

# **Governor's Public Budget Hearing**

November 28, 2017



## **Vision**

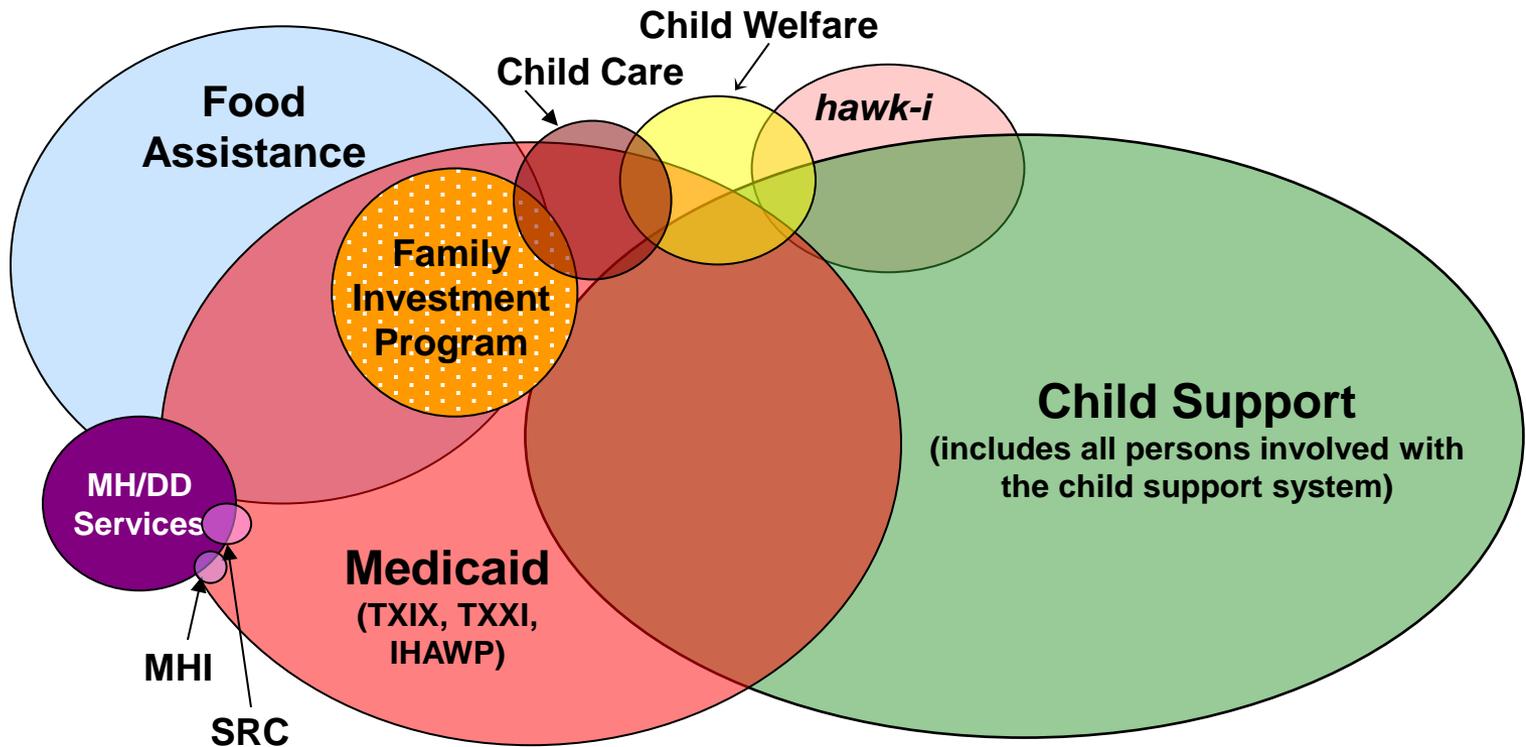
*The Iowa Department of Human Services makes a positive difference in the lives of Iowans we serve.*

## **Mission**

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

# Total DHS Clients Served

(1,025,680 unduplicated)



Data as of June 2017: This report shows Iowans served by DHS in a single month. Some individuals may be included in more than one program.

Report Generated – August 10, 2017

<p><b>Iowa Population</b>  <b>3,046,355</b>  <b>(2010 Census)</b></p> <p><b>% of Population Served: 34%</b></p>
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# Where Does the Money Go?

SFY19 Total Funds \$6,491,024,550



\$0.03 \$0.04 \$0.04 \$0.01 \$0.88

\$0.03	\$0.04	\$0.04	\$0.01	\$0.88	
					Health Programs (\$5,726,000,000)
					Behavioral & Disabilities Health Programs (\$ 79,000,000)
					Safety, Well-Being & Permanency for Children (\$ 245,000,000)
					Employment & Economic Security (\$ 264,000,000)
					Manage Resources & Service Delivery (\$ 177,000,000)

# Strategic Goals

- The DHS 2017 to 2019 strategic plan identifies six goals
- DHS goals are centered on supporting one or more of the Governor's goals and initiatives

*Helping Iowans achieve healthy, safe, stable, and self-sufficient lives through the programs and services we provide*

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

Healthiest  
State

Educate Our  
Children

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

Healthiest  
State

Educate Our  
Children

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

Healthiest  
State

Educate Our  
Children

**Goal 4:  
Improve  
Iowans'  
Employment  
and Economic**

Competitive  
Business  
Environment

Training  
Iowans for  
Jobs

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

Healthiest  
State

Competitive  
Business  
Environment

**Goal 6:  
Effectively  
Manage  
Resources**

Competitive  
Business  
Environment

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

Healthiest  
State

Educate Our  
Children



## **Iowa named second best state for health care\***

- **2<sup>nd</sup> highest Medicaid patient satisfaction**
- **5<sup>th</sup> best state for overall child well-being**
- **7<sup>th</sup> best state for mental health care**
- **Outpaced nation in overall well-being at twice the national average**

\* By WalletHub.com



## **IA Health Link Goals**

- Improve quality and access
- Promote accountability for outcomes
- Create a more predictable and sustainable Medicaid budget



## **J.D. Power 2017 Managed Medicaid Special Report**

- Managed Medicaid customer satisfaction higher than commercial customers
- States with higher levels of satisfaction among Medicaid recipients are Iowa, Colorado and Arizona
- Provider choice a key driver of member experience
- Iowa, Tennessee, Arizona and Indiana have the easiest access to doctors and hospitals, compared with the other states included in the study.



## **Performance Requirements drive MCO Oversight**

The objective of oversight efforts is to ensure the program is well managed and goals are achieved

Primary sources of performance requirements:

- Centers for Medicare & Medicaid Services
- Iowa Administrative Rule
- DHS contracts with the MCOs
- Seven professional contracts with experienced vendors



## Comprehensive Reporting - Greater Transparency

- More than 1,000 data points and patient health outcomes are tracked, far greater than before
- Data reporting requirements designed to ensure MCOs meet federal, state and contract requirements
- Data is collected and reported monthly, quarterly, semi-annually and annually
- Reports are shared with the Council on Human Services, MAAC, *hawk-i*, MHDS Council, legislative oversight committees & posted on the DHS website



## **Ongoing Efforts - State Innovation Model (SIM)**

- Center for Medicare and Medicaid Innovation (CMMI)
- \$43.1 million federal grant over a four-year period to support a statewide health system transformation
- Iowa is one of only 11 states to receive a SIM testing grant
- Aligns Iowa payers in value-focused payment reform
- Equips Iowa providers with tools to perform in value based, population focused models
- Aligns and integrates public health strategies around health care delivery



## **Progress toward Healthiest State**

### **Iowa rated at the top in health of children**

- Iowa ranked 5<sup>th</sup> overall in children's well-being and 7<sup>th</sup> in health of children and in the annual KIDS COUNT report issued by the Annie E. Casey Foundation

### **Fewer than 25,000 children uninsured in Iowa**

- According to the Robert Wood Johnson Foundation

### **High marks in children's and women's health**

- United Healthcare ranks Iowa 8<sup>th</sup> in the nation in its annual report in overall Health of Women and Children

**Goal 2:**

**Promote Iowans'  
Behavioral Health  
Status**

Healthiest  
State

Educate Our  
Children



## **Iowa a Top 10 State for Mental Health Care**

- In the Mental Health in America 2017 Report, Iowa moved up six spots to 7<sup>th</sup> in the nation
  - For adults, Iowa ranks 3<sup>rd</sup> in the country for prevalence of mental illness with higher rates of access to care
  - For youth, Iowa ranks 11<sup>th</sup> in the country for prevalence of mental illness with higher rates of access to care
  - Iowa ranks 9<sup>th</sup> in the country for states providing relatively more access to insurance and mental health treatment
- Since 2013, local and state governments invested about \$2 billion in mental health and disability services



## Mental Health and Disability Services Regions

14 MHDS regions administer locally delivered mental health and disability services based on statewide standards

Ending balances:

- SFY13 ending balance \$ 62.0 million
- SFY14 ending balance \$104.5 million
- SFY15 ending balance \$152.0 million
- SFY16 ending balance \$154.0 million
- SFY17 estimated ending balance \$111.6 million



## **MHDS Regions' Progress<sup>1</sup>**

- All 14 Regions provide required Core Services
- Regions meet 97% of Access Standards for all services
- 14 Regions provide additional Core Plus Services
- 13 Regions provide 14 Residential Crisis Facilities with 76 Beds
- 12 Regions have Jail Diversion Services in 81 Counties

1. As of 9/30/2017



## **Develop and implement effective services for individuals with more complex service needs**

- DHS issued a progress report December 2016
- Statewide workgroup formed to develop recommendations
- MHDS regions formed local workgroups to develop and implement service plans
- MHDS regions and MCOs are working on establishing MOU to formally define roles and responsibilities
- DHS initiated Medicaid funding for an array of Mental Health Crisis Services and sub-acute treatment



## **Inpatient Psychiatric Hospital Bed Tracking**

- DHS has implemented an Inpatient Psychiatric Hospital Bed Tracking System
  - 29 hospitals with psychiatric programs voluntarily report available beds in the tracking system to help locate available beds
  - Rules are in process to require hospitals to report twice daily and provide more specific information
- The number of staffed and available inpatient psychiatric hospital beds has grown this year
  - 721 in January 2016 to 747 in November 2017
- Hospitals have reported an average of 66 vacant beds per day during the last 12 months

**Goal 3:**

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

**Healthiest  
State**

**Educate Our  
Children**



## **Achievements in Child Well-being and Care**

- 87% of youth who exited foster care and are involved in after care achieved a high school diploma in SFY17
- Contractors are now required to follow a one caseworker model
  - children & families have a single point of contact providing positive supports
- A holistic multi-user tool called TOP has been implemented to assess well being status and needs for children in foster care
  - provides DHS with critical information on what services help children get better
- The Boys' State Training School (STS) at Eldora achieved 100% compliance from the American Correctional Association (ACA) and the Prison Rape Elimination Act (PREA)



## Promoting Safety, Permanency and Well-being

- Every Student Succeeds Act (ESSA) has been implemented statewide
  - state and district level education points of contact are in place to ensure systems work together for school stability and improved outcomes for children in foster care
- 85% of youth involved with achieving maximum potential (AMP) report having a significant and meaningful relationship with an adult
- New performance based contracts include outcome measurements to ensure children in foster care:
  - stay connected to their families
  - have shorter lengths of stay in care
  - are more likely to be diverted from entering shelter care

**Goal 4:**

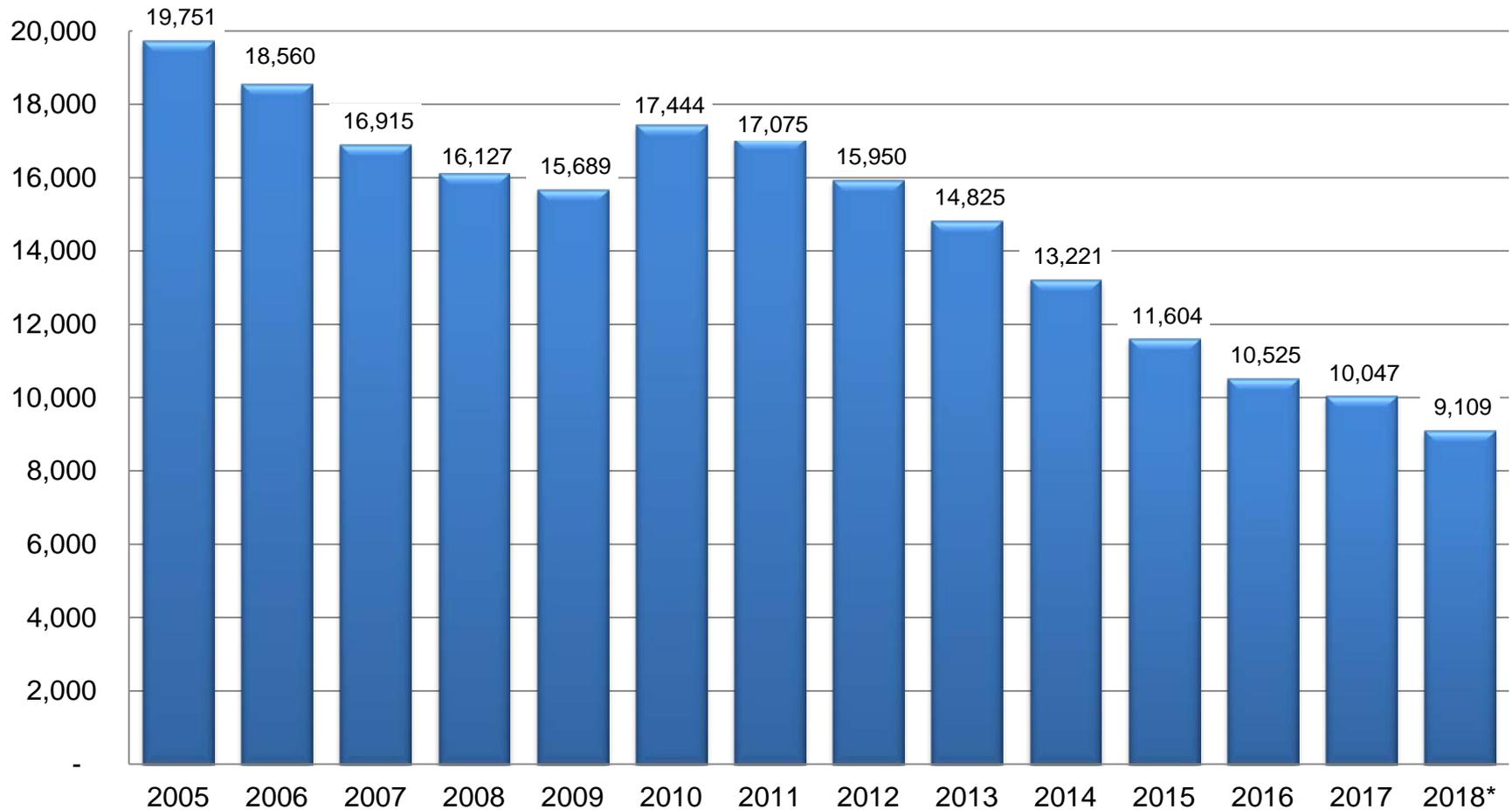
**Improve lowans'  
Employment and  
Economic**

Competitive  
Business  
Environment

Training lowans  
for Jobs

# Family Investment Program Monthly Caseload

FIP caseload has decreased dramatically since 2010



\*SFY18 caseload reflects October 2017.



## **Child Care Assistance (CCA)**

- Supports low-income families with working parents or parents going to school
  - CCA served an average 22,724 children per month in SFY17
- More working families:
  - Families receiving assistance due to work is up from 90 percent in SFY11 to 94.7 percent in SFY17
- In SFY17, DHS monitored nearly 100% of child development homes for safety and program compliance



## **Child Care Assistance (CCA)**

- The federal Child Care Development Block Grant Act provides for specified quality improvement activities and extended continuity of care provision
  - QI requirements are met through the Quality Rating System for child care providers
  - Continuity of care provisions address the cliff effect
  - Result in state budget impacts
  - DHS is assessing options with federal partners



## Child Support Recovery Unit

- Iowa ranks 6<sup>th</sup> nationally in child support recoveries
- In SFY17, \$322.3 M was collected for the 167,702 cases served
  - Includes \$6.8M recovered to offset the cost of public assistance (FIP)

**Goal 5:**

**Promote Choice  
for Seniors and  
Persons with  
Disabilities**

Healthiest  
State

Competitive  
Business  
Environment



## Promoting Community Based Services

DHS and the IA Health Link MCOs have collaborated to manage waiver waitlists more efficiently

- Ensuring individuals sign up for the proper waitlist as opposed to multiple waitlists
- Extending hold period when waiver members are hospitalized/institutionalized for a period of time
- Maximizing filled slots within budget availability
  - As of 10/31/2017, 98% of available slots were filled



## The Olmstead Decision

- Olmstead is a 1999 US Supreme Court decision directing individuals with disabilities should live and work in community integrated settings if:
  - Such services are appropriate
  - The person does not oppose community-based services
  - Community-based services can be reasonably accommodated
- Olmstead recommends States develop plans that demonstrate reasonable efforts to comply with principles of the decision

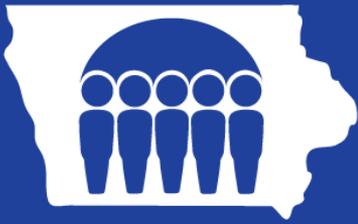


## Iowa's Updated Olmstead Plan

- Goals that describe positive life experiences that should be available to all Iowans with disabilities and mental illnesses
- Objectives that define where we want to be and priority areas of focus
- Programs, activities and policies that support the objectives
- Indicators of progress from existing data already being collected

Goal 6:  
**Effectively Manage  
Resources**

Competitive  
Business  
Environment



## Efficiently managing delivery of service

- 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 is spent on General Administration
  - Provides foundation & infrastructure for management and efficient delivery of human services programs
- In SFY17, the state cost per full-time CSRU employee was \$27,987
  - Along with fulfilling court orders, each FTE recovers nearly \$17,000 in public assistance (average/FTE)





## **Achieving greater efficiency and effectiveness**

- Leveraging national best practice
- Leveraging technology
- Data driven management decision making
- Integrated service delivery
- Comprehensive performance monitoring and oversight
- Mission-driven priorities



***DHS is making a positive  
difference in the lives of Iowans***