



BILL SUMMARY

Health Care Bill HF 2539

Status of Bill: House Calendar
Committee: Human Resources (passed 19-0)
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BACKGROUND

House File 2539 is based on the recommendations of the Legislative Commission on Affordable Health Care Plans for Small Businesses and Families and the proposal by the Governor. The Commission was comprised of ten members of the General Assembly and 19 members of stakeholder groups, including consumers. The Commission met monthly across Iowa from June 2007, till January 2008. The Commission was charged with reviewing, analyzing, and making recommendations to the Legislature relating to the affordability of health care for Iowans.

SUMMARY

House File 2539 is comprised of nine divisions:

1. Health Care Coverage Intent
2. Iowa Health Information Technology System
3. End of Life Care Decision Makings
4. Health Care Coverage
5. Medical Home
6. Prevention and Chronic Care Management
7. Family Opportunity Act
8. Quality Improvement
9. Healthy Communities – Governor’s Council on Physical Fitness and Nutrition

Health Care Coverage Intent

As funding becomes available, it is the intent of the General Assembly that all Iowans will have health care coverage, with the initial priority of providing health care coverage for all children by December 31, 2010. To get there, the Department of Human Services (DHS), as funding is available, will work with the Centers for Medicare and Medicaid Services to expand *hawk-i* to cover children up to 300% of the federal poverty level (FPL). An appropriate cost sharing will be established for families with incomes above 200% of the FPL.

Further, it is the intent of the General Assembly that DHS should develop an operational plan to provide health care coverage for all children in Iowa by building upon *hawk-i*. The operational plan must be completed by January 1, 2009. DHS is also required to develop an operational plan for covering all adults by January 1, 2013.

Lastly, it is the intent of the General Assembly to promote a continued dialogue between the Iowa Comprehensive Health Insurance Association and other interested parties to address the issues of preexisting conditions and the affordability of health care coverage.

Iowa Health Information Technology System

The Electronic Health Information Advisory Council is created as a public and private effort to promote the adoption and use of health information technology in Iowa. The Advisory Council will make recommendations to the Iowa Department of Public Health (IDPH) regarding improving health care quality, increasing patient safety, reducing health care costs, enhancing public health, and empowering individuals and health care professionals with real time medical information. The IDPH will provide oversight for the development, implementation, and coordination of an interoperable electronic health records system, telehealth expansion efforts, the health information technology infrastructure, and other health information initiatives in Iowa. The Director of the IDPH will submit the Advisory Council's recommendations to the State Board of Health for final approval before implementation.

The IDPH will also establish a technical advisory group, which will consist of the representatives of the parties involved in the Electronic Health Records System Task Force. The IDPH is also required to adopt a statewide health information technology plan by January 1, 2009. Standards and policies developed for the plan must promote and be consistent with national standards developed by the Office of the National Coordinator for Health Information Technology of the United States Department of Health and Human Services.

This past year, the Iowa Hospital Association (IHA) and the Iowa Health Systems (IHS) each received federal grants to increase the capacity and the usability of electronic health records. The IHA has partnered with the ICN and the IHS has bought the old McLeod fiber optic infrastructure. One of the main duties is to have the two systems work together so that all patients in Iowa can take advantage of electronic health information technology.

End of Life Care Decision Makings

The Department of Elder Affairs is to work with statewide organizations and health care professionals to develop educational and patient centered information on end of life care for terminally ill patients and health care professionals. End of life care is defined be care provided to meet the physical, psychological, social, spiritual, and practical needs of terminally ill patients and their caregivers.

Health Care Coverage

Dependents to Age 25

An insurance company must allow for continuation of existing coverage of an unmarried dependent child of an insured or enrollee. The dependent would be covered at least through the age of 25 years old, or so long as the dependent child maintains full-time status as a student in an accredited post-secondary educational institution, whichever occurs last, at a premium established in accordance with the insurer's rating practices. This provision applies to group and individual insurance plans.

Coverage of Preexisting Conditions

This section requires insurance company to allow persons who are accepted into an individual insurance policy or contract directly from a group insurance policy or contract to have satisfied preexisting conditions waiting period requirements of the policy. This provision is only applicable if the amount of time between the previous coverage and the effective date of the new coverage is less than 63 days. Lastly, this provision applies to policies or contracts renewed or starting on or after July 1, 2008.

Medical Home

The purpose of a patient centered medical home is to provide for the coordination and integration of care, focused on prevention, wellness, and chronic care management, using a whole person orientation through a provider-directed medical practice. In addition, using a patient centered medical home should lower costs and improve quality through a tangible method of documentation and outcome based results. Providers that are certified patient centered medical homes will receive incentives for their continued participation. A patient centered medical home is not a “gatekeeper.”

Medical Home System Board Advisory Council

The Medical Home Advisory Council is established within the Iowa Department of Public Health (IDPH). The Advisory Council will be composed of members from state agencies and stakeholders including a consumer. The Advisory Council will make recommendations to the Iowa Department of Public Health (IDPH) regarding the plan for implementation of a statewide patient centered medical home system. The Director of the IDPH will submit the Advisory Council’s recommendations to the State Board of Health for final approval before implementation. The IDPH has rulemaking authority to administer the patient centered medical home programs.

The IDPH will develop a plan for implementation of a statewide patient centered medical home system. The initial phase will focus on providing a patient centered medical home for children eligible for Medicaid. The second phase will focus on providing a patient centered medical home to adults covered by the IowaCare Program and to adults eligible for Medicaid. The third phase will focus on providing a patient centered medical home to children covered by hawk-I and adults covered by private insurance and self-insured adults. In addition, the IDPH will work with the Department of Administrative Services to allow state employees to utilize the patient centered medical home system.

Before the implementation of a statewide patient centered medical home system, the Advisory Council must make recommendations to develop an organizational structure for the patient centered medical home system in Iowa. The Advisory Council will work with existing resources to provide a strategy to coordinate health care services, monitor data collection on patient centered medical homes, and provide for training and education to health care professionals and families. In addition, the use of electronic medical records and telemedicine should also be included in a patient centered medical home system.

The IDPH is required to adopt standards and a process to certify the patient centered medical homes based on the National Committee for Quality Assurance standards. Some of these standards include education and training standards for health care professionals participating in the patient centered medical home system, the use of universal referral forms, and recommend a rate of reimbursement and recommend incentives for participation in the patient centered medical home system.

The IDPH will provide oversight for all certified patient centered medical homes. The IDPH must also review the progress of the patient centered medical home system and recommend improvements to the system, if necessary. An annual report will be provided to the Governor and the General Assembly regarding the improvements to and the continuation of the patient centered medical home system.

Dental Home

The Commission is required to coordinate the requirements and activities of the medical home system with the requirements of the dental home for children, I-SMILE. In addition, by December 31, 2010, every child who is 12 years old or younger covered by Medicaid must have a designated dental home and must be provided with the dental screenings, preventative diagnostic services, treatment services, and emergency services as specified by the Early and Periodic Screening, Diagnostic and Treatment Program.

Prevention and Chronic Care Management

Prevention and Chronic Care Management Advisory Council

The Director of the Iowa Department of Public Health, in collaboration with the Prevention and Chronic Care Management Advisory Council, will develop a state initiative for prevention and chronic care management. The Director of IDPH may accept grants and donations and is required to apply for any federal, state, or private grants available to fund the initiative.

The Director of IDPH will establish an Advisory Council to provide technical assistance to the Director in developing a state initiative that integrates evidence-based prevention and chronic care management strategies into public and private health care systems, including the patient centered medical home system. The Director of DHS must obtain any federal waivers or state plan amendments necessary to implement the initiative for Medicaid, hawk-I, and IowaCare populations. The Advisory Council will submit initial recommendations by July 1, 2009, to the Director of IDPH.

After the initial recommendations are submitted and the initial implementation among eligible populations, the Director of IDPH will work with DHS, insurers, health care professional organizations, and consumers in implementing the initiative beyond the population of eligible individuals as an integral part of the health care delivery system in Iowa. The Advisory Council must also continue to review and make recommendations to the Director of IDPH regarding improvements in the initiative.

Clinicians Advisory Panel

The Director of the IDPH will convene a Clinicians Advisory Panel to advise and recommend to the IDPH clinically appropriate, evidence-based best practices regarding the implementation of the patient centered medical home and the prevention and chronic care management initiative. The Advisory Panel will consist of nine members representing licensed medical health care providers selected by their respective organization. The Director of IDPH will act as chairperson of the Advisory Panel.

The Advisory Panel will meet quarterly to receive updates from the Director of IDPH regarding strategic planning and implementation progress on the patient centered medical home and the prevention and chronic care management initiative. In addition, the Advisory Panel will provide clinical consultation to the IDPH regarding the patient centered medical home and the initiative.

Family Opportunity Act

The Family Opportunity Act, which was passed last year as part of House File 909, the HHS budget bill, is amended to say that this Act will be implemented when DHS determines that sufficient funding is available. In addition, DHS must notify the General Assembly and the Code Editor when the contingency funding occurs.

Quality Improvement

A Medicaid Quality Improvement Council is established. The Council will evaluate the clinical outcomes and satisfaction of consumers and providers within Medicaid. In addition, the Council will consult with and advise the Iowa Medicaid Enterprise in establishing a quality assessment and improvement process. The initial process must be developed and implemented by December 31, 2008, with the initial report of results to be completed by June 30, 2009. Following the initial report, the Council will submit a report of results to the Governor and the General Assembly each year in January.

The Council will consist of seven voting members. A member of each Legislative Caucus will be represented on the Council. In addition, a consumer, and at least one member must be a Medicaid provider. An individual who is employed by a private or nonprofit organization that receives at least \$1 million in compensation or reimbursement from DHS is not eligible for appointment to the Council. DHS will provide administrative support for the Council.

Healthy Communities-Governor's Council on Physical Fitness and Nutrition

Health Communities Grants

The IDPH will establish a grant program to energize local communities to transform the existing culture into a culture that promotes healthy lifestyles and leads collectively, community by community, to a healthier Iowa. The IDPH will distribute the grants on a competitive basis and will support the grantee communities in planning and developing wellness strategies and establishing methodologies to sustain the strategies. Local boards of health representing a coalition of health care providers and community and private organizations are eligible to apply.

Governor's Council on Physical Fitness and Nutrition

A Governor's Council on Physical Fitness and Nutrition is established consisting of 12 members appointed by the Governor. The members must have expertise in physical activity, physical fitness, nutrition, and promoting healthy behaviors. The Council will assist in developing a strategy for implementation of the statewide comprehensive plan developed by the existing statewide initiative to increase physical activity, improve physical fitness, improve nutrition, and promote healthy behaviors. The initial draft of the implementation plan will be submitted to the Governor and the General Assembly by December 1, 2008. Further, the Council will provide oversight for the Governor's Physical Fitness Challenge, and develop the curriculum, including benchmarks and rewards, for advancing the school wellness policy through the Challenge.

Lastly, the Council will assist the IDPH in establishing and promoting a best practices internet site.