



## The Senate

State of Iowa  
*Eighty-sixth General Assembly*  
STATEHOUSE  
Des Moines, IA 50319

November 9, 2015

Charles Palmer, Director  
Department of Human Services  
Hoover State Office Building  
Des Moines, IA 50319

Director Palmer:

We are writing to express our grave concerns about your department's decision to penalize hospitals, nursing homes and other providers by reducing their reimbursement rates by 10 percent if they fail to sign contracts with MCOs.

This policy is not only punitive and predatory, it will put many health care providers out of business and further reduce access to affordable, quality health care for tens of thousands of vulnerable Iowans.

The reality is that the Department of Human Services (DHS) has not met any of the implementation deadlines so far such as selecting the MCOs; contracting with the MCOs; setting rate floors; and, sending out introductory letters and enrollment packets.

Despite those facts, the Department of Human Services still expects providers to review lengthy provider manuals and contracts and sign those contracts without adequate time or information by the January 1 deadline. It is not fair to shorten their timeline when you have lengthened the time DHS is taking to accomplish tasks.

We want to make sure you are aware that your staff promised during the Health Policy Oversight meeting to take this issue back to you for reconsideration. We implore you to change course. At the very least you need to move the deadline back six months before penalizing providers for trying to make good business decisions.

We expect an answer from you no later than Friday, November 13, 2015.

Sincerely,

A handwritten signature in cursive script that reads "Amanda Ragan".

Senator Amanda Ragan

A handwritten signature in cursive script that reads "Liz Mathis".

Senator Liz Mathis

A handwritten signature in cursive script that reads "Joe Bolkom".

Senator Joe Bolkom