

Meeting Minutes, October 29, 2008  
Iowa Choice Health Care Advisory Council

### **Introductions/Approval of Minutes**

Chairperson Fitzgerald called the meeting to order at 1:35PM. Present were Fitzgerald, Aschenbrenner, Gessow, Laue, Voss, Griffin, Brewer, Patterson (Newton), Heddens, and Hatch.

Laue made a motion to approve the October 15, 2008 minutes. Griffin seconded the motion. The minutes were unanimously approved.

### **Update from Chair on Council Activities and Report**

Fitzgerald announced the Rebalancing Health Care in the Heartland conference that will be held on December 4, 2008 at the Des Moines Embassy Suites. Any council member with ideas or wishing to participate on the Panel on Iowa Choice and Universal Coverage for Kids should contact Fitzgerald. Additional program information can be found at [www.rebalancinghealthcare.org](http://www.rebalancinghealthcare.org). Registration materials can be found at <http://www.medicine.uiowa.edu/cme/index.html>.

Fitzgerald initiated discussion as to the council's timeline for completion of its work. It was suggested that the council try to finalize its recommendations regarding children during the November 12<sup>th</sup> meeting and attempt to reschedule the November 26<sup>th</sup> meeting due to the holiday. Hatch stated that he would like to present several proposals regarding adult coverage and perhaps adults could be discussed during the remaining meetings after finalizing the proposals regarding children.

### **Update from Lewin Report (if available)**

Some questions have been submitted to John Sheils but to date have not received a response.

### **Recommendations from three Small Groups for the Council to Consider**

*Coordination of Current Programs.* Fitzgerald opened with a summary of the summit held in September and the resulting recommendations from the summit that fall under coordination of programs. Fitzgerald reported on likely recommendations from Department of Human Services (DHS) such as presumptive eligibility for Medicaid, technology improvements that include enhancements to the 30 year old Legacy system and retention and renewal policies that enable use of information already in the system to keep children covered. Fitzgerald thinks it might be appropriate for the council to

align itself with the recommendations of DHS. Aschenbrenner asked about coordination between programs such as children moving from Medicaid to hawk-i and how the council's report might express those concerns. Gessow stated that the department acknowledges the issues but would not recommend any fundamental changes to the administration of the hawk-i program. He suggested identifying any council concerns in the report without specific recommendations. Hatch thinks the council should flesh out ideas for consideration by the legislature. Griffin agreed with Aschenbrenner in thinking that this topic dealt with how children transition through this system as income changes. Lengthy discussion followed as to one stop shopping, use of a virtual connector, a central repository for information, building on national models (e.g. Senior Health Insurance Information Program (SHIIP) for referral to programs), or a lighthouse locator where personal information is provided to determine what programs or services might be available. Fitzgerald spoke of a possible grant beginning February 1, 2009 that would analyze processes, data, results and identification of what needs to change and how to facilitate those changes in programs for children only. Iowa could be one out of eight states that could receive such a grant.

*Benefit Review.* Griffin reported that the subgroup elected to use the hawk-i benefit package for expansion of coverage to all children due to the cost issue and ability to achieve a seamless system. The subgroup rejected proposals to add benefits to hawk-i program so as not to create a different packet for those above 300% FPL. If additional monies become available to expand benefits those funds should go first to expand hawk-i benefits. The estimated cost to increase the current lifetime maximum of hawk-i from one million dollars would approximately add 2% to the costs. The handout outlined the entire recommendations of the subgroup which included creating a dental only option for hawk-i, ensuring coverage is creditable and not to eliminating any of the benefits currently covered by the hawk-i program, but considering deductibles, co-pays, and cost sharing for the higher income population as ways to contain costs. Laue suggested that the proposals presented represented more cost shifting than cost containment measures. Griffin agreed to amend the terminology from cost containment to cost sharing. A follow-up discussion at the next meeting might involve buy-in. Aschenbrenner moved to accept the subgroup's report as amended. Laue seconded the motion. The motion was unanimously approved.

*Maximization/Funding of SCHIP and Medicaid.* Fitzgerald reported that DHS recommendations include applying to CMS for a waiver to go to 300% FPL for SCHIP after the first of the year and perhaps creating a premium assistance program within SCHIP (requires 1115 waiver) which might enable state assistance for a worker with access to employer-sponsored insurance. A recommendation from the council might request that DHS take action on a number of items that would maximize funding.

Obtaining a laundry list of all the options available through a waiver from CMS would be helpful. Fitzgerald opined that if SCHIP reauthorization happens within the first 100 days, that at a minimum it will be the version that passed the House last year with options for states that included immigrant children, coverage to age 21, some state employees permitted to obtain coverage. The council might encourage DHS to implement any reauthorization changes as soon as possible. The council may want to prioritize services based on available funding after reviewing a list of what other states are doing with waivers. Fitzgerald will provide list of possible changes with reauthorization.

### **Update and Discussion from two Small Groups**

*Children who do not qualify for subsidy (over 300% FPL) and children who need a subsidy, but do not qualify.* Aschenbrenner distributed a handout noting that the content had not been approved by the subgroup. The general concept would provide the hawk-i plan for those covered under SCHIP; those not covered under Medicaid or SCHIP but subsidized by the state; and those not covered under Medicaid or SCHIP and not subsidized by the state. There would be a state subsidy for children 300-400% FPL. There would be no state subsidy for the group of children over 400% FPL and no premium or copay for children at the lowest income level. The group might work towards creating a grid as to what copays and deductibles one would expect to pay at higher income level. From commercial base angle, employer-sponsored insurance is an efficient way to cover children but should find ways to control crowd-out (such as applying subsidies only to government plans, requiring a six month waiting period, applying a subsidy the same regardless of whether insured by hawk-i or in a private plan). Lewin report suggested 300,000 children under 400% FPL had coverage in employer sponsored insurance and an estimated cost to apply a subsidy to the entire group would be \$250,000,000. Aschenbrenner does not particularly like either scenario but thinks we should play around with the numbers. It was suggested that the council query the Lewin how it arrived at the percentage where it states a 25% reduction in per member costs if all children sign up for insurance. There was discussion of the \$25M allocated by the legislature and that reduction of administrative costs would enable the funds to stretch even further. Hatch would like to present information to this subgroup about a mandate to show how to use those dollars. The subgroup will meet again on November 5<sup>th</sup> at Senator Hatch's office. Fitzgerald will request DHS to provide a clearer explanation of what is included in its administrative costs of \$6-7 million dollars. The council may want to request information or encourage private insurers to reduce administrative costs in order to drive down premiums.

*Adult Coverage.* Laue distributed minutes of the subgroup's meeting on October 21<sup>st</sup>. The subgroup discussed the number of uninsured adults and focused on people who were employed but were uninsured or did not take advantage of employer-sponsored insurance. Statutory requirements for small group insurance that might be barriers for employers were discussed. Other issues discussed included getting control of chronic disease, third party payment of claims and possible expansion of the IowaCare program. Since the subgroup meeting Voss obtained information about Tennessee's CoverTN program and InsureMontana which includes part-time employees. Hatch asked whether Voss had any information about the Connecticut plan that was vetoed by the Governor, but allowed cities and municipalities to buy into the state plan. A handout prepared by DHS outlined information regarding the IowaCare program was also distributed. Karla Fultz McHenry of the Iowa Medical Society reminded the council that physician services are not covered under IowaCare and if the thought is to expand hospital based coverage (which is the most expensive care) through IowaCare then the council should consider including physician services when the waiver is renewed in 2010. IowaCare experiences 2-3% growth in enrollment per month.

Meeting adjourned at 4:35PM.