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State/Territory Name: IA

State Plan Amendment (SPA) #: 11-020

This file contains the following documents in the order listed:

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
601 East 12th Street, Suite 355
Kansas City, Missouri 64106

Division of Medicaid and Children's Health Operations

April 21, 2016

Charles M. Palmer, Director
Department of Human Services
Hoover State Office Building
1305 East Walnut, 5th Floor
Des Moines, IA 50319-0114

Dear Mr. Palmer:

On February 12, 2014, the Centers for Medicare & Medicaid Services (CMS) approved Iowa's State Plan Amendment (SPA) transmittal #11-020, which eliminated GME payments to out-of-state hospitals and changed the reimbursement methodology for non-emergent ER visits with an effective date of September 1, 2011.

During the compilation of the approved SPA pages, an error occurred in the pagnation and incorrect pages were issued to the state.

Enclosed is a corrected CMS-179 form, as well as, the correct approved pages for incorporation into the Iowa State Plan.

If you have any questions regarding this letter, please contact Sandra Levels at (816) 426-5925 or Sandra.Levels@cms.hhs.gov

Sincerely, 4/21/2016

James G. Scott
Associate Regional Administrator
for Medicaid and Children's Health Operations

Signed by: James G. Scott -A

Enclosure

cc:
Mikki Stier
Alisa Horn

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
601 East 12th Street, Suite 355
Kansas City, Missouri 64106

Division of Medicaid and Children's Health Operations

February 13, 2014

Charles M. Palmer, Director
Department of Human Services
Hoover State Office Building
1305 East Walnut, 5th Floor
Des Moines, Iowa 50319-0119

Dear Mr. Palmer:

On September 23, 2011, the Centers for Medicare & Medicaid Services (CMS) received Iowa's State Plan Amendment (SPA) transmittal #11-020, which proposes to eliminate GME payments to out-of-state hospitals and change the reimbursement methodology for non-emergent ER visits with the proposed effective date of September 1, 2011.

Based upon the information received, we are now ready to approve SPA #11-020 as of February 12, 2014, with an effective date of September 1, 2011, as requested by the state.

Enclosed is a copy of the CMS-179 form, as well as, the approved pages for incorporation into the Iowa State Plan. If you have any questions regarding this amendment, please contact Narinder Singh at (816) 426-5925 or Narinder.Singh@cms.hhs.gov.

Sincerely,

//s//

James G. Scott
Associate Regional Administrator
for Medicaid and Children's Health Operations

Enclosure

cc: Jennifer Vermeer

DEPARTMENT OF HEALTH AND HUMAN SERVICES
CENTERS FOR MEDICARE & MEDICAID SERVICES

FORM APPROVED
OMB No. 0938-0193

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL

FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES

1. TRANSMITTAL NUMBER: 11-020

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: September 1, 2011

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

7. FEDERAL BUDGET IMPACT
a. FFY '11 $ (467,115.41)
b. FFY '12 $ (5,433,545.00)

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT
Supplement 2 to Attachment 4.19-B, Pages 19, ~~23~~, ~~24b~~, * 22, and 24c

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)
Supplement 2 to Attachment 4.19-B, Pages 19, ~~23~~, ~~24b~~, *22, and 24c

10. SUBJECT OF AMENDMENT
HF 649, as authorized by the Iowa General Assembly, eliminated graduate medical education payments to out-of-state hospitals & changed reimbursement policy for non-emergent ER visits.

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

13. TYPED NAME: CHARLES M. PALMER

14. TITLE: DIRECTOR

15. DATE SUBMITTED: 9-22-11

16. RETURN TO
CHARLES M. PALMER
DIRECTOR
DEPARTMENT OF HUMAN SERVICES
1305 EAST WALNUT 5TH FLOOR
DES MOINES IA 50319-0114

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED: September 23 2011

18. DATE APPROVED: February 12, 2014

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL: September 1, 2011

20. SIGNATURE OF REGIONAL OFFICIAL

21. TYPED NAME: James G. Scott

22. TITLE: Associate Regional Administrator for Medicaid and Children's Health Operations

23. REMARKS

* Pen and Ink change per state request dated January 16, 2014.

FORM CMS-179 (07/92)

Instructions on Back

State/Territory: IOWA

Methods and Standards for Establishing Payment Rates for Other Types of Care

Outpatient Hospital Care (Cont.)

b. Effective January 1, 2009, and every three years thereafter, case-mix indices shall be recalculated using claims most nearly matching each hospital's fiscal year end.

c. Once a hospital begins receiving reimbursement as a critical access hospital, the prospective outpatient Medicaid cost-to-charge ratio is not subject to inflation factors or rebasing pursuant to this Section.

10. Payment to out-of-state hospitals

Out-of-state hospitals providing care to members of Iowa's Medicaid program shall be reimbursed in the same manner as Iowa hospitals, except that APC payment amounts for out-of-state hospitals may be based on either the Iowa statewide base APC rate or the Iowa blended base APC rate for the out-of-state-hospital.

a. For out-of-state hospitals that submit a cost report no later than May 31 in the most recent rebasing year, APC payment amounts will be based on the blended base APC rate using hospital-specific, Iowa-only Medicaid data. For other out-of-state hospitals, APC payment amounts will be based on the Iowa statewide base APC rate.

b. Out-of-state hospitals do not qualify for reimbursement for direct medical education payments from the Graduate Medical Education and Disproportionate Share Fund.

State/Territory: IOWA

Methods and Standards for Establishing Payment Rates for Other Types of Care

Outpatient Hospital Care (Cont.)

15. Recovery of Overpayments

When The Department determines that an outpatient hospital provider has been overpaid, a notice of overpayment and request for refund is sent to the provider. The notice states that if the provider fails to submit a refund or an acceptable response within 30 days, the amount of the overpayment will be withheld from weekly payments to the provider.

16. Rate Adjustment for Hospital Mergers

When one or more hospitals merge to form a distinctly different legal entity, the base rate is revised to reflect this new operation. Financial information from the original cost reports and the original rate calculations is added together and averaged to form the new rate for that entity.

17. Graduate Medical Education and Disproportionate Share Fund

Payment is made to all hospitals qualifying for direct medical education directly from the Graduate Medical Education and Disproportionate Share Fund. The requirements to receive payments from the fund, the amounts allocated to the fund, and the methodology used to determine the distribution amounts from the fund are as follows:

a. Qualifying for Direct Medical Education

Hospitals qualify for direct medical education payments if direct medical education costs that qualify for payment as medical education costs under the Medicare program are contained in the hospital's base year cost report and in the most recent cost report submitted before the start of the state fiscal year for which payments are being made.

b. Allocation to Fund for Direct Medical Education

The total amount of funding that is allocated to the graduate medical education and disproportionate share fund for direct medical education related to outpatient services for September 1, 2011, through June 30, 2012, is $2,282,771.11. Thereafter, the total annual amount of funding that is allocated is $2,739,325.33.

State/Territory: IOWA

Methods and Standards for Establishing Payment Rates for Other Types of Care

Outpatient Hospital Care (Cont.)

22. Payment for Outpatient Services Delivered in the Emergency Room

Payment for outpatient Services delivered in the emergency room will be based on the following criteria:

A. For ER visits that do not result in an inpatient admission and includes emergent diagnosis codes payment is made at 100 percent of the usual APC payment plus a triage/assessment fee schedule payment.

B. For ER visits that do not result in an inpatient admission and do not include emergent diagnosis codes, payment is made as follows:

1. For Medicaid members not participating in the MediPASS or Lock-in program referred to the ER by appropriate medical personnel payment is made at 75 percent of the usual APC payment plus a triage/assessment fee schedule payment.

2. For Medicaid members participating in the MediPASS or Lock-in program referred to the ER by their MediPASS or Lock-in primary care physician payment is made at 75 percent of the usual APC payment plus a triage/assessment fee schedule payment.

3. For Medicaid members not participating in the MediPASS or Lock-in program not referred to the ER by appropriate medical personnel payment is made at 50 percent of the usual APC payment plus a triage/assessment fee schedule payment.

4. For Medicaid members participating in the MediPASS or Lock-In program not referred to the ER by their MediPASS or Lock-in program primary care physician payment will be made for the assessment fee schedule payment only.

The copayment amount per Attachment 4.18-A will be deducted after APC payment reductions have been applied.