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September 4, 2015

Eliot Fishman, Ph.D.  
Director, State Demonstrations Group  
Center for Medicaid and CHIP Services  
7500 Security Boulevard,  
Baltimore, MD 21244

Re: Medicaid Outsourcing in Iowa

Dear Director Fishman:

I am writing to you to encourage the Center for Medicare and Medicaid Services to block the State of Iowa's efforts to outsource management of Iowa's Medicaid program to for profit corporations.

The outsourcing of Iowa's Medicaid management has been a rushed, chaotic mess. According to a Des Moines Register investigation, the four winning bidders – Amerigroup, UnitedHealthcare, WellCare and AmeriHealth – have each faced serious charges of fraud or mismanagement in other states with some forced to pay hundreds of millions of dollars in fines. Also according to the Des Moines Register, three competing companies -- Aetna, Meridian and Iowa Total Care -- claim Iowa erred in its bidding process and are seeking a review. Their allegations could tie up the Branstad-Reynolds outsourcing efforts in court.

Furthermore, the individual Consumer Directed Attendant Care (CDAC) providers represented by AFSCME Iowa Council 61 have received misleading and inaccurate materials in the mail from one of the winning bidders, Amerigroup. These materials request that individual CDAC providers sign-up as providers under Amerigroup's provider network.

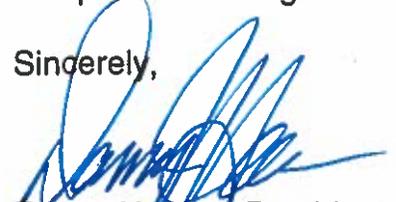
We contacted Amerigroup, and have been told by Amerigroup that the forms were sent to all CDAC providers prematurely, and that Amerigroup is awaiting further instruction from the State of Iowa on how to proceed. **We were told that the forms are not intended for individual CDAC providers, but for home care agencies and organizations.** This has also been confirmed by one of our members,

who had contacted Amerigroup with questions about the forms, and was also told by Amerigroup that the forms were sent in error.

This mass mailing is causing confusion and great concern among thousands of individual CDAC providers, their clients, and their clients' families. The fact that Amerigroup, which claims it can save the state money through efficiency, has already erred in sending out these documents to all providers is further evidence that the Branstad-Reynolds Administration is rushing its effort to outsource an important public service without thinking it through.

CMS has the ability to block the Branstad-Reynolds Administration's rush towards outsourcing Medicaid. By taking this appropriate action, CMS can prevent the harm that will be done to Iowa Medicaid providers and patients through this misguided outsourcing effort.

Sincerely,



Danny Herman, President  
AFSCME Iowa Council 61