



Meeting Minutes September 11 - 12, 2018

COUNCIL MEMBERS	DEPARTMENT OF HUMAN SERVICES
Mark Anderson – present	Jerry Foxhoven - present
Phyllis Hansell – present	Mikki Stier - present
Alexa Heffernan – absent	Jean Slaybaugh - present
Kimberly Kudej – present	Sandy Knudsen - present
Kim Spading – present	Vern Armstrong - present
Sam Wallace – present	Mike Randol - present
	Matt Highland - present
	Rick Shults - present
	Bob Krebs - present
	Julie Allison - present
	Anthony Lyman - present
	Joe Havig - present
	Nancy Freudenberg - present 9/12 only
	Carol Eaton - present 9/12 only
	Jennifer Steenblock - present 9/12 only
	Janee Harvey - present 9/12 only
	Jana Rhoads - present 9/12 only
	Merea Bentrrott - present 9/12 only
	Kathy Blume - present 9/12 only

EX-OFFICIO LEGISLATIVE MEMBERS
Representative Joel Fry – present
Representative Lisa Heddens – absent
Senator Amanda Ragan – absent
Senator Mark Segebart – present on 9/12 only

Guests on September 11, 2018

Erin Cubit, Iowa Hospital Association
Kelsey Thien, House Democrat Caucus
Natalie Ginty, House Republican Caucus
Jess Benson, Legislative Services Agency
Maddie Miller, Advocacy Strategies
Angelica Cardenas, Child and Family Policy Center
Paige Petitt, UnitedHealth Care
Sara Allen, Cornerstone Government Affairs
Sandi Hurtado-Peters, Department of Management
Kris Bell, Senate Democrat Caucus
Patty Funaro, Legislative Services Agency
Flora A. Schmidt, IBHA
Nancy Norman, Citizen
Tony Leys, Des Moines Register

Guests on September 12, 2018

Erin Cubit, Iowa Hospital Association
Kelsey Thien, House Democrat Caucus
Sheila Hansen, Child and Family Policy Center
Sandi Hurtado-Peters, Department of Management
George Eichhorn, ChildServe
Kris Bell, Senate Democrat Caucus
Hannah Beach, Legislative Services Agency
Patty Funaro, Legislative Services Agency
John Hedgecoth, Amerigroup
Jill Applegate, Every Child Matters
Kent Ohms, Legislative Services Agency
Flora A. Schmidt, IBHA
Tony Leys, Des Moines Register

Call to Order

Mark Anderson, Chair, called the Council meeting to order at 1:00 p.m. on September 11, 2018.

Roll Call

All Council members were present with the exception of Heffernan.
All ex-officio legislative members were present with the exception of Representative Heddens and Senators Ragan and Segebart.

Director's Comments

Jerry Foxhoven, Director, reported that the department, in an effort to save money, will not be printing hard copies of the budget beyond the copies for the Council members. Charts on pages 2-1 through 2-5 were reviewed that showed the total DHS clients served, the SFY2020 budget by funding source, program funding percentages and DHS staff salary comparisons.

Foxhoven thanked the Division of Fiscal Management staff for their hard work in putting the budget book together.

Spading requested a 'pre and post' Managed Care staff comparison.

Budget Overview

Jean Slaybaugh, Administrator, Division of Fiscal Management, reviewed page 2-5 which compared the SFY19 enacted appropriation and the SFY20-21 Department request. What is presented is largely a status quo request with the exception of Medicaid, CHIP, Adoption and Child Care Assistance where there is either a mandate or Federal changes that need additional aspects of Federal regulations implemented.

SFY 2020 and 2021 Budget Presentations

Staff presentations were provided to the Council on each section of the appropriation requests. The presentations provided an overview of the agency's work with nearly 988,324 Iowans who benefit from the programs and services administered by DHS. The budget recommendations can be found on the DHS website: <https://dhs.iowa.gov/budget-reports>

The following presentations were discussed in detail:

Improve Iowan's Health Status

Iowa Medicaid Enterprise (IME)

- Medical Assistance (Mike Randol, Medicaid Director)
- Iowa Health and Wellness Plan (Mike Randol)
- Children's Health Insurance Program (Mike Randol)
- Medical Contracts (Mike Randol)
- State Supplementary Assistance (Mike Randol)

Hansell requested data on how many people pay 'co-pays' (page 3-18).

Hansell requested a listing of the current 39 contractors that provide medical services (page 3-30).

Spading inquired about the sum of what is being paid in medical contracts (page 3-30).

Spading questioned the increase over the last two years in the Medicaid cost per member (page 3-8). She stated this was the opposite of what was expected. Randol offered to look at the driving factors behind those figures. Foxhoven noted that the cost of healthcare continues to increase as well as the increase in complicated care cases and the elderly population.

Promote Iowan's Behavioral & Disabilities Health Status

Division of Mental Health and Disability Services

- Cherokee Mental Health Institution (Rick Shults, Division Administrator)
- Independence Mental Health Institution (Rick Shults)
- Glenwood Resource Center (Rick Shults)
- Woodward Resource Center (Rick Shults)
- Conner Training (Rick Shults)
- Civil Commitment Unit for Sexual Offenders (Rick Shults)
- State Payment Program (Rick Shults)
- MHDS Regional Funding (Rick Shults)

Wallace requested a cost of service comparison for all institutions over the last several years.

Kudej inquired as to how long most of the clients have been in the CCUSO program.

Recess

The Council recessed at 4:20 p.m.

Call to Order

Mark Anderson, Chair, reconvened the Council meeting at 9:00 a.m. on September 12, 2018.

Roll Call

All Council members were present with the exception of Heffernan.

All ex-officio legislative members were present with the exception of Representative Heddens and Senator Ragan.

Rules

Nancy Freudenberg presented the following rules:

R-1. Amendments to Chapter 7, Appeals. Allows household members who are suspected of an intentional program violation an opportunity to waive their right to an administrative disqualification hearing, if they so choose.

A motion was made by Wallace to approve and seconded by Hansell. MOTION UNANIMOUSLY CARRIED.

R-2. Amendments to Chapter 79, Medicaid. Rescinds rules regarding fee-for-service with cost settlement for Targeted Case Management (TCM). Also revises the existing fee schedules for TCM and Case Management (CM) under the Home- and Community-Based Services waiver and Habilitation (Hab) programs. TCM and CM provider agencies will no longer be required to submit an annual cost report. Allows the Department to standardize rates for TCM and CM provider agencies. These rates will only apply to members who are enrolled in Medicaid as fee-for-service.

A motion was made by Wallace to approve and seconded by Kudej. MOTION UNANIMOUSLY CARRIED.

R-3. Amendments to Chapter 79, Medicaid. Adjusts home health agency Low Utilization Payment Adjustment (LUPA) rates to reflect approximately \$1,000,000 of additional state appropriations for reimbursement in accordance with 2018 Iowa Acts, Senate File 2418, section 39. This amendment will increase home health agency provider rates.

A motion was made by Hansell to approve and seconded by Wallace. MOTION UNANIMOUSLY CARRIED.

R-4. Amendments to Chapter 79, Medicaid. Revises the current inpatient hospital 30-day readmission policy to exclude readmissions that are planned for repetitive or staged treatments and clarifies that the policy does not apply to critical access hospitals.

A motion was made by Hansell to approve and seconded by Wallace. MOTION UNANIMOUSLY CARRIED.

R-5. Amendments to Chapter 79, Medicaid. Makes the pharmacy copayment a flat copayment of \$1.00 per prescription or refill and no longer bases the copayment on the preferred or nonpreferred status of the drug on the Preferred Drug List (PDL), consistent with federal regulations and state legislative requirement.

A motion was made by Wallace to approve and seconded by Kudej. MOTION UNANIMOUSLY CARRIED.

R-6. Amendments to Chapters 81 and 82, Medicaid. Expands the Special Population Nursing Facility criteria to include persons residing in an intermediate care facility for persons with medical complexity up to age 30. The rules will increase the number of qualified providers available to meet the needs of young adults with complex medical conditions.

A motion was made by Wallace to approve and seconded by Hansell. MOTION UNANIMOUSLY CARRIED.

R-7. Amendments to Chapter 87, Family Planning Program. These amendments are legislatively mandated changes regarding distribution of funds and participating providers of the Family Planning Program (FPP).

A motion was made by Wallace to approve and seconded by Kudej. MOTION UNANIMOUSLY CARRIED.

Notices of Intended Action

N-1. Amendments to Chapter 98, Child Support Recovery. Amendments conform 441 IAC Chapter 98 Division I and rule 441—98.39 with recent changes to 45 C. F. R. §303.31.

N-2. Amendments to Chapter 106, Child Welfare. Adds the requirement that employees, operators, owners, or other persons who perform duties for a children's residential facility shall make a report, in accordance with Iowa Code section 232.69, whenever they reasonably believe a child for whom they are providing care as suffered abuse.

N-3. Amendments to Chapters 109, 110, and 120, Child Care. Implements additional mandatory prohibitions to involvement with child care as a result of a record check. Also implements new requirements regarding fingerprint checks prior to involvement with child care.

N-4. Amendments to Chapter 170, Child Care Assistance (CCA). Updates the Child Care Assistance half-day rate ceilings in accordance with 2018 Iowa Acts, Senate File 2418. Allows providers to be paid more for the care they provide to CCA-eligible families.

A motion was made by Hansell and seconded by Wallace to approve the noticed rules. MOTION UNANIMOUSLY CARRIED.

Continuation of the SFY 2020 and 2021 Budget Presentations

Jana Rhoads, the new Administrator for the Division of Adult, Children and Family Services, was introduced to the Council.

Improve Safety, Well-Being & Permanency for Iowa's Children

Divisions of ACFS and MHDS

- Child Abuse Prevention (Janee Harvey, Chief, Bureau of Child Welfare and Community Services)
- Adoption Subsidy (Janee Harvey)
- Child and Family Services (Janee Harvey)
- Eldora State Training School (Rick Shults)
- Comprehensive Family Support Programs (Julie Allison, Chief, Bureau of Child Care Services)

Senator Segebart requested the rate of termination of parental rights (page 5-5).

Improve Iowan's Employment & Economic Security

Divisions of ACFS and Field Operations

- Family Investment Program (Mikki Stier, Deputy Director)
- Food Assistance (Mikki Stier)
- Child Care Assistance (Julie Allison)
- Child Support Recovery (Vern Armstrong, Administrator, Division of Field Operations)

Effectively Manage Resources

Divisions of Field Operations and Fiscal Management

- Field Operations (Vern Armstrong)
- Volunteers (Vern Armstrong)
- General Administration (Jean Slaybaugh)

Senator Segebart inquired about the number of employees there were at the 'start date' of SFY18 (page 7-3).

Allocation of Specific Federal and State Funds

- TANF & Block Grants (Jean Slaybaugh)

Technology Requests

Division of Information Technology

IT Transformation and Modernization (Anthony Lyman, Administrator, Division of Information Technology)
Major Technology Projects (Anthony Lyman)

Spading noted that it may be worth exploring ways to partner with the University of Iowa.

General Budget Discussions

Foxhoven reviewed his responses to the Chair's written request for 'true program and operating needs of the department.' (handout provided to Council members)

FY 2020 and FY 2021 Budget Decisions

A motion was made by Hansell to approve the proposed state fiscal year 2020 and state fiscal year 2021 status quo budget request, with the identified changes for Medicaid, CHIP Adoption and Child Care Assistance as well as replacement of one-time funds appropriated to Medical Contracts as part of the state fiscal year 2019 status quo. This includes state general funding, related federal funding and other funding including TANF, SSBG, the Health Care Trust Fund and all other sources of funding as associated with the DHS budget request document." The motion was seconded by Wallace. MOTION CARRIED with Kudej and Spading opposed.

A motion was made by Wallace to allow the Department to make adjustments, including federal match rates changes, necessary to the Council's state fiscal year 2020 and state fiscal year 2021 budget recommendations. The motion was seconded by Hansell. MOTION CARRIED UNANIMOUSLY.

A motion was made by Wallace to submit a separate additional budget request for consideration by the Governor's office. Included in that additional budget request also a request for funding to address the comprehensive technology needs of the department. The additional budget request should be prioritized as directed by the Council. The motion was seconded by Kudej. MOTION CARRIED UNANIMOUSLY. (Anderson will draft a letter for the Council's review and input and will share the 'final' product with the Council before it's submission to the Governor).

Approval of Minutes

A motion was made by Kudej and seconded by Hansell that the minutes of August 8, 2018 be approved. MOTION UNANIMOUSLY CARRIED.

Director's Report

Foxhoven provided the following report:

- Foxhoven and Mikki Stier have been visiting field and institution offices over the last few weeks.
- The Department is in the process of developing proposed legislative changes

Adjourn

Council adjourned at 2:20 p.m.