



# State and Federal Update

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# Medicaid Managed Care Update

# Iowa's Selected MCOs



– Amerigroup Iowa, Inc.



**AmeriHealth** *Caritas*

– AmeriHealth Caritas Iowa, Inc.



**UnitedHealth Group**

– UnitedHealthcare Plan of the River Valley, Inc.



– WellCare of Iowa, Inc.





UnitedHealth Group

**Parent Company:**  
United Health

**Headquarters:**  
Minneapolis, MN

**Company Type:**  
For-Profit

# UnitedHealthcare Plan of the River Valley, Inc.

- 5.1 million members
- Established network in Iowa
- Existing Markets: 20
  - Kansas, Wisconsin, Nebraska, Mississippi, New Jersey, New Mexico, New York, Michigan, Ohio, Maryland, Pennsylvania, Nevada, Rhode Island, Hawaii, Tennessee, Texas, Florida, Delaware, Arizona, Washington



**Parent Company:**

Anthem Blue Cross & Blue Shield (Formerly WellPoint)

**Headquarters**

Indianapolis, IN

**Company Type:**

For-Profit

# Amerigroup Iowa, Inc.

- 5.2 million members
- Existing Markets: 12
  - Washington, Tennessee, Florida, Georgia, Kansas, Maryland, New Mexico, Texas, New York, Nevada, Maryland, Louisiana,





**Parent Company:**  
WellCare Health Plans, Inc.

**Headquarters**  
Tampa, FL

**Company Type:**  
For-Profit

# WellCare Health Plans, Inc.

- 2.3 million members
- 8 offices in Iowa
- Existing Markets: 9
  - Hawaii, Kentucky, South Carolina, Florida, New York, New Jersey, Illinois, Missouri, Georgia





**AmeriHealth** *Caritas*

**Parent Company 1:**

Independence BlueCross

**Parent Company 2:**

AmeriHealth Caritas

**Headquarters:**

Philadelphia, PA

**Company Type:**

Non-Profit

# AmeriHealth Caritas Iowa, Inc.

- 6.6 million members
- 3 community wellness centers in Iowa
- Existing Markets: 16
  - District of Columbia, Indiana, Louisiana, Nebraska, Pennsylvania, South Carolina, Florida, California, Texas, Minnesota, Wisconsin, Rhode Island, New Jersey, New York, Kentucky, Nevada



# Overall Themes to Monitor

**OVERSIGHT**



Provider Network  
Development and Contracting

Standardization/Alignment

- Provider Credentialing
- Standard Claim Form
- Utilization Management and Prior Authorization
- Quality Measurement/Incentives
- Denials and Appeals



**OVERSIGHT**



# Next steps...

- August 17-September 11
  - State and MCO contract negotiations
- September 11- June 30, 2016\*
  - Provider network development and contract negotiations

\* awaiting details on provider contracting timeline from IME.



# Other Policy Issue Updates

- REACH Proposal
- Medicaid Payment Reform

# Rural Emergency Acute Care Hospital Act (S.1648)

- A CAH or rural hospital with less than 50 beds may become a “Rural Emergency Hospital” (REH)
- Provides:
  - 24-hour emergency services
  - Observation Care
    - Not to exceed 24 hours or “1 midnight”
  - Outpatient Care
- Must have protocols in place for timely transfer of patients
- Must receive approval/certification from the state

# REACH Payment

- Payment – 110% of reasonable costs (includes telehealth and transportation services)
- Coinsurance – same as current for CAH outpatient services

# Save Rural Hospitals Act (H.R. 3225)

- Similar to REACH – creates Community Outpatient Hospitals (COH)
- Other provisions
  - Eliminates sequestration for rural hospitals
  - Reverses cuts to bad debt
  - Extends MHD and LV payments
  - Delays penalties for MU
  - Regulatory relief – 96 hour, direct supervision, RACs

# Other Federal Issues

- 96-hour rule-
  - **Critical Access Hospital (CAH) Relief Act of 2015 (S. 258/H.R. 169):**
    - Supporters: Senator Chuck Grassley (R) and Representatives Dave Loebsack (D), Rod Blum (R), Steve King (R) and David Young (R)
- Direct Supervision
  - **Protecting Access to Rural Therapy Services Act (S. 257/H.R. 1611):**
    - Supporter: Senator Chuck Grassley (R) and Representative Dave Loebsack (D)



# Other Federal Issues

- Sequestration

- 2% cut extended through 2024 in military cost of living adjustment bill in February 2014.
- **Save Rural Hospital Act (H.R. 3225)**: Provides enhanced payments to rural health care providers and provides an option to transition to a community outpatient hospital.
  - Supporters: Representative Dave Loebsack (D)
- Would eliminate Medicare sequestration for all rural hospitals

- 340B

- OMB has finished its review of the proposed “mega guidance” and released for comment
- IHA is reviewing and determining next steps.
- Grassley has said he wants the program to do what it was intended to do



# Questions