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## **The Senate**

State of Iowa

*Eighty-fifth General Assembly*

STATEHOUSE

Des Moines, IA 50319

## COMMITTEES

Commerce, Ranking Member

Labor and Business Relations

State Government

Transportation, Infrastructure, and Capitals

Appropriations Subcommittee

# The Anderson Report

Thank you for the honor of representing you in the Iowa Senate. Please feel free to contact me with your questions, comments and ideas. You can reach me at **712-898-2505** or email to **bill.anderson@legis.iowa.gov**.

Late last week the Governor rolled out the Healthy Iowa Plan. The House Appropriations Committee began the process of moving this legislation on Thursday. It remains to be seen whether we adopt a plan that improves access and care, or simply expand the Medicaid system.

## **The Healthy Iowa Plan**

The Healthy Iowa Plan would cover approximately 89,319 uninsured Iowans earning below 100% of the Federal Poverty Level (FPL). Individuals above 100-400% of FPL will be eligible for tax credits to purchase private health insurance through the Health Insurance Exchange.

The Healthy Iowa Plan will utilize Accountable Care Organizations (ACOs) being established in Medicaid and the private sector, or other risk-bearing entities that will provide local services and ensure robust access to care. The ACOs will provide participants with a medical home that will work to coordinate and integrate their care. The plan rewards health care providers for helping make Iowans healthier. Value-based reimbursement is utilized to incentivize ACOs and the health care delivery system to provide higher quality health care and better outcomes for patients. The goal we have is to improve the overall health of Iowans.

The plan will require individuals make a monthly contribution towards their coverage. There would also be copays for nonemergency use, inpatient care, prescription drugs and doctor visits. If the insured completes a risk assessment, annual physical and other preventative services they may earn bonus contributions to their account. Those of very low income (below 50% FPL) could potentially eliminate required contributions through participation in the Healthy Behaviors Program.

## **Services Covered**

- Prescription Drugs
- Preventative Services
- Home Health Services
- Durable Medical Equipment
- Mental Health Services
- Transportation
- Hospital/Specialty Care Access
- Primary Care Access
- Quality and Outcomes Improvement

## **Healthy Iowa Plan v. Medicaid Expansion**

When we compare the two options before us there are notable differences. While both provide coverage to Iowans, the Healthy Iowa Plan rewards quality health care outcomes. It will require a member contribute towards their health care coverage, while Medicaid expansion will only cost taxpayers. Both plans cover the above mentioned services; however, the cost to operate the programs differs greatly. Simply put the Medicaid expansion is unsustainable and unaffordable, and merely adds more Iowans to a costly, outdated system. Expanding Medicaid would only put more trust in the federal government which continues to spend more than it takes in, leaving people to question whether the money will be delivered as promised.

A great deal of work remains to resolve this important issue. Ultimately the legislation will end up in conference committee. Through that process I am optimistic we will negotiate a plan which provides uninsured Iowans with a sustainable, affordable plan where they take ownership of their wellbeing.

## **Democrats Block Governor's Appointees**

On Tuesday Senate Democrats voted down the confirmations of Craig Lang and Robert Cramer, two qualified and competent candidates for the Board of Regents. It was clear to me that the Senate Democrats were playing politics focusing on the nominees' personal beliefs, which have little to do with their ability to serve, rather than their real world qualifications. In my opinion this all comes back to the dust-up over Iowa State University and the Harkin Institute. It is my hope in the future we work more constructively to settle our differences. Both Lang and Cramer were thoroughly vetted and qualified for the positions for which they were nominated.