



Iowa Department of Human Services

Terry E. Branstad
Governor

Kim Reynolds
Lt. Governor

Charles M. Palmer
Director

October 11, 2012

Ms. Cindy Mann
Director
Center for State Medicaid Operations
The Centers for Medicare and Medicaid Services
Room C5-21-17
Mail Stop S2-26-12
7500 Security Boulevard
Baltimore, MD 21244-1850

RE: Iowa 1115 Demonstration Waiver Amendment

Dear Ms. Mann:

Attached, please find an amendment to Iowa's IowaCare section 1115 Demonstration waiver. Iowa is requesting to amend the waiver to implement an enrollment cap, effective July 1, 2013. The IowaCare program has experienced significant increases in the Demonstration population since the January 1, 2012, implementation of the state-wide provider network expansion. In anticipation of capacity limitations within the provider network and depletion of program funds, this action is necessary to sustain the current structure of the Demonstration program.

Please note that we have had preliminary discussions with CMS Central Office and Regional Office staff regarding changing the payment methodology for participating FQHCs from fee-for-service to an encounter rate and the addition of the Meskwaki Health Center to the provider network. We were recently informed by CMS on August 27, 2012, that an amendment for the Meskwaki Health Center is not required. Therefore, we will only submit a second amendment for implementation of the FQHC encounter rate.

An updated budget neutrality projection worksheet representing the impact of the enrollment cap is attached for your reference.

We look forward to providing any additional information necessary to expedite final approval of this amendment. Please feel free to contact me at 515-256-4621 or via e-mail at jvermee@dhs.state.ia.us. I look forward to hearing from you soon.

Sincerely,

/s/

Jennifer H. Vermeer
Medicaid Director

JHV/dj

Attachments

cc: James G. Scott, CMS Region 7
Alexis Gibson, CMS Central Office
Julie Sharp, CMS Central Office
Charles Palmer, Iowa DHS Director
Julie Lovelady, Assistant Medicaid Director
Anita Smith, Bureau Chief of Adult & Children's Medical Programs
Deanna Jones, IowaCare Program Manager
Alisa Horn, Iowa Medicaid Enterprise