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State/Territory Name: IA

State Plan Amendment (SPA) #: 15-0002

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
601 East 12th Street, Suite 355
Kansas City, Missouri 64106



Division of Medicaid and Children's Health Operations

June 8, 2015

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 March 27, 2015, the Centers for Medicare & Medicaid Services (CMS) received Iowa's state plan amendment (SPA), transmittal #15-002 through which the state is proposing to continue enhanced payment for primary care physician (PCP) services effective January 1, 2015.

Based upon the information received, we are now ready to approve SPA #15-002 as of June 4, 2015, with an effective date of January 1, 2015, 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 Medicaid 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: Mikki Stier
Alisa Horn
Jeff Martson
Martin Swartz

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

1. TRANSMITTAL NUMBER <u>1-5-0-0-2</u>	2. STATE <u>IOWA</u>
3. PROGRAM IDENTIFICATION; TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
4. PROPOSED EFFECTIVE DATE <u>January 1, 2015</u>	

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

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 '15 <u>\$ 4,723,993</u> *\$4,778,192 b. FFY '16 <u>\$ 6,298,656</u>
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT <u>Attachment 4.19-B, Page 22, 23, 24</u>	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (if Applicable) <u>Attachment 4.19-B, Page 22, 23, 24</u>

10. SUBJECT OF AMENDMENT

This SPA request continues the primary care physician payment increases that were part of the ACA section 1202.

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	16. RETURN TO CHARLES M. PALMER DIRECTOR DEPARTMENT OF HUMAN SERVICES 1305 EAST WALNUT 5TH FLOOR DES MOINES IA 50319-0114
13. TYPED NAME <u>CHARLES M. PALMER</u>	
14. TITLE <u>DIRECTOR</u>	
15. DATE SUBMITTED <u>3-27-15</u>	

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED <u>March 27, 2015</u>	18. DATE APPROVED <u>June 4, 2015</u>
PLAN APPROVED - ONE COPY ATTACHED	
19. EFFECTIVE DATE OF APPROVED MATERIAL <u>January 1, 2015</u>	20. SIGNATURE OF REGIONAL OFFICIAL <u>/s/</u>
21. TYPED NAME <u>James G. Scott</u>	22. TITLE Associate Regional Administrator for Medicaid and Children's Health Operations

23. REMARKS

* Pen and Ink change per state's request dated 5.22.15.

Continuation of Medicaid Payments Established by Section 1202 of the Affordable Care Act (Increased Primary Care Service Payment 42 CFR 447.400, 447.405, 447.410)

Attachment 4.19-B: Physician Services Amount of Minimum Payment

The state will continue to reimburse for services provided by physicians with a primary specialty designation of family medicine, pediatric medicine or internal medicine as if the requirements of 42 CFR 447.400, 447.405 and 447.410 remain in effect. The rates will be those in effect for these payments as of January 1, 2014.

☒ The rates reflect all Medicare site of service and locality adjustments.

☐ The rates do not reflect site of service adjustments, but reimburse at the Medicare rate applicable to the office setting.

☒ The rates reflect all Medicare geographic/locality adjustments.

☐ The rates are statewide and reflect the mean value over all counties for each of the specified evaluation and management and vaccine billing codes.

The following formula was used to determine the mean rate over all counties for each code: _____

Method of Payment

☒ The state has adjusted its fee schedule to make payment at the higher rate for each E&M and vaccine administration code.

☐ The state reimburses a supplemental amount equal to the difference between the Medicaid rate in effect on July 1, 2009 and the minimum payment required at 42 CFR 447.405.

Supplemental payment is made: ☐ monthly ☐ quarterly ☐ semi-annually ☐ annually

Primary Care Services Affected by this Payment Methodology

☐ This payment applies to all Evaluation and Management (E&M) billing codes 99201 through 99499.

☒ The State did not make payment as of July 1, 2009 for the following codes and will not make payment for those codes under this SPA (specify codes). 99288, 99339, 99340, 99358, 99359, 99363, 99364, 99366, 99367, 99368, 99374, 99375, 99377, 99378, 99379, 99380, 99403, 99404, 99406, 99411, 99412, 99429

(Primary Care Services Affected by this Payment Methodology – continued)

☒ The state will make payment under this SPA for the following codes which have been added to the fee schedule since July 1, 2009 (specify code and date added).

90460 (Effective 01.01.11) , 90461 (Effective 01.01.11), 99224 (01.01.11), 99225 (01.01.11), 99226 (01.01.11), 99441 (10.01.10), 99442 (10.01.10), 99443 (10.01.10), 99444 (10.01.10), 99499 (10.01.10)

Physician Services – Vaccine Administration

The state reimburses vaccine administration services furnished by the physicians identified above at the lesser of the state regional maximum administration fee set by the Vaccines for Children (VFC) program or the rate established in accordance with 42 CFR 444.405(b)(2) as of January 1, 2014.

☐ Medicare Physician Fee Schedule rate

☒ State regional maximum administration fee set by the Vaccines for Children program

☐ Rate using the CY 2009 conversion factor

Effective Date of Payment

E & M Services

This reimbursement methodology applies to services delivered on and after January 1, 2015. All rates are published at www.dhs.iowa.gov

Vaccine Administration

This reimbursement methodology applies to services delivered on and after January 1, 2015. All rates are published at www.dhs.iowa.gov

Reserved