



# **Governor's Public Budget Hearing**

December 08, 2014



## **Vision**

*The Iowa Department of Human Services makes a positive difference in the lives of Iowans we serve.*

## **Mission**

*The Iowa Department of Human Services helps Iowans achieve healthy, safe, stable and self-sufficient lives through the programs and services we provide.*

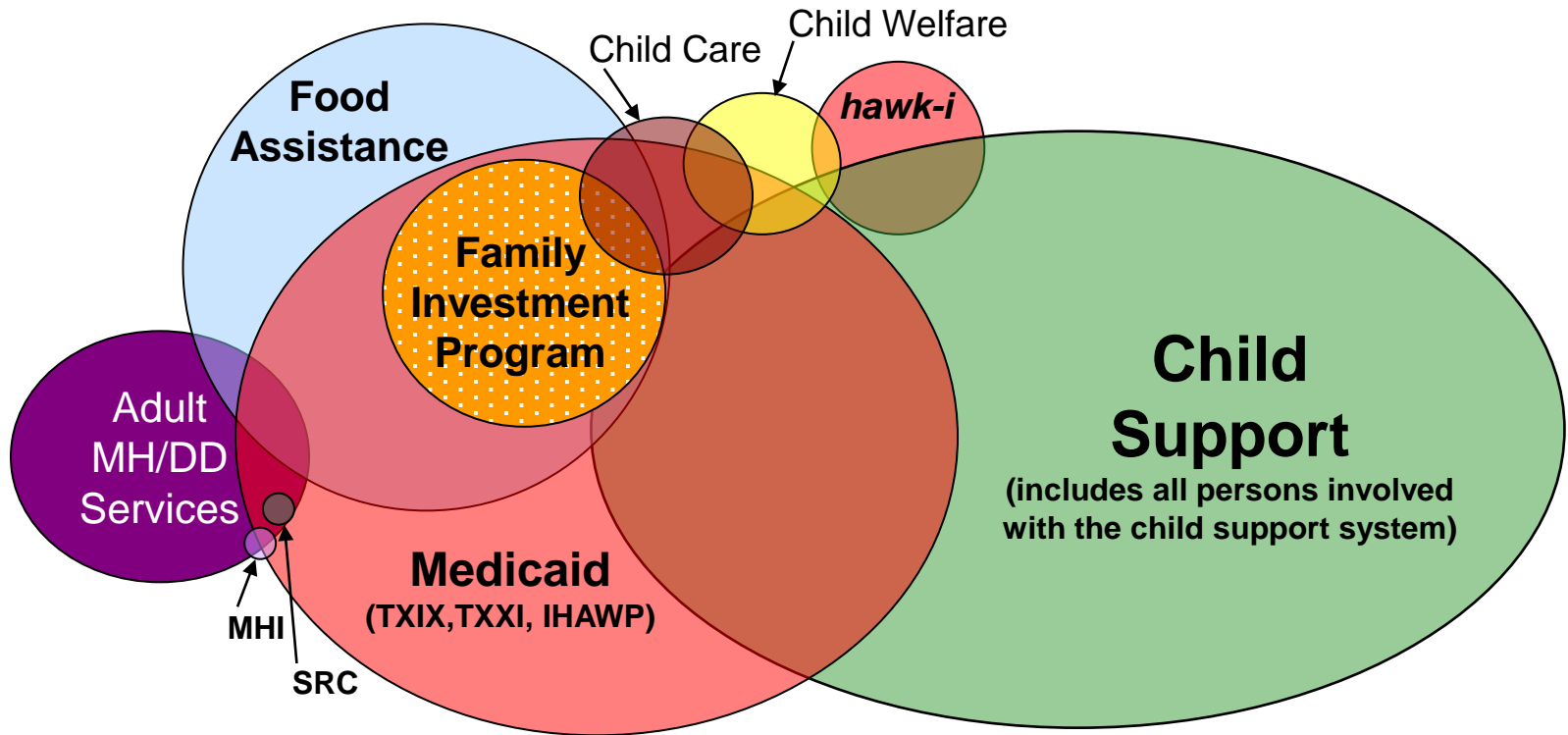
# Strategic Goals

- 2011 to 2014 goals were centered on supporting one or more of the Governor's goals and initiatives.
- The DHS 2015 to 2017 plan continues to build on these goals



# Total DHS Clients Served

(973,223 unduplicated)



Data as of June 2014: This report shows lowans served by DHS in a single month. Some individuals may be included in more than one program.

Report Generated – August 15, 2014

Iowa Population in 2010 Census
<b>3,046,355</b>
% of Population Served
<b>32%</b>

# Where Does the Money Go?

Manage Resources & Service Delivery \$0.03

Employment & Economic Security \$0.05

Safety, Well-Being, & Permanency for Children \$0.04

Behavioral & Disabilities Health Programs \$0.03

Health Programs \$0.85



**Healthiest  
State**

**Goal 1:  
Improve lowans'  
Health Status**



## Health Care Redesign

- Access expanded
- Improved integration of care
- Focus on individual responsibility for health status



## Access to Health Care Coverage

- More than 541,000 Iowans had access to health coverage through Medicaid and the Iowa Health and Wellness Plan at the end of SFY14
- Nearly 59,900 children in Iowa had access to health coverage through CHIP and *hawk-i* at the end of SFY14





## **Iowa Leads in Preventive Care for Kids**

- Iowa is 1 of only 2 states meeting federal standards for low-income children getting free preventive exams and screenings guaranteed by Medicaid

## **Iowa 1st in Health Care in KIDS COUNT Report**

- Iowa ranked 1<sup>st</sup> in health of children in the annual KIDS COUNT report issued by the Annie E. Casey Foundation



## **Individual Responsibility for Health**

- 19,000 Iowa Health and Wellness Plan members have completed Health Risk Assessments
- 23,187 members have completed wellness exams



## **Iowa Health and Wellness Plan Dental Wellness**

- Launched May 1, 2014
- Has served more than 26,600 low-income Iowans
- 41% completed risk assessments which can help identify potential issues before they become problems, and allow for less costly, preventive treatments
- Good oral health can contribute to better overall health and lower system costs



## **Iowa Health and Wellness Plan Benefits**

### **Iowa's Hospitals**

- The Iowa Hospital Association reports a 46% drop in uninsured patients hospitalized from January through June of 2014 compared to the same period in 2013
- The cost of charity care costs fell 18.5% or \$32.5 million
- Hospital admissions in Iowa dropped 4.4% during the time period
- Emergency room visits held steady during the time period, increasing less than 1%

**Healthiest  
State**

**Goal 2:  
Promote lowans'  
Behavioral  
Health Status**



## Mental Health and Disability Redesign

- 15 regions went into effect in July 2014
- Locally-delivered and regionally-administered mental health and disability services with statewide standards of care
- County ending balances increasing
  - SFY13 aggregate ending balance approximately \$62 million
  - SFY14 aggregate ending balance approximately \$96 million
  - Regions project SFY15 ending balance of approx. \$94 million



## **Integrated Health Homes**

- Team-based health care delivery model provides comprehensive care for adults with serious mental illness and children with serious emotional disturbances
- 19,000 members enrolled as of December 1, 2014



## **Integrated Health Homes – Early Results**

(3,500 members comparing 6 month period before IHH and after IHH)

- Reduced Mental Health ER visits by 16%
- Reduced Mental Inpatient Admissions by 18%
- Reduced Medical ED visits by 12%
- Reduced Medical Inpatients days by 16%
- Self-reported 7% reduction in SED kids displaying self-harm behaviors over a 3 month period
- Self-reported 13% reduction in Caregivers missing work due to SED





## **Independence Mental Health Institute**

- On the “Top Performers” list of hospitals in The Joint Commission’s annual report “America’s Hospitals: Improving Quality and Safety” – 2<sup>nd</sup> year in a row to make the list
- Achieved cumulative performance of more than 95 percent across all performance measures submitted during 2013
- Measures are related to processes closely linked to positive patient outcomes

**Healthiest  
State**

**Goal 3:  
Improve Safety,  
Well Being and  
Permanency for  
Iowa's Children**



## Differential Response Implemented

- New approach for protecting children and strengthening families
- Bipartisan-supported; launched January 1, 2014
- Focuses on services and supports for families where children aren't in imminent danger
  - Traditional path for children in imminent danger



## Differential Response – Early Results

- From January through June 2014 compared to period previous year:
  - About 38% of cases, or 4,571, were assigned to the family assessment pathway
  - About 1,400 families accepted voluntary services which can reduce the risk of future abuse
  - The smaller total number of cases on the child abuse assessment pathway, combined with the fact they are more serious cases, results in a 3 percent higher founded rate
  - Overall, fewer names were placed on the central abuse registry



## **Iowa 3<sup>rd</sup> in Child Well-being**

- Iowa ranked 3<sup>rd</sup> in Child Well-being on the annual KIDS COUNT Report released by the Annie E. Casey Foundation

**New Jobs  
Family Incomes**

**Goal 4:  
Improve lowans'  
Employment and  
Economic  
Security**

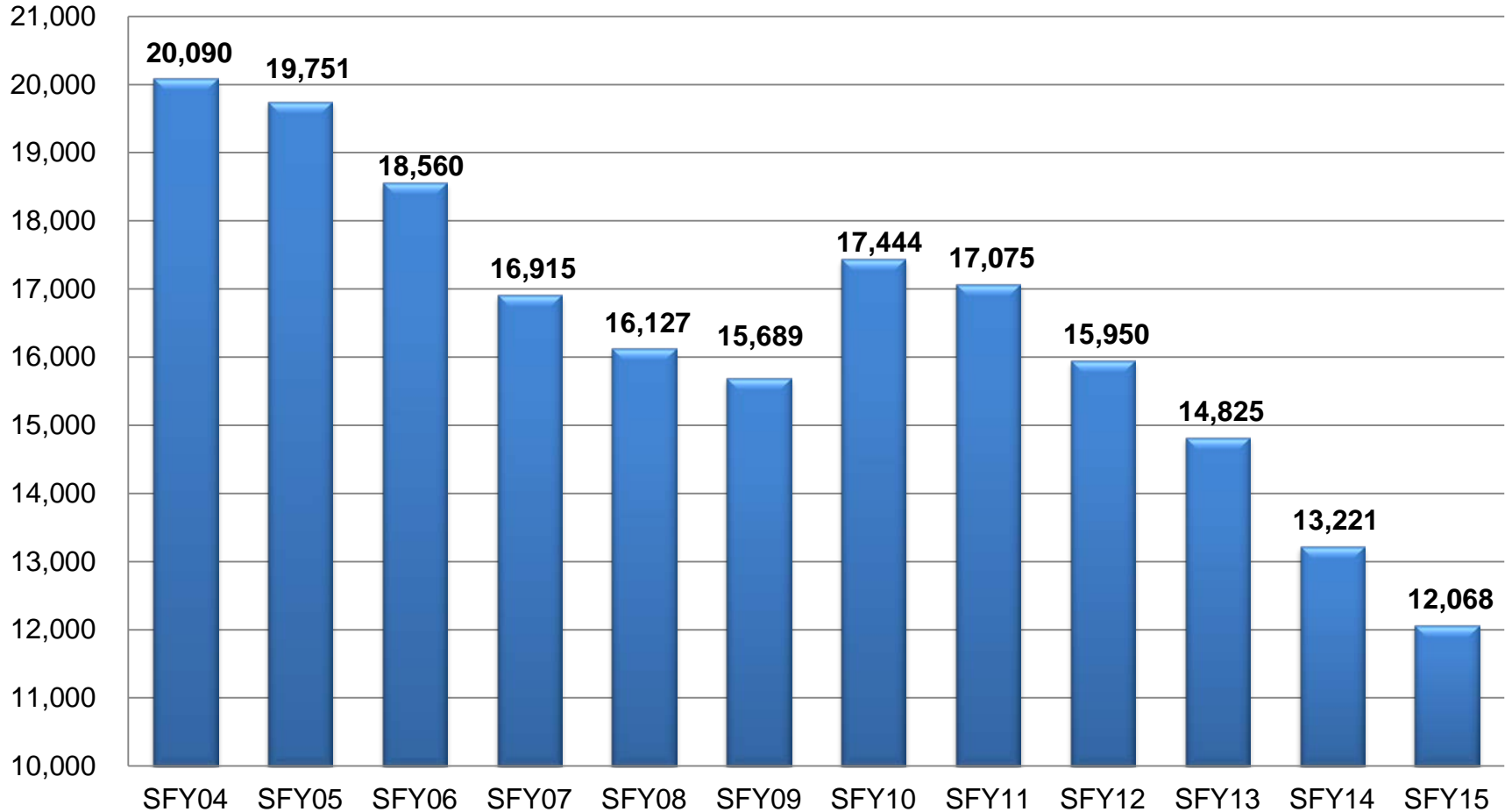


## **Family Investment Program (FIP)**

- After years of decline, caseloads increased during the 2009-2010 recession
- Caseloads began falling again in April 2011 and have set modern-day lows
- Caseloads now appear to be leveling out

# FIP monthly caseload

FIP caseload has decreased dramatically in the past four years.







## Child Care Assistance

The Child Care Assistance (CCA) Program supports low-income families with working parents, parents gaining work skills, or parents going to school.

- The percentage of families qualifying for CCA due to employment has increased in each of the last three years:
  - SFY11: 90% of families received assistance due to work
  - SFY12: 92.6% of families received assistance due to work
  - SFY13: 93.8% of families received assistance due to work
  - SFY14: 94.7% of families received assistance due to work



## Child Support Recovery Unit

- Iowa ranks 5<sup>th</sup> nationally in child support recovery results
- In SFY14, \$325.8 M was collected for the 177,228 cases served
  - Includes \$8.6M recovered to offset the cost of public assistance (FIP)

**Healthiest  
State**

**Goal 5:  
Promote choice  
for Seniors and  
Persons with  
Disabilities**



## **Balancing Incentive Program**

- As of March 2014, Iowa spent approximately 52% of its Medicaid Long Term Services and Supports (LTSS) funds on Community Services

## **Quality of Life/Quality of Care**

- Iowa ranked in the top quartile in Quality of Life and Quality of Care in Long Term Services and Supports, and 13th overall in the AARP's 2014 Report Card

**Reduce  
Government Costs**

**Goal 6:  
Effectively  
Manage  
Resources**

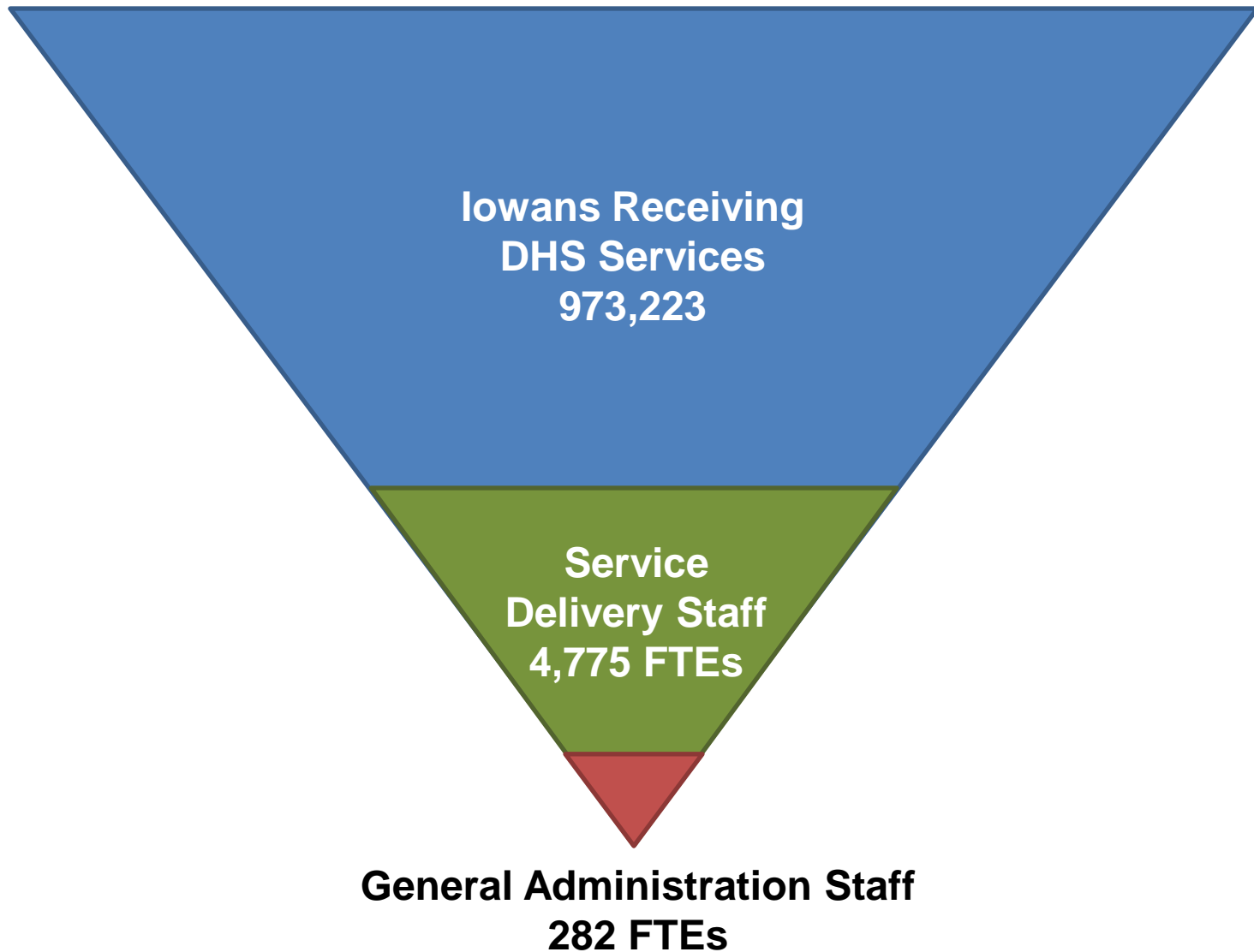


## Efficiently managing delivery of services

- Less than 3 cents of each dollar in the DHS budget is spent on Field Operations
  - Provides protective, case management, eligibility determinations, and key provider support functions
- Less than 1 cent of every dollar in the DHS budget is spent on General Administration
  - Provides foundation & infrastructure for management and efficient delivery of human services programs
- In SFY14, the state cost per full-time CSRU employee was \$25,060
  - Each CSRU FTE recovers approximately \$19,544 in public assistance collections



# Efficiently managing delivery of services





## **Iowa Medicaid**

### **Program Integrity and Cost Management**

- Medicaid's Program Integrity efforts have saved taxpayers more than \$49.5 million over the past 4 years through cost avoidance and recoveries
- The state's preferred drug list has saved the state over \$267 million in the past 4 years





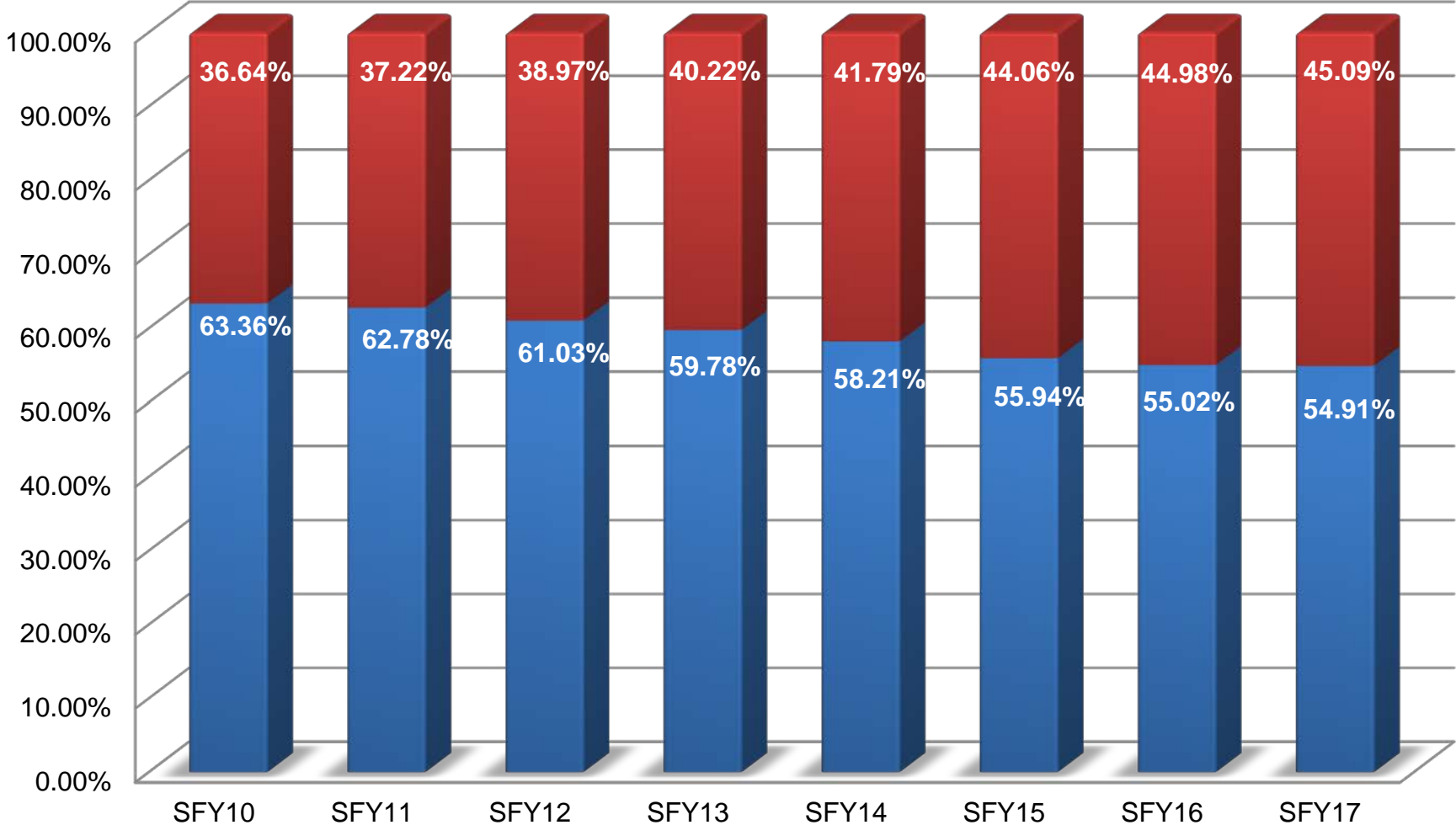
## **Food Assistance Program Integrity**

- Ranked 3rd in the nation on selected case-related measures related to program integrity including low case and procedural error rates and timeliness of actions
- As a result, in FFY14, DHS was awarded a bonus of more than \$850,000 from the federal government

# Budget Challenges

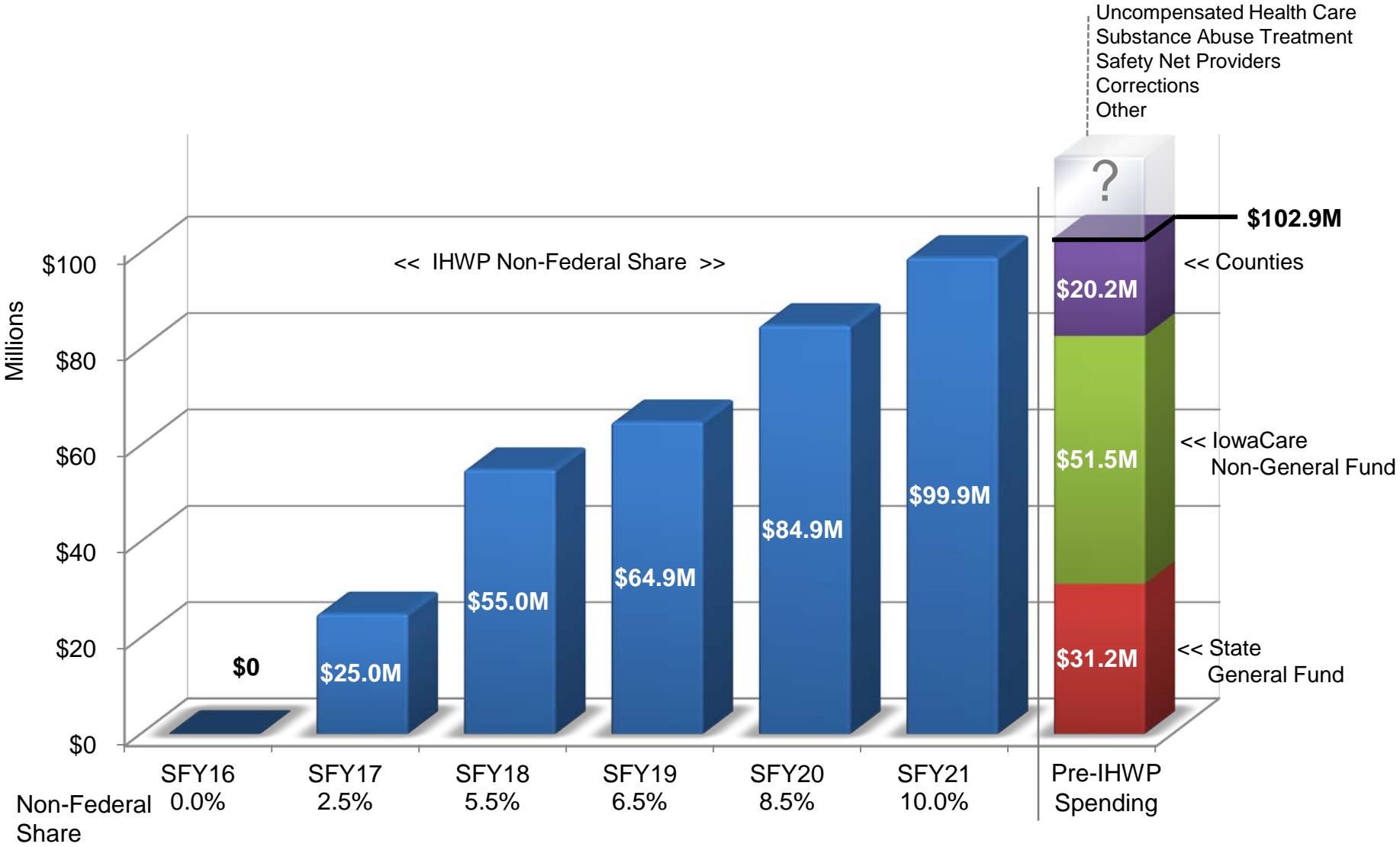
# Federal Medical Assistance Percentage (FMAP)

■ FMAP ■ Non-Federal Share



# Iowa Health and Wellness Plan

SFY16 – SFY21 Phase-down of enhanced FMAP





## **Sustaining Institutional Quality Care**

- Recruitment of clinical staff
- Aging infrastructure
- Higher patient acuity levels & longer lengths of stay
- Increasing cost per bed day



## Changing Federal Landscape

- Policy
- Regulation
- Funding



## **Sustaining Efficient & Effective Service Delivery**

- Best practice
- Technology



***Challenges present opportunities for future improvement.***

***We look forward to working with you over the next four years to continue making a positive difference in the lives of Iowans.***