



Health Care Financing Administration

**Center for Medicaid and State Operations
Family and Children's Health Programs Group
7500 Security Boulevard
Baltimore, Maryland 21244-1850**

AUG 21 1998

Charles M. Palmer
Director
State of Iowa
Department of Human Services
Hoover State Office Building
Des Moines, Iowa 50319-0114

Dear Mr. Palmer:

Thank you for your August 13, 1998 response to our recent questions regarding your State Children's Health Insurance Program (S-CHIP) under Title XXI of the Social Security Act. As you are aware, your proposal has been undergoing review by the Department of Health and Human Services. In order to proceed with our review, however, the following additional information will be required.

Specifically in your response in Section 2.2.1, you state that 3,574 children were participating in the HIPP program as of June 30, 1998. Of these children, 2,948 were Medicaid eligible and 626 were non-eligibles. You further state that "it is anticipated that with the Medicaid expansion, a significant number of the non-eligibles will gain eligibility." Please clarify the relationship between your S-CHIP and HIPP for non-eligible Medicaid children. Does the State plan on allowing the non-eligible Medicaid children to enroll in CHIP?

Additionally, in Section 9.10, a more detailed break-out of your administrative costs is necessary.

Under section 2106(c) of the Social Security Act, HCFA must either approve, disapprove, or request additional information on a proposed Title XXI State Plan within ninety days. This letter constitutes our notification that specified additional information is needed in order to fully assess your plan. The 90-day review period has been stopped by this request and will resume as soon as a substantive response to all of the enclosed questions is received. The members of the review team will be happy to answer any questions you may have in regard to this letter and to assist your staff in formulating a response.

Please send your response, either on disk or electronically, as well as in hard copy to Dan McCarthy, project officer for Iowa's Title XXI proposal. Mr. McCarthy's Internet address is: DMcCarthy@HCFA.GOV. His mailing address is:

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Division of Integrated Health Systems
Health Care Financing Administration
Mail Stop S2-03-08
7500 Security Boulevard
Baltimore, Maryland 21244-1850

We appreciate the efforts of your staff and share your goal of providing health care to low income, uninsured children through Title XXI. If you have questions or concerns regarding the matters raised in this letter, your staff may contact Mr. McCarthy at (410) 786-2079. He will provide or arrange for any technical assistance that you may require in preparing your response.

Your cooperation is greatly appreciated.

Sincerely,

Richard Fenton
Deputy Director

Enclosure

cc: Kansas City Regional Office