



Iowa Health Link

RFP Update



Medicaid Overview

- Iowa HHS is the single state entity responsible for administering the Medicaid program in Iowa.
- On April 1, 2016, Iowa Medicaid transitioned to a managed care program, known as IA Health Link.
- As a result of this transition the model for service delivery and reimbursement changed from a primarily Fee-for-Service (FFS) model to a risk based Managed Care Organization (MCO) model.
- Today, the MCOs provide members with comprehensive health care services, including physical health, behavioral health, and Long-Term Services and Supports (LTSS).
- Approximately 94% of all Iowa Medicaid Members are enrolled in an MCO with 6% remaining in FFS.

What is IA Health Link?



Improved quality and access



Greater accountability
for outcomes



Create a more predictable and
sustainable Medicaid budget

IA Health Link Vision



Promote the delivery of **efficient, coordinated** and **high-quality health care**.



Enable all members who could benefit from **comprehensive care management** to receive care through MCOs, including long term care members.



Change from **volume-based payment to value-based payment** will allow incentives to enhance clinical outcomes or quality, including reduced duplication of services and unnecessary hospitalizations.

What Services are included?

- Traditional Medicaid services including medical care in inpatient and outpatient settings, behavioral health care, emergency and non-emergency medical transportation, etc.
- Facility based services such as Nursing Facilities services, Intermediate Care Facilities for individuals with Intellectual Disabilities, Psychiatric Medical Institution for Children, Mental Health institutes, Residential Care facilities and State resource centers
- Home and Community-Based Services (HCBS) waiver services like HIV/AIDS, Brain Injury, Children's Mental Health, etc.
- Home and Community-Based Services such as the State Plan HCBS Habilitation and Community-based Neurobehavioral Rehabilitation Services (CNRS)

Key Goal

Iowa HHS seeks to emphasize enrolled member choice, access, safety, independence, and responsibility while providing high quality healthcare in the least restrictive manner. The program is intended to integrate care and improve quality outcomes and efficiencies across the healthcare delivery system, in turn decreasing costs through the reduction of unnecessary, inappropriate, and duplicative services.

How the program Achieves Quality Outcomes

- **Holding contractors accountable for costs and outcomes creates incentives for:**
 - Increased care coordination and reduced duplication
 - Investment in preventive services which lead to long term savings
 - Prevention of unnecessary hospitalizations
- **Combining accountability for costs and outcomes enables:**
 - Bending the cost curve through appropriate utilization management
 - MCO payments tied to outcomes
 - Performance outcomes can be increased each contract year



How the program Achieves Quality Outcomes

- **Member Benefits**
 - All members expected to receive health screening and services tailored to their individual needs.
 - Individuals with special health care needs will have comprehensive health risk assessment.
 - Care coordination must be person-centered and address unique client needs through individualized care plans.
 - Contractors can provide enhanced services not available through a fee-for-service model.



How the program Achieves Quality Outcomes

- **Expect contractors to develop strategies to integrate care across the system.**

This includes all physical health, behavioral health, and long term care services

Provides State oversight and coordination for all medical services

Provides incentives for coordinating care and avoiding duplication

Supports integration and efficiency

Prevents having scattered services and misaligned financial incentives

IA Health Link Program Procurement

- Iowa HHS is currently operating with 3 contractors for the IA Health Link Program and 1 of these contracts is set to expire June 30, 2025.
- The Agency intends to contract on a statewide basis with 1 bidder with a demonstrated capacity to coordinate care and provide quality outcomes for the Medicaid and CHIP populations to supplant the expiring contract.
- Services are set to begin July 1, 2025.
- Iowa HHS anticipates executing a contract that will have an initial 4 year contract term with the ability to extend the contract for 1 additional 2 year term.
- Iowa HHS will have the sole discretion to extend the contract.

Key Updates

- **Contract Alignment**

Scope of Work and supporting Exhibits updated to align with current, ongoing Health Link contracts, including all latest amendments

- **Dual Eligible SNP Coordination**

The Contractor will take all required steps to obtain Centers for Medicare & Medicaid Services (CMS) approval to operate a statewide Dual Eligible Special Needs Plan (D-SNP) that will start January 1, 2027. The Contractor is responsible for monitoring State and CMS information regarding dates of submission for D-SNP related documentation.

Key Updates

- **In Lieu of Services**

ILOS is for MCO members who are on a 1915(c) Home and Community Based Services (HCBS) waiver waiting list, and not currently receiving these services. The Contractor may provide the following services:

- Housing supports
- Case management
- Respite care services
- Personal care services
- Medically tailored meals
- Home and vehicle modifications
- Intermittent Supported Community Living (SCL)
- Supported Employment Services (SE)
- Support services necessary to aid the member to participate in community activities
- Transportation to conduct personal business essential to the health and welfare of the member
- Personal Emergency Response Services (PERS)
- Specialized medical equipment to include medically necessary items for personal use by the member to support the member's health and safety

Key Updates

- **Premium Tax**

- Iowa's House File 685 amended Iowa Code §432.1A and 249A.13, requiring a premium tax on Medicaid managed care organizations (MCOs) starting January 1, 2024.
- The objective of this tax is to bolster funding for the Medicaid program, attracting increased federal matching funds and substantially augmenting Iowa's Medicaid funding resources.
- The premium tax is applicable, but not limited to:
 - Capitation Payments
 - Maternity Case Rate Payments.
 - Directed payments such as Ground Emergency Medical Transportation (GEMT), Graduate Medical Education (GME), University of Iowa Hospitals and Clinics (UIHC) directed payments (physician and hospital) and all Hospital directed payments.
 - Payments for Medicaid Covered Services paid outside the capitation rates, which include but are not limited to specialty pharmaceuticals
 - Pay for Performance withhold payments

Pay for Performance

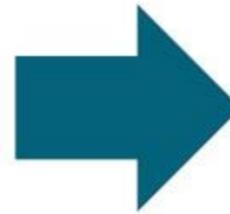
- The State has provided a sample set of PFP measures for the first year of the Contract for Contractors that may be selected under this RFP and are new to the Iowa Health Link program, and a separate set of PFP measures for incumbent Contractors that may be selected under this RFP.
- The P4P measures for Contractors that may be new to the program focus on operational and process metrics, such as measures related to timeliness and data accuracy, to ensure a successful implementation.
- It is expected that all Contractors will return to a common set of PFP measures beginning in SFY27, which may differ from the measures for SFY26.
- Final SFY26 PFP measures, both for Contractors that may be selected under this RFP and are new to the Iowa Health Link program and potential incumbent Contractors, will be determined by the Agency at a later date.
- Measures are updated based on baseline performance and areas that HHS would like to focus on for improvement. Final SFY26 capitation rates established prior to the start of the Contract will be calculated in consideration of PFP measures.

Iowa HHS Oversight

The IA Health Link contracts have remedy options in place to address compliance issues as they arise.

HHS has included liquidated damages that outline what remedies will be applied in various compliance situations. The State's intended goal is clear expectations and transparency.

Managed Care Oversight and Reporting Bureau works in tandem with other units of Iowa Medicaid and other HHS Divisions for performance review.



Health Policy Oversight Committee

Medical Assistance Advisory Committee (MAAC)

Council on Human Services

Hawki Board

MHDS Commission

Ombudsman Offices

Key Dates

Bidder proposals and Amendments due	May 8, 2024 at 12:00 pm
Bidder presentations of proposals	August 6 and 7, 2024
Agency announces Notice of Intent to Award	September 3, 2024
Transition activities begin	September 3, 2024
Anticipated start date	July 1, 2025

Potential Bidders

- **Centene**

- Iowa Total Care is a subsidiary of Centene Corporation, which is a multi-national healthcare enterprise focusing on under-insured or uninsured individuals. Centene offers affordable and high-quality products to nearly 1 in 15 individuals across the nation, including Medicaid and Medicare members (including Medicare Prescription Drug Plans) as well as individuals and families served by the Health Insurance Marketplace, the TRICARE program, and individuals in correctional facilities.

- **UCare**

- UCare is an independent, nonprofit health plan providing health coverage and services across Minnesota and western Wisconsin. They provide, de-complicate and figure out health coverage for their customers through innovative services and partnerships across communities.

- **United Healthcare**

- UHC currently works with more than 1.3 million physicians and care professionals and over 6,700 hospitals and care facilities nationwide. In 2019, United HealthCare left Iowa Health Link citing persistent funding and program design challenges.

Iowa Aging Services Network

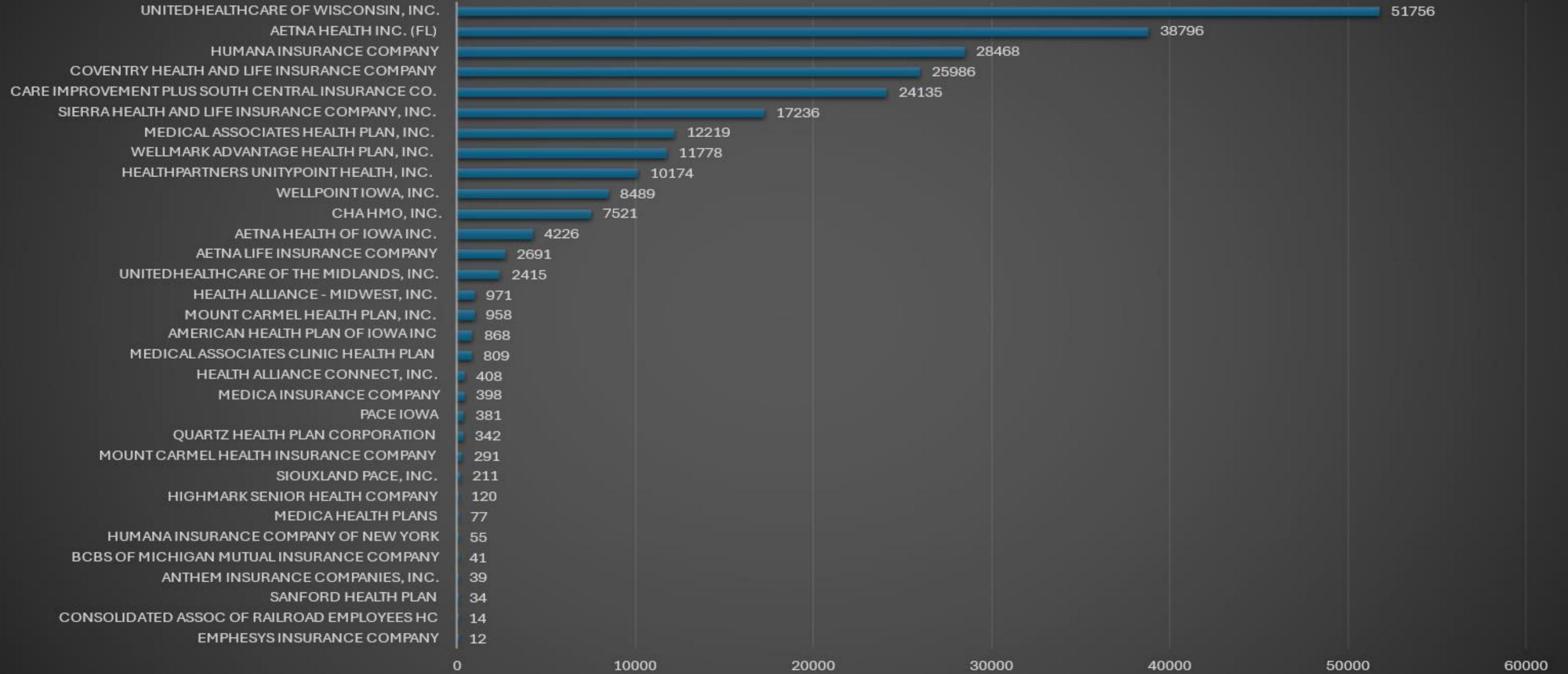


- **What is the Iowa Aging Services Network, IASN?**
 - LeadingAge Iowa, not-for-profit, post-acute long-term care providers have joined together to create a specialized network, IASN, whose mission is to maximize the health and well-being of seniors through innovative, cost-effective care management practices; quality improvement activities, and contracting relationships with health plans and health delivery systems

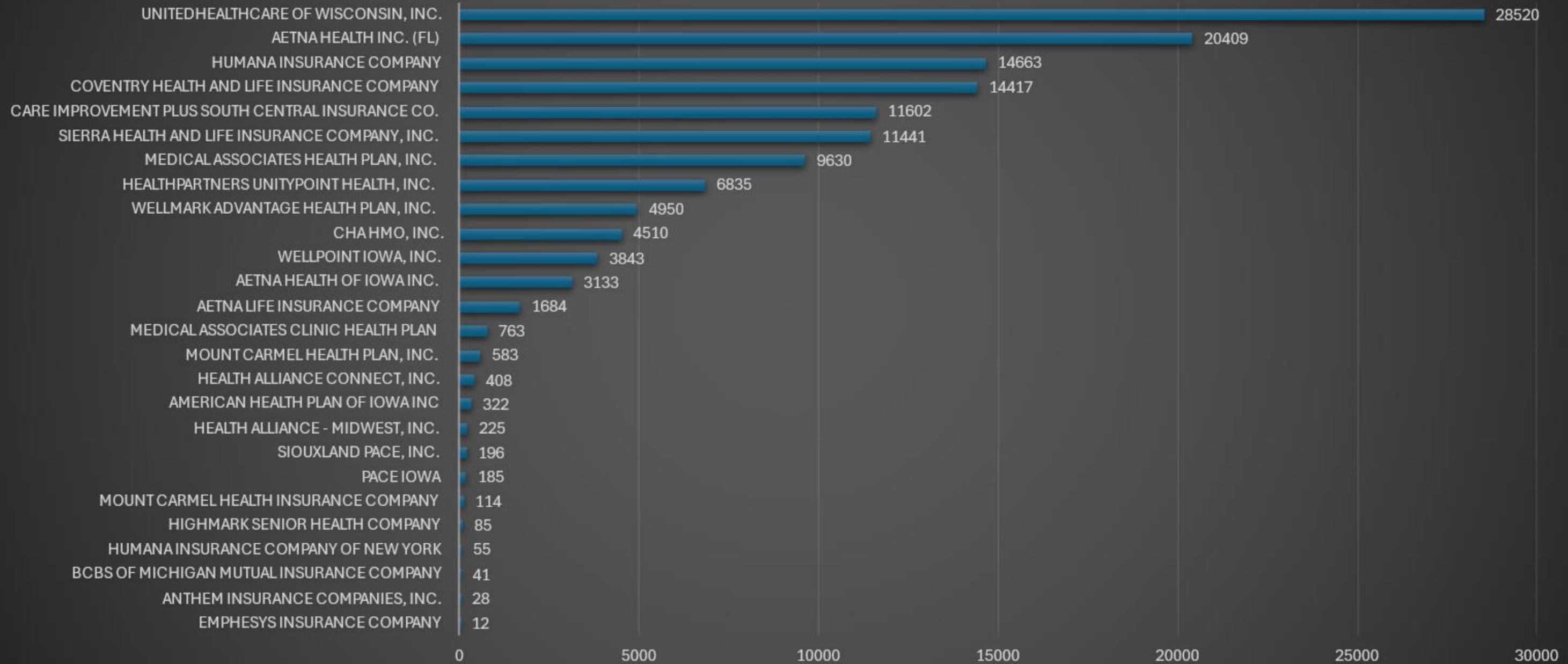


LeadingAge Iowa Meeting

Iowa MA Enrollment (May 2024)



IASN MA Enrollment (May 2024)





Payor	Network or Individual Contract	Line of Business	Reimbursement Parameters and Methodologies	Additional Information
Aetna				
Aetna	Network Agreement	Medicare Advantage	Per Diems with Annual Escalators	This contract was renegotiated in 2020 including an increase of approximately \$100 a day to right side the agreement. Annual escalators were also included for the term of the agreement, so rates in 2021, 2022 and again in 2023.
Aetna	Network Agreement	Commercial	Per Diems with Annual Escalators	This contract was renegotiated in 2022 including an increase of approximately \$100 a day to right side the agreement. Annual escalators were also included for the term of the agreement, so rates in 2021, 2022 and again in 2023.
Amerigroup				
Amerigroup	Network	Medicare	Medicare	This is a new product that Amerigroup agreed to add to the IASN contract. The rate is based on Medicare which is mostly non-existent with Elevance/Anthem companies.
Amerigroup	Network	Medicaid	Medicaid	
Amerigroup	Network	VBR	Pay for Performance	This value based agreement was put into place in 2021 and includes all IASN facilities. Payment will be based on meeting the specific quality measures and will be in addition to the standard base rate.

Coventry				
Coventry	Network	Workers Comp	Renegotiating from old Aetna rates to percentage of Medicare per diems.	This is the old First Health/Coventry product that was under Aetna. We are actively renegotiating this as it was transitioned under the old Aetna agreement, so it is being right-sided.
Humana				
Humana	Individual (negotiated and contracted as a network)	Medicare	Per Diems	Currently negotiating new agreements as Humana is finally approving additional facilities. We have also revisited renegotiating old agreements.
Medical Associates Health Plan				
MAHP	Network	Medicare Advantage	High Per Diem (equal to high percentage of Medicare)	This is a network agreement and MAHP has agreed to add additional providers as they expand and as currently contracted providers are tied to their own agreements with lower rates. We have currently negotiated an additional 5% increase for 2024 and another 5% in 2025.
MAHP	Network	Commercial	High Per Diem (equal to high percentage of Medicare)	Rates mirror above.



Medigold				
Medigold	Network	Medicare Advantage (the is an MA plan only)	Percentage of Medicare	This was a new plan to IA in 2021. They agreed to a network agreement, so as they expand, the remaining facilities would be able to be added. They announced the expansion in 2023, and we are finalizing the credentialing for the remaining facilities, so all IASN members will be in network.
Molina				
Molina	Network	Medicaid	Medicaid with P4P	This is the new plan that will be entering the Medicaid market in July. They agreed to add a P4P to the original document that will pay additional funds over and above the contracted rate for quality.
Perennial Advantage				
Perennial Advantage	Individual	ISNP		This is an OH contact that developed a successful provider-sponsored ISNP plan and was interested in doing the same in IA. The opportunity was brought to the IASN membership. There was not enough support for ownership via the IASN members, but the opportunity is still on the table being supported by other facilities within the state along with certain IASN facilities.

United Healthcare

UHC	Individual (negotiated and contracted as a network)	Commercial	Recently renegotiated per diems	UHC agreed to increase the Medicare and commercial rates as well as the ISNP. In addition, UHC agreed to contract with the remaining IASN facilities that were not already contracted. Both were accomplished.
UHC	Individual (negotiated and contracted as a network)	Medicare	Recently renegotiated per diems	
UHC	Individual (negotiated and contracted as a network)	ISNP	Recently renegotiated per diems	



Wellmark				
Wellmark	Network	Medicare	Medicare	Wellmark agreed to a network agreement for their MA plan before the roll out in 2021.
Wellmark	Network	Commercial	Commercial	After the MA document was completed, Wellmark then agreed to our request of doing a network agreement inclusive of all IASN facilities.
Iowa Total Care				
ITC	Network	Medicaid	Medicaid	We have had discussions with ITC regarding a P4P component to the agreement. They were not ready to implement this but as the other plans have put actual programs in place, we are revisiting.
New Contracts				
Health Partners/Unity Point	Network	Commercial/Medicare	In negotiation	We have been working with Health Partners for two years to convince them to do a network agreement including all facilities. They have finally agreed. Credentialing documents have been received and contracts are to be sent within a couple of weeks.
Tricare/Humana Military	Network		In negotiation	Humana Military will be taking over the Tricare customers in 2025 and agreed to do a network agreement with IASN.



Network Contracting

IASN Contracting Staff Has:

- ✓ **Successfully negotiated 18 managed care plan products, with 15 of them being network agreements**

- ✓ **Successfully negotiated rate increases with major carriers – see examples below**
 - ***Payor I – Yielded a 23% increase with annual 4% increases thereafter***
 - ***Payor II – Yielded a 4% to a 13% increase depending on the facility and the product***
 - ***3 Network Agreements with rates at 100% of Medicare***
 - ***1 Network Agreement with rates at 90% of Medicare***
 - ***3 Major payors with per diem reimbursement that have built in escalators or agreed to additional increases***



- ✓ Negotiated Pay for Performance programs in place with two major Medicaid carriers that will result in additional payments over and beyond the contracted fee for service rate based on quality. One of these agreements has the potential for IASN to collect over \$700,000 in additional payments for quality.
- ✓ Negotiated network agreements with carriers that overall do not contract with networks
- ✓ Negotiated to expand two network agreements to include the remaining providers
- ✓ Successfully worked with contacts at the payors to help release hundreds of thousand of dollars in withheld or incorrect payments

Credentialing

IASN Credentialing Staff Has:

- ✓ Successfully completed recredentialing applications for all IASN members
- ✓ Successfully completed all new applications for IASN members. They do all necessary follow up as well. The team has direct contacts with the payors. Facilities who do not have direct contacts may have to sort through 800 numbers to find the correct connection, only to be directed to leave a message or submit through a generic website.
- ✓ Continuously updated all necessary documents and maintained information in the IASN credentialing system.



- ✓ Continuously updated all necessary documents and maintained information in the IASN credentialing system.
- ✓ Requested any/all document(s) that are expired or set to expire within a week. They do not ask the members for copies/updated documents if they can download them online. Instead, they download them for the members.
- ✓ Requested, quarterly, current contact information (administrators, CEO, billing contacts, etc.) and any major changes (TIN, Ownership, additional service types), from each member. This information is not always provided to the team as the changes are made, so the team actively monitors this.
- ✓ Addressed all payor and client issues pertaining to credentialing, including demographic changes. Being proactive with the payors helps to keep the facilities in compliance with all credentialing requirements and avoid any necessary terminations for not responding.



Quality

IASN Quality Staff has:

IASN has created an impressive quality program that is now being utilized for the negotiation of the P4P contracts that have been finalized with Amerigroup and Molina. Hundreds of hours have been put into the establishment and management of the quality component of IASN. The needs of the facilities vary as one member may need hundreds of hours of support, while another much less. Employee turnover and new employees require training on IASN, and the quality program, multiple times per week. Currently, there are more than 100 IASN quality committee members who receive ongoing professional services from Strategic Health Care. Facilities who are not in compliance and who fall below acceptable quality performance standards, require additional professional services. Following is a list of these ongoing services:



- ✓ **Established updated IASN Quality Program for 2023/2024**
- ✓ **Presented the IASN Quality Data Outcomes to Payors to engage payor interest and negotiate contracts – two finalized**
- ✓ **Identified IASN Quality Measures for IASN Quality Program**
- ✓ **Established Benchmarks for IASN Quality Measures, based upon State and National Benchmarks**
- ✓ **Identified IASN Payors for Payor Attribution**
- ✓ **Scheduled and facilitated monthly IASN Quality Committee meetings**
- ✓ **Developed monthly Quality Committee meeting agendas**
- ✓ **Developed IASN Quality Program goals and policies**
- ✓ **Ongoing training for new employees or those requiring additional assistance**

- ✓ **Collaborated with Inovalon for IASN Quality data collection and reporting**
- ✓ **Regularly updated IASN Quality Committee and Members about changes to the IASN Quality Program**
- ✓ **Quarterly updates of 5-star reports with PIP/POC requests for facilities who fall below IASN minimums**
- ✓ **Monthly updates of aggregated scores compared to benchmarks**
- ✓ **Facilitated monthly “Best Practice” sharing**
- ✓ **Dashboard and resources on IASN website that IASN members can access 24/7 with a password**
- ✓ **Implemented Quality incentive awards**

Cost – Benefit

The list of services stated above is a high-level overview of everything that is provided to IASN and its members each year. The IASN agreement is a contract for specific services to be provided to the network and its members. IASN staff expends thousands of hours each year to make the IASN network successful on all fronts. **On average, the cost to the members to receive all the services listed above is \$737 per month.** This equates to \$8,846 per year. Hiring staff to provide these services at each facility would be exponentially higher, and many of the benefits would be lost as the payors have agreed to different rates, P4Ps and language changes due to the network negotiations which do not exist in one-on-one negotiations.



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