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State/Territory Name: IA

State Plan Amendment (SPA) #: 16-0004

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

July 25, 2016

Mikki Stier, Medicaid Director
Division of Medical Services
Department of Human Services
Iowa Medicaid Enterprise
100 Army Post Road
Des Moines, IA 50315

Dear Ms. Stier:

The Centers for Medicare & Medicaid Services (CMS), Kansas City Regional Office, has completed its review of Iowa State Plan Amendment (SPA) Transmittal Number #16-004. This SPA was submitted on June 13, 2016 for the purpose of removing references to the MediPass and Health Maintenance Organization (HMO) programs as these programs became obsolete by the approval of the 1915(b) waiver #R08, Iowa High Quality Healthcare Initiative. In addition, the SPA updated the description of the qualifications a Managed Care Organization (MCO) must meet to contract with the state.

SPA 16-004 was approved on July 20, 2016, with an effective date of April 1, 2016 as requested by the state. Enclosed is a copy of the CMS 179 form, as well as, the approved state plan page for incorporation into the Iowa State plan.

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

Sincerely,

//s//

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

Enclosures

cc:
Charles Palmer, Director
Alisa Horn, IME
Liz Matney, IME
Jennifer Steenblock, IME

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: 16 — 004

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: April 1, 2016

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 438

7. FEDERAL BUDGET IMPACT
a. FFY 2016 $ (59,800,000)
b. FFY 2017 $ (119,600,000)

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 2.1-A, Page 1
Attachment 2.1-A, Pages 2-20 - Obsolete

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT *(If Applicable)*

Attachment 2.1-A, Page 1
Attachment 2.1-A, Pages 2-20 - Obsolete

10. SUBJECT OF AMENDMENT

Removes references to the MediPASS & HMO program, as these programs were replace by the Initiative and now operate under 1915(b) waiver rather than State Plan authority. Also updates description of qualifications an MCO must meet to contract with the state.

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

☑ GOVERNOR'S OFFICE REPORTED NO COMMENT
☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL
☐ OTHER, AS SPECIFIED

12. SIGNATURE OF ~~STATE~~ AGENCY OFFICIAL

13. TYPED NAME: CHARLES M. PALMER

14. TITLE: DIRECTOR

15. DATE SUBMITTED: 6-13-16

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: June 13, 2016

18. DATE APPROVED: July 20, 2016

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL: April 1, 2016

20. SIGNATURE OF REGIONAL OFFICIAL: //s//

21. TYPED NAME: James G. Scott

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

23. REMARKS

FORM CMS-179 (07/92)

Instructions on Back

DEFINITION OF AN HMO THAT IS NOT FEDERALLY QUALIFIED

Any health maintenance organization (HMO) with which the Department enters into a contract* must meet at least the following requirements:

1. Be a managed care organization licensed under the provisions of Commerce Department, Insurance Division, rules, 191 Iowa Administrative Code 40, for the scope of services as defined in the rule 441 Iowa Administrative Code 73.6(249A).

2. Make available the services it provides to its Medicaid enrollees as established in the contract.

3. Make provisions satisfactory to the Department against the risk of insolvency and assure that neither Medicaid enrollees nor the State will be responsible for the HMO's debts if it becomes insolvent. Compliance shall exist with Commerce Department, Insurance Division, rules regarding net worth at 191 Iowa Administrative Code 40.12(514B) and reporting requirements at 191 Iowa Administrative Code 40.14(514B).

4. Attain and maintain accreditation by the National Committee on Quality Assurance (NCQA) or URAC. If not already accredited, the managed care organization must demonstrate it has initiated the accreditation process as of the contract effective date and must achieve accreditation at the earliest date allowed by NCQA or URAC.

5. Be licensed and in good standing in the State of Iowa as an HMO in accordance with 191 Iowa Administrative Code 40.

*The contract must meet the following minimum requirements:

1. Be in writing.
2. Specify the duration of the contract period.
3. List the services which must be covered.
4. Describe service access and provide access information.
5. List conditions for nonrenewal, termination, suspension, and modification.
6. Specify the method and rate of reimbursement.
7. Provide for disclosure of ownership and subcontracted relationships.
8. Specify that all subcontracts shall be in writing, shall comply with the provisions of the contract between the Department and the managed care organization, and shall include any general requirements of the contract that are appropriate to the service or activity covered by the subcontract.
9. Specify appeal and grievance rights.
10. Specify all operational and service delivery expectations.
11. Specify reporting requirements.
12. Specify requirements for utilization management and quality improvement.
13. Specify requirements for program integrity.
14. Specify termination requirements and assessment of penalties.