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State/Territory Name: Iowa

State Plan Amendment (SPA) #: 21-0012

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form (with 179-like data)
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services
Center for Medicaid & CHIP Services
233 North Michigan Ave., Suite 600
Chicago, Illinois 60601



Financial Management Group

September 7, 2021

Elizabeth Matney Medicaid Director
Division of Medical Services
Iowa Medicaid Enterprise
1305 E. Walnut Street
Des Moines, IA 50319

RE: TN 21-0012

Dear Director Matney:

We have reviewed the proposed Iowa (IA) State Plan Amendment (SPA) to Attachment 4.19-B IA-21-0012, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on August 11, 2021. This plan amendment increases air ambulance reimbursement rates.

Based upon the information provided by the State, we have approved the amendment with an effective date of July 1, 2021. We are enclosing the approved CMS-179 and a copy of the new state plan pages.

If you have any additional questions or need further assistance, please contact Robert Bromwell at 443-786-5914 or Robert.bromwell@cms.hhs.gov.

Sincerely,



Todd McMillion
Director
Division of Reimbursement Review

Enclosures

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER

2 1 — 0 1 2

2. STATE

IOWA

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)

TO: REGIONAL ADMINISTRATOR
CENTERS FOR MEDICARE & MEDICAID SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

July 1, 2021

5. TYPE OF PLAN MATERIAL (*Check One*)

NEW STATE PLAN

AMENDMENT TO BE CONSIDERED AS NEW PLAN

AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (*Separate transmittal for each amendment*)

6. FEDERAL STATUTE/REGULATION CITATION

42 CFR 447.200

7. FEDERAL BUDGET IMPACT

a. FFY 2021 \$ 4,487

b. FFY 2022 \$ 18,033

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 4.19-B, Page 1, 1c

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (*If Applicable*)

Attachment 4.19-B, Page 1, 1c

10. SUBJECT OF AMENDMENT

The proposed state plan amendment implements an increase in the ambulance rates as authorized by House File 891.

11. GOVERNOR'S REVIEW (*Check One*)

GOVERNOR'S OFFICE REPORTED NO COMMENT

OTHER, AS SPECIFIED

COMMENTS OF GOVERNOR'S OFFICE ENCLOSED

NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL

[Redacted Signature]

13. TYPED NAME

Elizabeth Matney

14. TITLE

MEDICAID DIRECTOR

15. DATE SUBMITTED

August 11, 2021

16. RETURN TO

**ELIZABETH MATNEY
MEDICAID DIRECTOR
DEPARTMENT OF HUMAN SERVICES
1305 EAST WALNUT 5TH FLOOR
DES MOINES IA 50319-0114**

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED

August 11, 2021

18. DATE APPROVED

September 7, 2021

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL

July 1, 2021

20. SIGNATURE OF REGIONAL OFFICIAL

[Redacted Signature]

21. TYPED NAME

Todd McMillion

22. TITLE

Director, Division of Reimbursement Review

23. REMARKS

State/Territory:

IOWA

**ATTACHMENT 4.19-B
METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES FOR
STATE PLAN COVERED SERVICES**

- A. When services which are reimbursed per a fee schedule, unless otherwise noted below, the same fee schedule applies to all providers -- both public and private -- and the fee schedule is published at the Iowa Medicaid Agency's website at: <https://dhs.iowa.gov/ime/providers/csrp/fee-schedule>.

Except for Other Independent Laboratory services, physician assistant services anesthesia services, CRNAs, and pharmacy/pharmacists services, the agency's rates were set as of July 1, 2021, and are effective for services on or after that date.

The fee schedule amounts for Other Independent Laboratory services, including code series 81000 are based on 95% of the Medicare Clinical Laboratory Fee Schedule. Effective January 1, 2017, and thereafter, the Department shall update the Independent Laboratory fee schedule using the most current calendar update as published by the Centers for Medicare and Medicaid Services.

The agency's rates were set as of December 1, 2020, for physician assistant services.

Effective July 1, 2017, the Department shall update the anesthesia conversion factor using the most current calendar year update of the Medicare anesthesia conversion factor, adjusted for the state as described below, converted to a per minute amount.

The agency's rates for CRNAs were set for services on and after December 1, 2020, and will be updated annually with the most recent Medicare anesthesia conversion factor as described above.

The agency's rates were set as of December 1, 2020, for pharmacy/pharmacists services.

- B. The principles and standards established in OMB Circular A-87 are applied, when applicable, in determining rates regardless of the reimbursement methodology or fee schedule described below.
- C. Rates paid for individual practitioner services based on the fee schedule or methodology described below shall not exceed the provider's customary charges for the service billed. In order for the Iowa Medicaid Agency to meet the requirements of 42 CFR 447.203(b)(1) providers of individual practitioner services must bill Medicaid the customary charge for the service provided.
- D. Providers of services must accept reimbursement based upon the Iowa Medicaid agency fee or methodology without making any additional charge to the recipient.
- E. All payments are made to providers. The term "provider" means an individual or an entity furnishing Medicaid services under an agreement with the Iowa Medicaid agency. An entity need not be a facility such as a hospital, ICF/ID, or nursing. Pursuant to 42 CFR 447.15 (g), the term may include facilities or entities who employ or contract with persons who are authorized under the Iowa State Plan to provide covered services. Also an entity may provide, for example, "clinic services (as defined in 42 CFR 440.90)" or "home health services (as defined in 42 CFR 440.70) and other services which are otherwise covered under Iowa Medicaid through its employees or contractors. In the latter case the entity would also be paid for those non-clinic and

State Plan TN #	<u>IA-21-0012</u>	Effective	<u>July 1, 2021</u>
Superseded TN #	<u>IA-20-017</u>	Approved	<u>September 7, 2021</u>

State/Territory:

IOWA

The following services will be modified:

Various services applicable to fees schedule language on page 1 (Physician Services; Podiatrist Services; Optometrist Services; Chiropractor Services; Audiology Services; Hearing Aide Dispenser Services; Psychologist Services; Services of Advanced Registered Nurse Practitioners; Services of Certified Nurse Anesthetists; Certain Pharmacists Services; Services of Advanced Nurse Practitioners Certified in Psychiatric or Mental Health Specialties; Renal Dialysis Clinics; Ambulatory Surgical Centers; Maternal Health Centers; Home Health-Medical Supplies and Equipment; Physical Therapy Services; Occupational Therapy Services; Services for Individuals with Speech, Hearing and Language Disorders; Prosthetic Devices; Eyeglasses; Nurse Midwife Services; Extended Services for Pregnant Women; Ambulatory Prenatal Care for Pregnant Women during a Presumptive Eligibility Period; Nurse Practitioner Services; Transportation Services) – Effective for services rendered on or after September 1, 2011, reimbursement will be 95% of the agency’s rates set as of July 1, 2008, excluding IowaCare network providers. Effective for services rendered on or after July 1, 2013, reimbursement rates will be increased by 1%, excluding IowaCare network providers. (Page 1 of Attachment 4.19-B)

Ambulance Services – Effective for services rendered on or after July 1, 2013, reimbursement rates will be increased by 10%. Effective for services rendered on or after July 1, 2014, reimbursement rates will be increased by 10%. Effective for services rendered on or after July 1, 2021, air ambulance reimbursement rates will be increased by 219.59% (Page 1 of Attachment 4.19-B)

Independent Laboratory Services – Effective for services rendered between December 1, 2009 and December 31, 2009, reimbursement will be made at 95% of Medicare’s January 1, 2009, clinical laboratory fee schedule. (Page 1 of Attachment 4.19-B)

Independent Laboratory Services – Effective for services rendered on or after January 1, 2010, reimbursement will be 95% of Medicare’s January 1, 2010, clinical laboratory fee schedule. (Page 1 of Attachment 4.19-B)

Various services applicable to fees schedule language on page 1 (Dental Services; Dentures; Medical and Surgical Services Furnished by a Dentist) – Effective for services rendered on or after December 1, 2009, reimbursement will be 97.5% of the agency’s rates set as of July 1, 2008. Effective for services rendered on or after July 1, 2013, reimbursement rates will be increased by 1%. (Page 1 of Attachment 4.19-B)

Preventative Exam Codes rendered in connection to services provided by IowaCare network providers – Effective for services rendered on or after December 1, 2009, reimbursement will be 95% of the agency’s rates set as of July 1, 2008. (Page 1 of Attachment 4.19-B)

EPSDT: Rehabilitation – Effective for services rendered on or after December 1, 2009, reimbursement will be 100% of cost, not to exceed 110% of the statewide average allowable cost less 5% (Page 5 of Attachment 4.19-B)

Family Planning Services – Agency’s rates were set as of July 1, 2008, and are effective for services rendered on or after that date. Effective for services rendered on or after July 1, 2013, reimbursement rates will be increased by 1%. (Page 1 of Attachment 4.19-B)

Existing IowaCare plan ended on December 31, 2013.

State Plan TN #	<u>IA-21-0012</u>	Effective	<u>July 1, 2021</u>
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