

IOWACARE DEMONSTRATION FACT SHEET

Name of Section 1115 Demonstration: IowaCare
Waiver Number: 11-W-00189/7
Date Proposal Submitted: May 10, 2005
Date Proposal Approved: June 30, 2005
Date Implemented: July 1, 2005
Date Expires: June 30, 2010

Number of Amendments Approved: 1

Background

The State of Iowa requested approval of IowaCare to provide health insurance coverage to uninsured Iowans, eliminate Medicaid financing arrangements whereby providers do not retain 100 percent of claimed expenditures, provide home and community-based services to children with chronic mental illness, and move toward community-based settings for delivering State mental health programs. This is Iowa's first Section 1115(a) demonstration project. This demonstration has been approved for five years.

The waiver includes the following key components:

- Iowa will provide a limited set of Medicaid benefits to adults ages 19 through 64 using a provider network at the University of Iowa Hospitals and Broadlawns Hospital. Enrollees with family incomes above 100 through 200 percent of the FPL are required to pay monthly premiums not to exceed one-twelfth of five percent of annual family income;
- Iowa will incorporate home and community-based services for children diagnosed with chronic mental illness. This will enable children who would otherwise be institutionalized to remain with their families in the community;
- Iowa will cease the financing arrangements which improperly utilize Intergovernmental Transfers (IGTs).
- Iowa will implement the Mental Health Transformation Pilot. Under this initiative, the State will continue to focus on moving from an institutional-based program model to a managed care and/or community-based care program for individuals with long-term psychiatric stays.
- The State will develop a detailed Implementation Plan that will provide specific, measurable goals and the milestones, time lines, cost estimates, and responsible parties for the achievement of the goals.

Eligibility

Demonstration Populations. The following populations are included in the Demonstration:

- 1) **Expansion Population.** (Demonstration Population 1)
 - a) Individuals ages 19 through 64 with family incomes between 0 and 200 percent of the Federal Poverty Level (FPL) who do not meet eligibility requirements of the Medicaid State Plan or other waivers except the Family Planning waiver under Title XIX; and
 - b) Parents whose incomes between 0 and 200 percent of the FPL is considered in determining the eligibility of a child found eligible under either Title XIX or Title XXI, and who are not otherwise Medicaid eligible.
- 2) **Spend-down Pregnant Women.** (Demonstration Population 2) Newborns and pregnant women with income at or below 300 percent of the FPL who have incurred medical expenses for all family members that reduce available family income to 200 percent of the FPL.
- 3) **Seriously Emotionally Disabled Children.** (Demonstration Population 3) Children from birth to age 18 who have serious emotional disorders and who:
 - Would be eligible for State Plan services if they were in a medical institution; and
 - Who need home and community-based services in order to remain in the community;And who:
 - Have income at or below 300 percent of the SSI Federal benefit; or
 - Have net family income at or below 250 percent of the FPL for family size.

Demonstration Expansion Services. The following “Demonstration expansion services” are incorporated in this demonstration:

Demonstration Expanded Services 1: Expenditures for services not otherwise covered under the Medicaid State plan provided to individuals in eligibility groups receiving only limited benefits under the Medicaid State plan.

Demonstration Expanded Services 2: Expenditures for care and services furnished by or through the Department of Human Services under the Mental Health Transformation Pilot that would not otherwise be covered under Title XIX or this demonstration.

Enrollment

As of December 31, 2008, there were 28,211 IowaCare members (Demonstration Population 1), 21 women in the spend-down pregnant women group (Demonstration Population 2), and 661 children in the children with serious emotional disorders group (Demonstration Population 3).

Enrollment Cap

The State has the authority to limit Demonstration Populations 1 and 2 to those who are first to apply. However, any limitation for these populations must be submitted to CMS for review and approval following the process outlined in the Special Terms and Conditions accompanying the approval.

Benefits

Demonstration Populations 1 and 2. The benefits and coverage for these populations shall be limited to inpatient hospital, outpatient hospital, physician, advanced registered nurse practitioner, dental, pharmacy, medical equipment and supplies, and transportation services to the extent that these services are covered by the Medicaid State plan. All conditions of service provision will apply in the same manner as under the Medicaid State plan including, but not limited to, prior authorization requirements and exclusions for cosmetic procedures or those otherwise determined not to be medically necessary.

Demonstration Population 3. In addition to all the benefits offered under the Medicaid State plan, the individuals in Demonstration Population 3 are eligible for the following benefits:

- a) **Case Management.** Services that will assist individuals who receive waiver services in gaining access to needed waiver and other State plan services, as well as needed medical, social, educational and other services, regardless of the funding source for the services to which access is gained.
- b) **Respite Care.** Services provided to individuals unable to care for themselves, furnished on a short-term basis because of the absence or need for relief of those persons normally providing the care. Services will be provided in the following settings: Individual's home or place of residence; Foster home; Medicaid certified hospital; Medicaid certified NF; Medicaid certified ICF/MR; Group home; Adult Day Care Center; Assisted Living; Camp; or Child Care Facility.
- c) **Environmental Modifications and Adaptive Devices.** Items installed or utilized within the child's home that respond to specific documented health and safety concerns. Items may include, but are not limited to, smoke alarms, window/door alarms, pager supports and fencing.
- d) **In Home Family Therapy.** Skilled therapeutic services provided to the child and the family that will increase their ability to cope with the effects of serious emotional disturbance on the family unit and their familial relationships. The service will support the family by developing coping strategies that will enable the child to continue living within the family environment.
- e) **Family and Community Support Services.** This service shall be provided under the recommendation and direction of the mental health professionals that are included in the child's interdisciplinary team. These professionals, in conjunction with the other

members of the interdisciplinary team, shall mutually identify interventions that will assist the child and family in the development of skills related to stress reduction, management of depression, and psychosocial isolation.

The service provider shall incorporate the mutually identified interventions into the service components that may include the following:

- i) Development of daily living skills (grooming, personal hygiene, cooking, nutrition, health and mental health education, medication management and maintenance of the home environment)
- ii) Development of positive socialization and citizenship skills in the community while engaging in community activities
- iii) Development of a crisis support network.

The Family and Community Support Services service may include an amount not to exceed \$157.00 annually per child for Individual Support Needs, which may include the following:

- i) Transportation within the community
- ii) Therapeutic resources that may include books, training packages, and visual or audio media as recommended by the interdisciplinary mental health professionals. The therapeutic resources are the property of the child and/or family.

The hierarchy for payment of Individual Support Needs is as follows:

- i) The child's family or legal representative
- ii) Community resources
- iii) Durable Medical Equipment or Supplies (Medicaid State Plan)
- iv) Individual Support Needs

The following are specifically excluded from Medicaid payment for In Home Family Therapy and Family and Community Support Services:

- i) Vocational Services
- ii) Prevocational Services
- iii) Supported Employment Services, and
- iv) Room and board

Benefits and coverage provided to Demonstration Population 3 will be operated under the principles of a home and community-based services waiver.

Cost Sharing

Premiums are charged to individuals in Population 1 as follows:

Population	Premiums
<ul style="list-style-type: none">• Individuals ages 19 through 64 with family incomes at or below 100 percent FPL who do not meet eligibility requirements of the Medicaid State Plan under Title XIX.• Parents whose income is at or below 100 percent FPL and whose income is considered in determining the eligibility of a child found eligible under either Title XIX or Title XXI, who are not otherwise Medicaid eligible.	No more than one-twelfth of two percent of the individual's annual family income
<ul style="list-style-type: none">• Individuals ages 19 through 64 with family incomes between 100 and 200 percent FPL who do not meet eligibility requirements of the Medicaid State Plan under Title XIX.• Parents whose income is between 100 and 200 percent FPL and whose income is considered in determining the eligibility of a child found eligible under either Title XIX or Title XXI, who are not otherwise Medicaid eligible.	No more than one-twelfth of five percent of the individual's annual family income

Delivery System

The primary provider network serving Demonstration Populations 1 and 2 includes government-operated acute care teaching hospitals and the University of Iowa Hospitals and Clinics. Demonstration Populations 1 and 2 may receive mental health services from any of the four State Mental Health Institutes (MHIs). Demonstration Populations 1 and 2 may also receive an annual comprehensive medical examination, appropriate lab tests, and a personal health improvement plan (also known as a Health Action Plan) from any Medicaid certified physician, advanced registered nurse practitioner, or physician assistant. Demonstration Populations 1 and 2 must obtain any follow-up services from the primary IowaCare provider network. Demonstration

Demonstration Population 2 may also receive obstetric and newborn services from any Medicaid-certified provider, unless the beneficiary resides in Cedar, Clinton, Iowa, Johnson, Keokuk, Louisa, Muscatine, Scott, or Washington counties, in which case the beneficiary must receive obstetric and newborn services from the University of Iowa Hospitals and Clinics.

Demonstration Population 3 may use all Medicaid-certified providers.

Funding Projections

The demonstration is approved with a budget neutrality cap of \$102.2 million total computable for year one and increasing to \$134 total computable by year five of the demonstration for a five year total cumulative budget neutrality cap of \$587.7 million.

Amendments

Amendment #3 – On May 25, 2007, Iowa submitted an amendment request to serve an additional 300 children with serious emotional disorders (SED). In addition, the State requested that the budget neutrality cap be increased to accommodate the additional 300 children with SED. On July 25, 2007, CMS informed the State in writing that the State could serve an additional 300 children with SED under the current STCs; and, therefore, there was no need to amend the STCs.

Date Amendment #3 Submitted: May 25, 2007
Date Amendment #3 Resolved: July 25, 2007

Amendment #2 – On May 11, 2007, Iowa submitted an amendment request to eliminate premiums for IowaCare members with family incomes at or below 100 percent of the FPL. Currently, IowaCare members with family incomes at or below 100 percent of the FPL pay a monthly premium that is no more than one-twelfth of two percent of the individual's annual family income. On July 25, 2007, CMS informed the State in writing that the State could eliminate premiums under the current STCs; and, therefore, there was no need to amend the STCs.

Date Amendment #2 Submitted: May 21, 2007
Date Amendment #2 Resolved: July 25, 2007

Amendment #1 – An amendment was approved on April 26, 2007, to expand the provider network to allow IowaCare members in demonstration populations 1 and 2 to receive an annual physical exam, along with specified lab tests, and a personal health improvement plan (also known as a health action plan) from any Medicaid certified provider.

Date Amendment #1 Submitted: December 7, 2006
Date Amendment #1 Approved: April 26, 2007

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