

**IOWACARE DEMONSTRATION  
FACT SHEET  
June 19, 2013**

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

**Date Renewal Submitted:** October 9, 2009  
**Date Extension Approved:** September 1, 2010  
**Extension Expiration:** December 31, 2013

Number of Amendments: 8

**Summary**

The IowaCare demonstration was originally approved and began implementation on July 1, 2005. The Demonstration was renewed for an approximate 3.5 year period on September 1, 2010.

Under the demonstration extension, Iowa expects to achieve the following to promote the objectives of Medicaid:

- **Access:**  
Improve access to and coordination of the most appropriate cost effective care through implementation of a medical home pilot.
  
- **Quality:**  
Encourage provision of quality medical services to all enrollees. Encourage quality, continuity, and appropriate medical care.  
  
Improve the health status of IowaCare enrollees by improving access for a greater number of beneficiaries by adding additional network providers in underserved areas of the state.
  
- **Prevention:**  
Encourage individuals to stay healthy and seek preventive care through care coordination in the medical home pilot.

**Amendments**

**Amendment 8** – The state submitted a request to amend the demonstration in order to limit new enrollment into the demonstration and to extend eligibility periods for current IowaCare enrollees. These amendments assist the state in coordinating efforts to phase-out the IowaCare demonstration and transition IowaCare enrollees and interested individuals to appropriate health coverage options that will be available beginning January 1, 2014.

**Date Submitted:** October 11, 2012

**Date Approved:** June 14, 2013

**Amendment #7** – The state submitted a request to amend its demonstration to allow flexibility to assign counties to medical homes and to sunset lab and radiology pools.

**Date Submitted:** December 31, 2012

**Date Approved:** January 10, 2013

**Amendment #6** - On June 28, 2011, Iowa submitted an amendment to create an uncompensated care pool (IowaCare Safety Net Care Pool or I-SNCP). The purpose of the I-SNCP is to reimburse expenditures incurred by hospitals, clinics, or by other provider types for uncompensated medical care costs of medical services provided to IowaCare members. Allowable expenditures include optometric and podiatric services and outpatient prescription drugs provided to IowaCare members assigned to Broadlawns as a medical home (above the current 10-day supply of prescription medication after an inpatient hospitalization available to all IowaCare members); durable medical equipment, in-home health care and rehabilitation and therapy services after an inpatient stay; and costs borne by FQHCs for IowaCare members using the FQHC as a medical home when the FQHCs do not have the needed laboratory or radiology services on site.

**Date Submitted:** June 28, 2011

**Date Approved:** November 1, 2011

**Amendment #5** – As part of its renewal request submitted on October 9, 2009, the state requested to amend the Special Terms and Conditions to allow the state to impose any new provider tax and add an appendix A outlining the methods and standards for establishing payment rates for IowaCare services.

Date Amendment #5 Submitted: October 9, 2009 (as part of renewal request)

Date Amendment #5 Approved: June 28, 2010

**Amendment #4** – On June 5, 2009, Iowa submitted a request to amend the Special Terms and Conditions to allow the state to impose a provider tax on nursing facilities.

Date Amendment #4 Submitted: June 5, 2009

Date Amendment #4 Approved: March 13, 2010

Note: See the Additional Amendment Section for more information on Amendments.

## **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) 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.

As of March 31, 2011, there were 47,211 IowaCare members enrolled in the Demonstration.

## **Delivery System**

The primary provider network serving Demonstration Populations 1 and 2 includes Federally Qualified Health Centers (FQHCs), Broadlawns Medical and the University of Iowa Hospitals and Clinics. IowaCare members are assigned to one of these providers based on the county in which they live and must receive primary care services through this “medical home.” Prior to being assigned to a medical home, Demonstration Populations 1 and 2 may receive an annual comprehensive medical examination and appropriate lab tests from any Medicaid certified physician, advanced registered nurse practitioner, or physician assistant; enrollees must obtain any follow-up services from the primary IowaCare provider network.

Demonstration Population 2 may also receive obstetric 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 services from the University of Iowa Hospitals and Clinics.

## **Benefits**

The benefits and coverage are limited to inpatient hospital, outpatient hospital, physician, advanced registered nurse practitioner, and a limited dental benefit. Pharmacy and durable medical equipment and supplies that are prescribed or provided as part of a covered inpatient hospital stay are also covered services. IowaCare members may receive a 10-day supply of prescription medication to take home after an inpatient hospital discharge. 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.

IowaCare members will also have access to smoking cessation medication and counseling and a nurse helpline.

IowaCare members in Demonstration Population 2 (Spend-down Pregnant Women) also receive obstetric services.

### **Quality and Evaluation Plan**

The University of Iowa Public Policy Center will conduct an evaluation of the IowaCare Demonstration program. The Public Policy Center will evaluate objectives related to access to appropriate health care, consumer engagement in responsible health care utilization and personal health care management, and use of medical homes for care provision.

### **Cost Sharing**

Premiums are charged as follows:

<b>Annual Household Income</b>	<b>Maximum Monthly Premium</b>
All enrollees above 150% through 200% of the FPL	No more than one-twelfth of 5 percent of the individual's annual family income

### **State Funding Source**

The majority of the state share of the IowaCare program is funded through a transfer of Polk County property tax funds from the county treasurer of a county with a population of over 350,000 in which a publicly owned acute care teaching hospital is located (Polk County). These funds are collected under a special property tax levy by the Broadlawns Hospital taxing authority and are transferred to the state, into the IowaCare account, on a semi-annual basis. Other sources of state funding include certified public expenditures in the amount of \$20 million for inpatient hospital expenditures for the University of Iowa Hospital and Clinics, a transfer from the Health Care Transformation account to the IowaCare account appropriated annually by the legislature and an optional transfer of General Fund monies appropriated to the Medicaid program to the IowaCare account up to \$4.5 million.

**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. The current STCs state that 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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