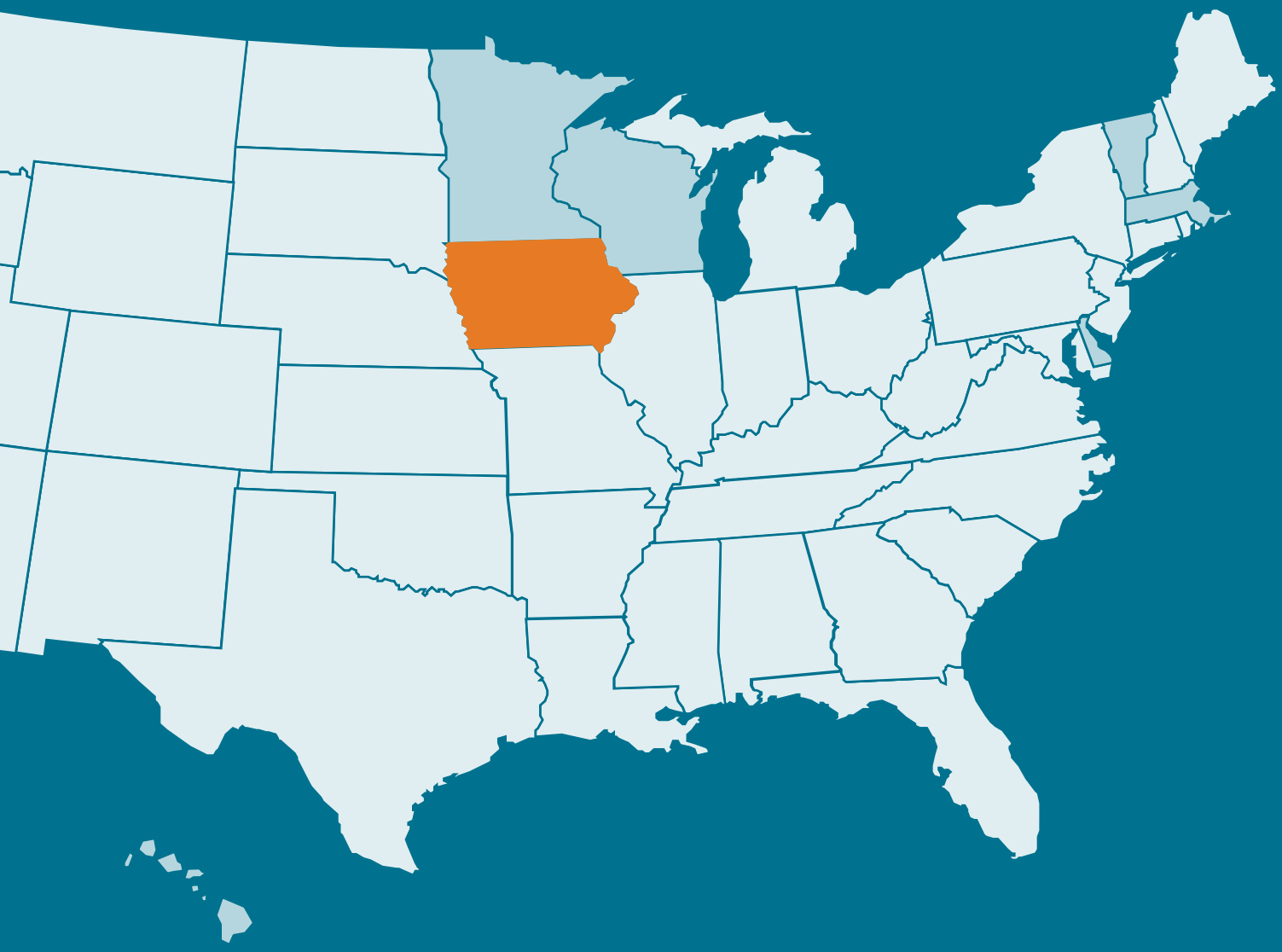
AIMING HIGHER FOR HEALTH SYSTEM PERFORMANCE

A Profile of Seven States That Perform Well on the Commonwealth Fund's 2009 State Scorecard: Iowa



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THE COMMONWEALTH FUND

The Commonwealth Fund

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Aiming Higher for Health System Performance:

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Iowa: Working Hard to Benefit Children

Iowa residents are known for hard work and, when confronted with a challenge, working cooperatively to get done what needs to be done. The state has a rich history of collaboration through its agricultural extension service, and this way of thinking has also characterized the state's approach to health system performance, with a special emphasis on making sure the system is working well for children. Nearly all children in Iowa have access to health insurance coverage either through private insurance or Iowa Medicaid programs. The state's health care delivery system is characterized by a few well-organized systems of care that are oriented toward quality improvement, and the state is known as an innovator in Medicaid program performance. These activities are reflected in very high health system performance: Iowa is among the top quartile of states on more than half of *State Scorecard* indicators, and ranks second (with Hawaii) on overall health system performance (Table 6).

Coverage

Iowa ranks among the top six states in adult health insurance coverage and ranks second in the rate of coverage for children, which is particularly high, reaching 95 percent in 2007–08. According to the Iowa Child and Family Household Health Survey, the uninsured rate among children decreased from 6 percent in 2000 to 3 percent in 2005.

Iowa families view health insurance coverage as a priority and go out of their way to seek coverage. "It's not unusual for a spouse to drive miles away from the family farm," says Peter Damiano, director of the University of Iowa Public Policy Center, "just to work at a job that provides health insurance for their family." As a result, Iowa's uninsured rates are very low, and the portion of uninsured is more highly correlated with low income—more than half of Iowa's uninsured residents have family income below 200 percent of poverty. The Iowa ethic also gives a very high priority to supporting children, and the combination of these values has led to the creation of public programs that could achieve a 99-percent statewide health insurance coverage rate for kids, if every eligible child was enrolled.[19]

Medicaid and hawk-i

Iowa's State Children's Health Insurance Program covers children in families with income levels up to 133 percent of the federal poverty level through an expansion of Medicaid, and covers children between 133 and 200 percent of poverty through a private insurance program called Healthy and Well Kids in Iowa (*hawk-i*). Most uninsured children in Iowa (75 percent) are estimated to be eligible for Medicaid or *hawk-i*, but not enrolled. Recently, the state has increased its efforts to reach out to these children and get them enrolled. Iowa Medicaid contracts with private health plans to provide covered services to children enrolled in *hawk-i*, with little or no cost-sharing for families (no family pays more than $40 per month). Iowa Medicaid also recently increased access to home- and community-based mental health services for seriously emotionally disabled children, up to 250 percent of poverty.

IowaCare

The IowaCare program was created in 2005 to cover a limited set of health care services for adults with income up to 200 percent of the federal poverty level. IowaCare benefits are provided through two government-run hospital systems (University of Iowa and Broadlawns Medical Center). This service delivery structure is reminiscent of (and replaced) an earlier "State Papers Program" that dated back to the

1920s and provided government certificates for uninsured residents to receive services in public hospitals. Today, the program is financed through a Medicaid 1115 demonstration waiver that allows the state to count $35 million in money that the two government hospitals spend on services for Medicaid beneficiaries as state matching funds, to which the state adds $65 million, and then draws $175 million from the federal government. In total, the waiver provides $275 million annually in spending authority for IowaCare.

IowaCare enrollees with family incomes above 100 percent through 200 percent of poverty are required to pay monthly premiums not to exceed 5 percent of family income. The program has intentionally and successfully enrolled a population with a high proportion of chronic illnesses, and provides coverage to a group that was previously uninsured for an extended period of time.[20] Average monthly enrollment is about 30,000, and a total of 60,000 Iowa residents have benefitted from IowaCare since its inception, far exceeding original enrollment estimates for the program.

Quality and Cost

Iowa's performance on prevention and treatment quality improved by 5 percent or more since baseline for two-thirds of the State Scorecard's *indicators, and overall the state outperformed all but five states on this dimension in 2009. Private sector health insurance premiums for employed individuals in Iowa were 5 percent lower than average premium costs nationally in 2008, and Medicare costs per beneficiary were 21 percent lower than the national average as of 2006.*

Iowa's health care delivery system is characterized by a few well-organized systems of care. Most of the state's physicians and hospitals are affiliated through two large, vertically integrated hospital systems (Iowa Health Systems and the Mercy Health Network). The University of Iowa Hospital supports both systems, and is the state's primary partner in serving Medicaid beneficiaries. These providers are leading the state's quality improvement efforts, working together through the Iowa Healthcare Collaborative.

Iowa Healthcare Collaborative

The Iowa Healthcare Collaborative (IHC) was created in 2004 through a partnership between the Iowa

Table 6. State Scorecard on Health System Performance: Iowa

	Overall and Dimension Rankings		Number of 2009 Indicators in:		Number of Indicators That Improved by 5% or More
	Revised 2007 Scorecard	2009 Scorecard	Top Quartile of States	Top 5 States	
OVERALL	3	2	21	11	14
Access	4	4	3	2	0
Prevention & Treatment	5	6	10	6	9
Avoidable Hospital Use & Costs of Care	12	14	4	2	1
Equity	15	8	*	*	*
Healthy Lives	8	7	4	1	4

Note: Data were available to rank Iowa on all 38 *State Scorecard* indicators in 2009. Trend data were available for 35 indicators.
* The equity dimension was ranked based on gaps between the most vulnerable group and the U.S. national average for selected indicators; thus, it is not included in indicator counts.
Source: The Commonwealth Fund, Oct. 2009.

Hospital Association and the Iowa Medical Society to improve the quality, patient safety, and value of health care in Iowa. IHC brings together physicians, hospitals, insurers, employers, government officials, consumers, and other community partners to explore new ways to improve quality and reduce cost. IHC collects and publicly reports comparative health care performance data, and translates that information into evidence-based measures and best practices for physicians and hospitals, ideas for insurers to pursue performance improvement, and assistance for employers to educate employees about wellness and prevention. IHC organizes all of these activities to complement other national quality and patient safety initiatives, and works closely with national organizations like the Institute for Healthcare Improvement, the National Patient Safety Foundation, federal agencies, hospital and medical associations, and others.

As new ideas about best practices emerge, IHC provides a ready-made forum to explore their application in Iowa. Current projects include: translating lessons learned from the IHC's Medical Home Learning Community, an initiative to make population-based care a core competency of all Iowa physicians, into standards for patient-centered medical homes; protecting patients by curbing health care-related infections; assisting hospitals to establish Medical Emergency Rapid Response Teams to bring critical care to the patient bedside at the first sign of decline (108 of 117 Iowa hospitals are participating); issuing simple "MedCard" information sheets about medications to improve communication between patients and health care providers; hosting Learning Communities to increase health system efficiency based on "Lean" techniques originally developed by Toyota; and serving as the Iowa field office for the national 5 Million Lives Campaign (5M) to reduce incidents of medical harm in all 117 Iowa hospitals.

Wellmark

In addition to provider-driven quality efforts, Iowa's largest insurance company, Wellmark Blue Cross and Blue Shield, has also been influential in moving quality indicators. Wellmark supports a medical home demonstration project to promote patient–physician collaboration and care coordination, and provides financial rewards for physicians who provide excellent diabetes care and share performance data with members, employers, and other clinicians. Wellmark also sponsors "Collaborating for Innovative Care," a series of Learning Collaboratives and personalized resources to help primary care practices establish care teams to improve the quality of diabetes care through process improvement and disease management techniques. The Learning Collaborative stresses teamwork, electronic data, and evidence-based guidelines as ways to improve provider performance.

Iowa Medicaid Enterprise

Iowa Medicaid is also a quality innovator, and has taken a one-of-a-kind approach in the organization of its Medicaid program to improve health system performance and efficiency. In 2005, the state split up its fiscal agent contract into nine separate functions, and competitively bid each function to find "best of breed" solutions. The resulting Iowa Medicaid Enterprise (IME) brings government staff and contracted experts together in one building to administer Medicaid. The emphasis of the program has shifted from paying claims to managing health system performance. The IME is extremely efficient, operating with 350 employees, only 80 of whom are state staff. IME team members work side-by-side and share a single, automated operating system to accomplish the state's goals for its Medicaid program. "The IME's internal collaborative approach has had a spillover effect," says Tom Kline, D.O., medical director

for the Iowa Medicaid Enterprise. "Once our team experienced the power of collaboration," he says, "it became the standard approach to solving all our problems, within Medicaid and beyond."

Iowa also attempts to bridge private and public health to better address the varied needs of its children, exemplified in its 1st Five Healthy Mental Development Initiative, administered through the Department of Public Health. Participating pediatric offices are trained in mental health screening, and make referrals to specially trained public health care coordinators who further assess family needs, make appropriate referrals and follow-up, and inform the medical practices of the child's status.[21] This approach may contribute to Iowa's high performance on the *State Scorecard's* indicator of children who received needed mental health care, on which it ranks fifth among states with a rate of 75 percent.

Conclusion

Iowa's commitment to health insurance coverage and quality improvement, particularly on behalf of children, is having a positive effect on the health of its population. Iowa improved on all but one of the *State Scorecard* indicators related to healthy lives from the 2007 to the 2009 scorecards, including a dramatic 15 percent reduction in mortality amenable to health care from 2001–02 to 2004–05. Iowa is on solid ground when it comes to quality. But not satisfied, the state's policymakers are planting new ideas to further improve quality and control costs. In 2007, a Legislative Commission on Affordable Health Care Plans for Small Businesses and Families conducted a comprehensive public discussion of health system reform. This discussion relied on local input and culminated in the enactment of comprehensive health care reform legislation in April 2008 (House File 2539). The reform bill created 11 new commissions to advance the recommendations of the original Commission, including working groups to implement patient-centered medical homes, establish strategies to prevent and manage chronic disease, adopt health information technology, and further expand coverage for children. These commissions are working now, and what they recommend will likely determine the contours of Iowa health policy in the future.

Notes

[19] P. Damiano, "Health Insurance Coverage in Iowa and State-Level Options for Change," presented to the Iowa Medical Society's Task Force on Iowa's Health Care Infrastructure (Sept. 2007).

[20] P, Damiano et. al., "First Evaluation of the IowaCare Program," The University of Iowa Public Policy Center and Center for Evaluation Research (Dec. 2008).

[21] S. Silow-Carroll, *Iowa's 1st Five Initiative: Improving Early Childhood Developmental Services Through Public-Private Partnerships* (New York: The Commonwealth Fund, Sept. 2008).

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Iowa

HMA interviews with Thomas Kline, D.O., medical director of the Iowa Medicaid Enterprise; and Peter Damiano, director, Iowa Center for Health Policy Research (Aug. 2009).

Peter Damiano, "Health Insurance Coverage in Iowa and State-Level Options for Change," presented to the Iowa Medical Society's Task Force on Iowa's Health Care Infrastructure (Sept. 2007).

Centers for Medicare and Medicaid Services, "Details for IowaCare 1115," Medicaid Waivers and Demonstrations Web site (accessed Aug. 2009).