



Iowa Department of Human Services

Terry E. Branstad
Governor

Kim Reynolds
Lt. Governor

Charles M. Palmer
Director

IME Policy Clarification # 108_2

July 7, 2016

MCO CEO Name
MCO
Address Line 1
Address Line 2
Des Moines, Iowa XX

Dear Ms/Mr.:

This letter is a formal notification of the state's expectations related to the operations and implementation of Iowa Medicaid under the managed care program. This purpose of this letter is to do following:

- ☒ Provide formal guidance
- ☐ Request for information

The Iowa Medicaid Enterprise (IME) initially provided for the printing of flyers for the Managed Care Organizations (MCOs) in the IA Health Link enrollment packets. The cost of the flyers was covered by the IME to accommodate implementation deadlines. Moving forward it is the expectation that the MCOs provide for the cost of printing their flyers which are inserted into the IA Health Link enrollment packets.

Currently the IME has a process in place where all materials included in the enrollment packet—including the MCO flyers—are printed, stuffed and mailed. This is an ongoing process with packets being mailed almost daily. This process will continue as it currently exists, however, the IME will invoice the MCOs for the cost of printing their flyers on a quarterly basis.

Cost Estimates:

- The cost will be determined by taking the unit cost, which is \$0.064, and multiplying it by the quantity of enrollment packets sent.
- Estimated quantities range from 5,000-10,000 monthly, translating into an estimated monthly cost of \$320-\$640 (quarterly estimate \$960-\$1,920). Quantities are subject to change depending on new enrollment volume.

Invoicing:

- The MCOs will be invoiced on a quarterly basis.
- The invoices, though issued quarterly, will be itemized by month.

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- July 2016, will be the first month the MCOs are responsible for the cost of flyers.
- The MCOs will receive their first invoice in October 2016, for the quarter that includes the months of July, August and September.
- Quarterly invoices will continue to be issued in January, April, July and October for the three months preceding the month in which the invoice is received.

Payment:

- Payment will only be accepted in electronic format.
- To setup electronic payment please contact Nancy Foote at Nfoote@dhs.state.ia.us.
- For further questions on payment please contact Sheila Morris at smorris@dhs.state.ia.us.

Please sign and return the attached receipt and attestation of understanding by July 13, 2016.

Sincerely,

Elizabeth Matney
Managed Care Oversight and Supports Bureau Chief

Attestation:

I hereby attest to understanding this communication including all requirements and due dates.

Name_____

Date_____