Section 2110(a)(3))

6.2.4. Surgical services (Section 2110(a)(4))

6.2.5. Clinic services (including health center services) and other ambulatory health care services. (Section 2110(a)(5))

6.2.6. Over-the-counter medications (Section 2110(a)(6))

6.2.7. Over-the-counter medications (Section 2110(a)(7))

6.2.8. Laboratory and radiological services (Section 2110(a)(8))

6.2.9. Prenatal, prenatal pregnancy family services and supplies (Section 2110(a)(9))

6.2.10. Inpatient mental health services, other than services described in 6.2.18, but including services furnished in a state-operated mental hospital and including residential or other 24-hour therapeutically planned structural services (Section 2110(a)(10))

6.2.11. Outpatient mental health services, other than services described in 6.2.19, but including services furnished in a state-operated mental hospital and including community-based services (Section 2110(a)(11))

- 6.2.12. Durable medical equipment and other medically-related or remedial devices (such as prosthetic devices, implants, eyeglasses, hearing aids, dental devices, and adaptive devices) (Section 2110(a)(12))
- 6.2.13. Disposable medical supplies (Section 2110(a)(13))
- 6.2.14. Home and community-based health care services (See instructions) (Section 2110(a)(14))
- 6.2.15. Nursing care services (See instructions) (Section 2110(a)(15))
- 6.2.16. Abortion only if necessary to save the life of the mother or if the pregnancy is the result of an act of rape or incest (Section 2110(a)(16))
- 6.2.17. Dental services (Section 2110(a)(17))
- 6.2.18. Inpatient substance abuse treatment services and residential substance abuse treatment services (Section 2110(a)(18))
- 6.2.19. Outpatient substance abuse treatment services (Section 2110(a)(19))
- 6.2.20. Case management services (Section 2110(a)(20))
- 6.2.21. Care coordination services (Section 2110(a)(21))
- 6.2.22. Physical therapy, occupational therapy, and services for individuals with speech, hearing, and language disorders (Section 2110(a)(22))
- 6.2.23. Hospice care (Section 2110(a)(23))
- 6.2.24. Any other medical, diagnostic, screening, preventive, restorative, remedial, therapeutic, or rehabilitative services. (See instructions) (Section 2110(a)(24))
- Hearing Aids and Exams
 - Vision Exams and Corrective Lenses
- 6.2.25. Premiums for private health care insurance coverage (Section 2110(a)(25))
- 6.2.26. Medical transportation (Section 2110(a)(26))
- 6.2.27. Enabling services (such as transportation, translation, and outreach services) (See instructions) (Section 2110(a)(27))

6.2.28. Any other health care services or items specified by the Secretary and not included under this section (Section 2110(a)(28))

6.3. Waivers - Additional Purchase Options. If the state wishes to provide services under the plan through cost effective alternatives or the purchase of family coverage, it must request the appropriate waiver. Review and approval of the waiver application(s) will be distinct from the state plan approval process. To be approved, the state must address the following: (Section 2105(c)(2) and (3))

6.3.1. Cost Effective Alternatives. Payment may be made to a state in excess of the 10% limitation on use of funds for payments for: 1) other child health assistance for targeted low-income children; 2) expenditures for health services initiatives under the plan for improving the health of children (including targeted low-income children and other low-income children); 3) expenditures for outreach activities as provided in section 2102(c)(1) under the plan; and 4) other reasonable costs incurred by the state to administer the plan, if it demonstrates the following:

6.3.1.1. Coverage provided to targeted low-income children through such expenditures must meet the Coverage requirements above; Describe the coverage provided by the alternative delivery system. The state may cross reference section 6.2.1 - 6.2.28. (Section 2105(c)(2)(B)(I))

6.3.1.2. The cost of such coverage must not be greater, on an average per child basis, than the cost of coverage that would otherwise be provided for the coverage described above; and Describe the cost of such coverage on an average per child basis. (Section 2105(c)(2)(B)(ii))

6.3.1.3. The coverage must be provided through the use of a community-based health delivery system, such as through contracts with health centers receiving funds under section 330 of the Public Health Service Act or with hospitals such as those that receive disproportionate share payment adjustments under section 1886(d)(5)(F) or 1923 of the Social Security Act. Describe the community based delivery system. (Section 2105(c)(2)(B)(iii))

6.3.2. Purchase of Family Coverage. Describe the plan to provide family coverage. Payment may be made to a state for the purpose of family coverage under a group health plan or health insurance coverage that

includes coverage of **targeted** low-income children, if it demonstrates the following: (Section 2105(c)(3))

- 6.3.2.1. Purchase of family coverage is cost-effective relative to the amounts that the state would have paid to obtain comparable coverage only of the targeted low-income children involved; and (Describe the associated costs for purchasing the family coverage relative to the coverage for the low income children.) (Section 2105(c)(3)(A))
- 6.3.2.2. The state assures that the family coverage would not otherwise substitute for health insurance coverage that would be provided to such children but for the purchase of family coverage. (Section 2105(c)(3)(B))

Section 7. Quality and Appropriateness of Care

Check here if the *state* elects to use **funds** provided **under** Title **XXI** **only** to provide **expanded** eligibility under the state's Medicaid plan, **and** continue on to Section 8.

7.1. Describe the methods (including **external** and internal monitoring) used to assure the quality and appropriateness of care, particularly with respect to well-baby care, well-child care, and immunizations provided under the plan.
(2102(a)(7)(A))

Will the *state* utilize any of the following tools to assure quality? (**Check all that apply and describe the activities for any categories utilized.**)

7.1.1. Quality standards

7.1.2. Performance measurement

Refer to Section 9.1.

7.13. Information strategies

All health plans participating in the HAWK-I program **are** required to provide encounter **data** in accordance with the provisions in which encounter **data** is provided in the Medicaid program.

Additionally, all **health** plans are required to provide written information to enrollees which, at a minimum, includes the following:

- the phone number(s) that can be used for assistance to obtain information about emergency care, prior authorization, scheduling appointments, and standard benefit/service information;
- current provider directory;
- hours of service of the plan;
- appeal procedures;
- policies on the use of emergency services;
- information on the use of non-participating providers;
- access of after hours care;
- enrollee rights and responsibilities;
- accessing out-of-area services;
- procedures for notifying enrollees of changes in the benefits or delivery of services; and
- procedures for recommending changes in policies and procedures.

7.1.4. Quality improvement **strategies**

All health plans participating in the HAWK-I **program are** required to have quality improvement plans in place, including mechanisms that allow enrollees to provide input **as to** how the delivery of **services** and other **aspects** of the plan could **be** improved.

7.2. **Describe** the methods used, including monitoring, **to** assure access to covered **services**, including emergency **services**. **(2102(a)(7)(B))**

All health plans are contractually required to **ensure access to all** covered **services**. The Department will monitor the plan's provider **network** to establish there **are** sufficient providers participating in the **plan to ensure access**. All plans **are contractually** obligated to provide 24-hour coverage for emergency **services**, including emergency **services** rendered outside the plan's provider network. **Information on how to access emergency services must be included in the explanation of coverage provided to the enrollee.**

All families participating in the HAWK-I program will be asked to complete a Functional Health Assessment Survey (developed as a modification of a CAHPS instrument) at the time they apply and annually thereafter (Refer to Attachment "EE"). The initial survey will ask questions about the family's experience in accessing health care prior to becoming eligible for the HAWK-I program in order to establish a baseline. The annual follow-up survey will ask questions about the family's experience in accessing health care after attaining HAWK-I eligibility. The survey responses will be analyzed by the State Public Policy Center at the University of Iowa and will be used to measure any improvement in the health status of program participants, identify program areas needing improvement, and to establish program policy.

Section 8. Cost Sharing and Payment (Section 2103(e))

Check here if the state elects to use funds provided under Title XXI **only** to provide expanded eligibility under the state's Medicaid plan, and continue on to **Section 9**.

8.1. Is cost-sharing imposed on any of the children covered under the plan?

8.1.1. YES

8.1.2. NO, skip to question 8.5.

8.2. Describe the amount of cost-sharing and **any** sliding-scale based on income: (Section 2103(e)(1)(A))

8.2.1. Premiums: **\$10 per child per month, with a maximum of \$20 per family for families whose countable income is equal to or greater than 150% of the federal poverty level.**

8.2.2. Deductibles: None

8.2.3. Coinsurance: Families whose countable income is equal to or greater than **150%** of the federal poverty level shall be assessed a \$25 copayment for each emergency room Visit if the child's medical condition does not meet the definition of emergency medical condition. **An emergency medical condition means a medical condition manifesting itself by acute symptoms of sufficient severity, including severe pain, such that a prudent lay person, who possesses an average knowledge of health and medicine, could reasonably expect the absence of immediate medical attention to result in one of the following**

1. **Placing the health of the person or, with respect to a pregnant woman, the health of the woman and her unborn child, in serious jeopardy**
2. **Serious impairment to bodily functions or**
3. **serious dysfunction of any bodily organ or part.**

8.2.4. Other: _____

8.3. Describe how the public will be notified of this cost-sharing and any differences based on income: **Cost sharing is described in the Iowa Administrative Rules and in printed materials about the program, including the informational brochure that contains the application form. (Refer to Attachment "R") Additionally, when**

approved, each family will receive an approval notice that lists their countable income calculation and the amount of cost sharing, if any.

- 8.4. The state assures that it has made the following findings with respect to the cost sharing and payment aspects of its plan: (Section 2103(e))
- 8.4.1. Cost-sharing does not favor children from higher income families over lower income families. (Section 2103(e)(1)(B))
 - 8.4.2. No cost-sharing applies to well-baby and well-child care, including age-appropriate immunizations. (Section 2103(e)(2))
 - 8.4.3. No child in a family with income less than 150% of the Federal Poverty Level will incur cost-sharing that is not permitted under 1916(b)(1).
 - 8.4.4. No Federal funds will be used toward state matching requirements. (Section 2105(c)(4))
 - 8.4.5. No premiums or cost-sharing will be used toward state matching requirements. (Section 2105(c)(5))
 - 8.4.6. No funds under this title will be used for coverage if a private insurer would have been obligated to provide such assistance except for a provision limiting this obligation because the child is eligible under the this title. (Section 2105(c)(6)(A))
 - 8.4.7. Income and resource standards and methodologies for determining Medicaid eligibility are not more restrictive than those applied as of June 1, 1997. (Section 2105(d)(1))
 - 8.4.8. No funds provided under this title or coverage funded by this title will include coverage of abortion except if necessary to save the life of the mother or if the pregnancy is the result of an act of rape or incest. (Section 2105(c)(7)(B))
 - 8.4.9. No funds provided under this title will be used to pay for any abortion or to assist in the purchase, in whole or in part, for coverage that includes abortion (except as described above). (Section 2105(c)(7)(A))
- 8.5 Describe how the state will ensure that the annual aggregate cost-sharing for a family does not exceed 5 percent of such family's annual income for the year involved: (Section 2103(e)(3)(B))

There are only two forms of cost sharing in the HAWK-I program. In both cases, they apply only to families with income that equals or exceeds 150% of the federal poverty level.

1. Premiums of \$10 (\$120 annually) per child per month with a family maximum of \$20 (\$240 annually); and
2. A \$25 copayment for inappropriate use of the emergency room.

At current poverty levels, the family would have to incur the number of **inappropriate** emergency room visits indicated below to exceed 5%. Health plans will report enrollee ER usage, resulting in a copayment obligation, to the third party administrator. The third party administrator will track the ER copayment to ensure cost sharing does not exceed 5% of family income. At the point the ER copayment results in cost sharing exceeding 5%, enrollees will be reimbursed for the cost.

It is expected that the health plans will intervene to educate enrollees about the appropriate use of ER services prior to any family utilizing the ER inappropriately in as many instances indicated in the chart.

Number of Inappropriate ER Visits	Family Income	Family Income x 5%	ER Copayment	Cost Sharing	Number of Inappropriate ER Visits
1	\$ 12,075	\$ 603.75	\$120	(\$483.75+\$25)	19
2	\$ 16,275	\$ 813.75	\$240	(573.75+\$25)	22
3	\$ 20,475	\$ 1,023.75	\$240	(\$783.75+25)	31
4	\$ 24,675	\$ 1,233.75	\$240	(\$993.75+25)	39
5	\$ 28,875	\$ 1,443.75	\$240	(\$1,203.75+25)	48
6	\$ 33,075	\$ 1,653.75	\$240	(\$1,413.75+25)	56

8.6. The state assures that, with respect to pre-existing medical conditions, one of the following two statements applies to its plan:

8.6.1. The state shall not permit the imposition of any pre-existing medical condition exclusion for covered services (Section 2102(b)(1)(B)(ii)); OR

8.6.2. The state contracts with a group health plan or group health insurance coverage, or contracts with a group health plan to provide family coverage under a waiver (see Section 6.3.2. of the template). Pre-existing medical conditions are permitted to the extent allowed by HIPAA/ERISA (Section 2109(a)(1),(2)). Please describe:

Section 9. Strategic Objectives and Performance Goals for the Plan Administration (Section 2107)

9.1. Describe strategic objectives for increasing the **extent** of **creditable health** coverage among targeted low-income children **and other** low-income children: (Section 2107(a)(2))

- Objective One: Increase the health **status** of children in Iowa.
- Objective Two: Increase the number of children **who** have access to **health care**.
- Objective Three: Reduce **the instances** of hospitalization for medical **conditions that can be** treated with routine care (e.g. asthma).
- Objective Four: Reduce the **instances** of emergency room visits for treatment of a medical condition **that could be treated in another** medical **setting**.
- Objective Five: All children **participating in the program** will have a medical home.

9.2. Specify one or more performance **goals** for each **strategic** objective identified: (Section 2107(a)(3))

- Objective One: Increase the health status of children in Iowa.
- **Phase 1: Medicaid Expansion:** By July 1, 1998, the capacity within the Iowa Department of Human Services, in the following critical areas, will be appropriately upgraded to meet the target of enrolling approximately 15,600 additional children in the Medicaid program in state fiscal year 1999: (1) upgrading data systems with regard to eligibility determination, enrollment, participant information, health service utilization, billing, health status, provider information, etc.; (2) staff training (eligibility workers, administrative staff, and support staff), (3) publications/documents (program manuals, literature for program personnel, consumers and providers, etc.).
 - **Phase 2: Healthy And Well Kids in Iowa (HAWK-ID) Program:** By October 1, 1998, the Iowa Department of

Human Services will have entered into a contract with a third party administrator to determine eligibility and enroll an estimated 39,500 children into health plans participating in the HAWK-I program.

- By January 1, 2000, the following health status and health care system measures will show acceptable incremental improvements for at least the following:
 1. Seventy-five percent of enrolled children will be appropriately immunized at age two, excluding varicella immunizations. A base line rate for comparison for varicella will be established by a clinical advisory committee. (Both Phase 1 and Phase 2)
 2. Eighty percent of enrolled children will participate in EPSDT and receive a well-child Visit, as measured by the HCFA 416 (Annual EPSDT Participation Report) participation ratio. (Phase 1: Medicaid Expansion only)
 3. Eighty percent of enrolled children will have received at least one preventive dental visit annually. (Both Phase 1 and Phase 2)

Objective Two:

Increase the number of children who have access to health care

- By January 1, 1999, mechanisms to Conduct ongoing outreach will have been developed and implemented in four broad areas (1) update/expansion of existing outreach activities; (2) activities to identify, enroll, and serve Iowa's growing qualified refugee and immigrant population; (3) at least 15,000 previously uninsured children will be identified as potential eligibles; (4) by January 1, 1999, 10,000 (2/3 of the eligibles) previously uninsured low-income children will have health insurance coverage through the Medicaid program.

Objective Three

Reduce the instances of hospitalization for medical conditions that can be treated with routine care (e.g asthma).

- Percent of children admitted as inpatients for asthma.

Objective Four: Reduce the instances of emergency **room** visits for treatment of a medical condition **that** could be treated in another medical **setting** (e.g. otitis media).

- Reduce the number of emergency room Visits for treatment of non-emergent medical conditions.

Objective Five: All children participating in the program **will** have a medical home. (Note: this objective **does** not apply to **those** children enrolled in the non-Medicaid program in counties in which only an indemnity plan is available under **HAWK-1**)

- By February 1,1999, **at** least 50% of **those** children enrolled (except those exempted from participation in managed **care** such as children in **foster** care) will have a medical home **as** evidenced by documented assignment of a provider through the MediPASS program or a Medicaid HMO. (Phase 1: Medicaid expansion only)

9.3. Describe how performance under the plan will be measured through objective, independently verifiable **means** and compared against **performance goals in order to** determine the state's performance, **taking** into account **suggested** performance indicators as specified below or other indicators the state develops:

(Section 2107(a)(4)(A),(B))

Assurance of an Objective Means for Measuring Performance

Iowa will measure performance by establishing a baseline for each performance goal through various methods including: conducting a baseline population-based survey; using State vital records, hospital discharge and claims information; and using other Medicaid and non-Medicaid data bases that provide relevant information. For each performance goal, the method of measurement will be established and reports will be generated to monitor, on an ongoing basis, Iowa's progress toward meeting the goal.

Objective One: Increase the health status of children in Iowa.

Measurement of Performance:

- **Every** family approved for the HAWK-I program will be asked to complete a **health** assessment questionnaire for one **child** in their household. (Refer to **ATTACHMENT "EE"**). The State **has** contracted with the University of Iowa to **analyze** the results of the survey, **both at** the initial submission and **at** the next **review (12 months)** when the family is asked to complete the **survey** on **their** past **12** month's experience.
- **Training** - Documentation **that** 100% of **eligibility workers, administrative staff and outreach/case managers** responsible for any **aspect** of implementation of the **program**, have received **training** regarding the program and their implementation responsibilities.
- Publications/Documents - 100% of program manuals and literature for program personnel, literature for consumers and **literature** for providers will **contain** up-to-date information (**as** appropriate to the document) regarding the **program**, its rules and regulations, and **pertinent** departmental policies; will be written **at** appropriate **grade** levels; and will reach potential eligibles and providers.
- **Number of middle and older adolescents, aged 14-18 years, during the reporting period who had at least one comprehensive well-child visit with a primary care provider during the reporting year.**
- **Number of children who had at least one preventive dental visit during the reporting year.**
- **Number** of children under age **two** who are appropriately immunized.

Objective Two: Increase the number of children who have access to health care.

Measurement of Performance:

- **Outreach** identification of Medicaid-eligible children - **At least 15,000** children will be **assessed** for eligibility in Iowa's expanded Medicaid program during Year I.

- **Insurance Coverage/Expansion of coverage Provision of Medicaid coverage to previously uncovered children - At least 10,000 previously uninsured, low-income children will be enrolled in Iowa - expanded Medicaid program during Year 1.**
- **Phase 2: Healthy And Well Kids in Iowa (HAWK-I) Program — At least 39,500 uninsured children will be enrolled in the HAWK-I program by the end of Year 2.**

Objective Three: Reduce the instances of hospitalization for medical conditions that can be treated with good quality primary care (e.g. asthma).

Measurement of Performance:

- Percent of children admitted as inpatients for asthma.

Objective Four: Reduce the instances of emergency room visits for treatment of a medical condition that could be treated in another medical setting.

Measurement of Performance:

- Percent of children treated in an emergency room setting for conditions other than those recognized as *preventable* under Medicaid State Plan.

Objective Five: All children participating in the program will have a medical home. (Note: this objective does not apply to those children enrolled in the non-Medicaid program in Phase 2, in which only an indemnity plan is available under HAWK-I)

Measurement of Performance

- One primary medical provider (or provider site) for each enrollee. Documentation of assignment of a primary medical provider to each child enrolled in Phase I of the program and those enrolled in managed care plans in Phase 2.

Check the applicable **suggested performance** measurements listed below that the state plans to use: (Section 2107(a)(4))

- 9.3.1. The increase in the percentage of Medicaid-eligible children enrolled in **Medicaid**.
- 9.3.2. The reduction in the percentage of uninsured children.
- 9.3.3. The increase in the percentage of children with a **usual** source of care.
- 9.3.4. The extent to which outcome measures **show** progress **on** one or more of the health problems identified by the state.
- 9.3.5. HEDIS Measurement **Set** relevant to children and adolescents younger than **19**.
- 9.3.6. **Other** child appropriate measurement set. ~~List~~ or describe the **set** used.
- 9.3.7. If not utilizing the entire **HEDIS** Measurement **set**, specify which measures will be collected, such as:
 - 9.3.7.1. Immunizations
 - 9.3.7.2. **well** child care
 - 9.3.7.3. Adolescent well visits
 - 9.3.7.4. Satisfaction with care
 - 9.3.7.5. Mental health
 - 9.3.7.6. Dental care
 - 9.3.7.7. Other, please list: _____
- 9.3.8. Performance measures for special targeted populations (asthma and diabetes).
- 9.4. The state assures it will collect all data, maintain records and furnish reports to the Secretary at the times and in the standardized format that the Secretary requires. (Section 2107(b)(1))

- 9.5. The **state assures** it will **comply with the annual assessment and evaluation** required under Section **10.1. and 10.2. (See Section 10)** Briefly describe the state's plan for these annual assessments and reports. (Section **2107(b)(2)**)

The State has an approved Section 1915(b) waiver for Primary Care Case Management (PCCM). The State is responsible for assessment and evaluation under the PCCM waiver and intends to use the same investigator and contract for this Medicaid expansion as used for the PCCM. The investigator (the Public Policy Center at the University of Iowa) will have access to Medicaid data and can develop measures such as number of office visits, continuity of care, and hospitalizations that would compare the newly enrolled group to the currently existing Medicaid population.

- 9.6. The state assures it will provide the secretary with **access to any records** or information relating to the plan for purposes of review of audit. (Section **2107(b)(3)**)

- 9.7. The **state assures that**, in developing performance measures, it will **modify those measures to meet** national requirements when such requirements are developed.

- 9.8. The state assures, to the extent they apply, **that** the following provisions of the Social Security Act will apply under Title XXI, to the same extent they apply to a state under Title XIX: (Section 2107(e))

9.8.1. Section **1902(a)(4)(C)** (relating to conflict of interest standards)

9.8.2. Paragraphs (2), (16) and (17) of Section 1903(I) (relating to limitations on payment)

9.8.3. Section 1903(w) (relating to limitations on provider donations and taxes)

9.8.4. Section 1115 (relating to waiver authority)

9.8.5. Section 1116 (relating to administrative and judicial review), but only insofar as consistent with Title XXI

9.8.6. Section 1124 (relating to disclosure of ownership and related information)

9.8.7. Section 1126 (relating to disclosure of information about certain convicted individuals)

9.8.8. Section 1128A (relating to civil monetary penalties)

9.8.9. Section 1128B(d) (relating to criminal penalties for certain additional charges)

9.8.10. Section 1132 (relating to periods within which claims must be filed)

9.9. Describe the process used by the state to accomplish involvement of the public in the design and implementation of the plan and the method for insuring ongoing public involvement. (Section 2107(c))

Efforts have been made to make the process of developing the design and implementation of the Children's Health Insurance Program an open one. In Iowa, the State Health Care Reform Strategy Group gave the Division of Medical Services the task of developing options as to how the SCHIP legislation could be developed. A Task Force was appointed to gather input from a wide array of interested parties. It was determined that gathering input from Iowa citizens was critical in developing program options. Eighteen public forums were scheduled in nine communities throughout the state. The media, direct mailings, and the distribution of over 70,000 flyers statewide were used to notify citizens and interest groups of the forums. Additionally, a toll-free telephone number, a fax line, and an e-mail site were established to gather input from persons who could not attend the forums. See Attachment C, Report of the SCHIP Task Force. The SCHIP Task Force was comprised of representatives of the:

- Governor's Office
- Iowa Insurance Division
- Iowa Department of Public Health
- Iowa Department of Personnel
- Iowa Department of Human Svcs
- Iowa Department of Education
- Iowa Department of Management
- Iowa House of Representatives
- Iowa Senate
- Drake Center for Health Issues
- Scott County Decategorization Project
- Iowa School Nurse Organization
- Medical Assistance Advisory Council
- Legislative Fiscal Bureau
- Legislative Service Bureau
- Caring Foundation
- Cass County Mem. Hospital
- Visiting Nurses of Dubuque
- Iowa Assoc. of School Boards
- Parent Teacher Association
- Principal Financial Group
- American Republic Ins.
- Academy of Family Practitioners
- University of Iowa College of Medicine
- Iowa Chapter of American Pediatrics

Phase 2 Healthy And Well Kids in Iowa (HAWK-I) — Although the State's initial approach to the design of the program (i.e. a combination approach) is described above, additional public involvement has been secured in the development of Phase 2, the HAWK-I program as follows:

- State legislation created the HAWK-I Board, as described in Section 1.3. The HAWK-I Board holds monthly meetings which include a public comment period and public discussion of my correspondence received from advocates or others relating to the program design or other issues.
- Focus groups (both rural and urban) were held to garner input on the application form and on outreach materials and strategies.

9.10. Provide a budget for this program. Include details on the planned use of funds and sources of the non-Federal share of plan expenditures. (Section 2107(d))

DHS - Medical Assistance
CHIP Budget
SFY 1999

Appropriation - \$7,000,000

State Dollars

	Total FY Budgeted Amount
Impact on Medicaid as result of HAWK-I	\$1,630,024
Medicaid expansion	\$3,030,361
HAWK-I premiums	\$1,985,837
Fiscal agent costs of processing Medicaid claims	\$ 88,483
Outreach	\$ 126,850
HAWK-I administration	\$ 138,445
Total	\$7,000,000

**DHS - Medical Assistance
CHIP Budget
SFY 2000**

Appropriation - \$11,272,274

State Dollars

	Total FY Budgeted Amount
Impact on Medicaid as result of HAWK-I	*
Medicaid expansion	\$4,725,722
HAWK-I premiums	\$5,980,301
Fiscal agent costs of processing Medicaid claims	\$ 91,353
Outreach & administration	\$ 524,898
Total	\$11,272,274

Note: FY 2000 expenditures related to impact on Medicaid are included in Medical Assistance budget.

Section 10. Annual Reports and Evaluations (Section 2108)

10.1. **Annual Reports.** The state assures that it will assess the operation of the state plan under this Title in each fiscal year, including: (Section 2108(a)(1),(2))

10.1.1. The progress made in reducing the number of uncovered low-income children and report to the Secretary by January 1 following the end of the fiscal year on the result of the assessment, and

10.1.2. Report to the Secretary, January 1 following the end of the fiscal year, on the result of the assessment.

Below is a chart listing the types of information that the state's annual report might include. Submission of such information will allow comparisons to be made between states and on a nationwide basis.

Attributes of Population	Number of Children with Creditable Coverage		TOTAL
	XIX	OTHER CHIP	
Income Level:			
< 100 %			
< 133 %			
< 185 %			
< 200 %			
> 200 %			
Age			
0 - 1			
1 - 5			
6 - 12			
13 - 18			
Race and Ethnicity			
American Indian or Alaskan Native			
Asian or Pacific Islander			
Black, not of Hispanic origin			
Hispanic			
White, not of Hispanic origin			
Location			
MSA			
Non-MSA			

102. State **Evaluations**. The state assures that by March 31, 2000 it will submit to the Secretary an evaluation of each of the items described and listed below: (Section 2108(b)(A)-(H))

10.2.1. An assessment of the effectiveness of the state plan in increasing the number of children with creditable health coverage.

10.2.2. A description and analysis of the effectiveness of elements of the state plan, including:

10.2.2.1. The **characteristics** of the children and families assisted under the state plan including age of the children, family income, and the **assisted child's access to** or coverage by other health insurance prior to the **state plan** and **after eligibility** for the state plan ends;

10.2.2.2. The quality of health coverage provided including the types of benefits provided;

10.2.2.3. The amount and level (including payment of part or all of any premium) of assistance provided by the state;

10.2.2.4. The service area of the state plan;

10.2.2.5. The time limits for coverage of a child under the state plan;

10.2.2.6. The state's choice of health benefits coverage and other methods used for providing child health assistance, and

10.2.2.7. The sources of non-Federal funding used in the State plan.

10.2.3. An assessment of the effectiveness of other public and private programs in the state in increasing the availability of affordable quality individual and family health insurance for children.

10.2.4. A review and assessment of state activities to coordinate the plan under this Title with other public and private programs providing health care and health care financing, including Medicaid and maternal and child health services.

10.2.5. An analysis of changes and trends in the state that affect the provision of accessible, affordable, quality health insurance and health care to children.

10.2.6. A description of any plans the state has for improving the availability of health insurance and health care for children

- 10.2.7. Recommendations for improving **the program** under **this** Title.
- 10.2.8. Any **other matters** the state and the Secretary consider appropriate.
- 10.3. The state assures it will comply with future reporting requirements **as** they are developed.
- 10.4. The state assures ~~that~~ it will comply with all applicable Federal laws **and** regulations, including but not limited to Federal grant requirements **and** Federal reporting requirements.

Iowa Department of **Human** Services
Division of Human Services
5th Floor, Hoover Building
Des Moines, Iowa 50309-0114