

Table of Contents

State/Territory Name: IA

State Plan Amendment (SPA) #: 16-0024

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) 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

April 14, 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 24, 2016, the Centers for Medicare & Medicaid Services (CMS) received Iowa's State Plan Amendment (SPA) transmittal #16-024 of Attachment 4.22-B, page 1, which proposed to amend the thresholds as defined under Section 1902(a)(25)(I), for processing Third Party Liability (TPL) claims.

SPA 16-0024 was approved on April 11, 2016, with an effective date of April 1, 2016, as requested. Enclosed is a copy of the CMS-179 summary form, as well as the approved page for incorporation into the Iowa State Plan.

If you have any questions regarding this amendment, please contact Lindsey Johnson at Lindsey.Johnson@cms.hhs.gov or 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

Enclosure

cc:
Mikki Stier
Sara Schneider
Alisa Horn

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES		1. TRANSMITTAL NUMBER <u>1 6 — 0 2 4</u>	2. STATE <p style="text-align: center;">IOWA</p>
		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 March 1, 2016	
5. TYPE OF PLAN MATERIAL (Check One)			
<input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT			
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate transmittal for each amendment)			
6. FEDERAL STATUTE/REGULATION CITATION *§433.139 (f) (2)-(3)		7. FEDERAL BUDGET IMPACT a. FFY 2016 \$ <u>0</u> b. FFY 2017 \$ <u>0</u>	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Attachment 4.22-B, Page 1		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) Attachment 4.22-B, Page 1	
10. SUBJECT OF AMENDMENT Per CMS, the threshold for claims has to be added in order for the TPL Action Plan to be approved eff. 3/1/16. The \$100 threshold on recovering claims has been in use by the IME since its inception and is part of the MED-10-001 contract under 6.6.2.2. ☐			
11. GOVERNOR'S REVIEW (Check One)			
<input checked="" type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> OTHER, AS SPECIFIED <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF STATE AGENCY OFFICIAL		16. RETURN TO	
13. TYPED NAME <p style="text-align: center;">CHARLES M. PALMER</p>		CHARLES M. PALMER DIRECTOR DEPARTMENT OF HUMAN SERVICES 1305 EAST WALNUT 5TH FLOOR DES MOINES IA 50319-0114	
14. TITLE <p style="text-align: center;">DIRECTOR</p>			
15. DATE SUBMITTED <p style="text-align: center;">2-24-16</p>			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED <p style="text-align: center;">February 24, 2016</p>		18. DATE APPROVED <p style="text-align: center;">April 11, 2016</p>	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL <p style="text-align: center;">April 1, 2016</p>		20. SIGNATURE OF REGIONAL OFFICIAL <p style="text-align: center;">/s/</p>	
21. TYPED NAME <p style="text-align: center;">James G. Scott</p>		22. TITLE <p style="text-align: center;">Associate Regional Administrator for Medicaid and Children's Health Operations</p>	
23. REMARKS *March 17, 2016, the state submitted an email and provided their approval for CMS to do pen and ink changes to the CMS 179 in fields #4 and #6.			

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Iowa

OMB No.: 0938-0193

**REQUIREMENTS FOR THIRD PARTY LIABILITY -
PAYMENT OF CLAIMS**

1. PROVIDER COMPLIANCE

The requirement that providers bill a liable third party before billing Medicaid is enforced by cost avoidance. The Iowa Medicaid Enterprise (IME) does not pay claims when the Medicaid eligibility file indicates that there is third-party liability, but the claim does not show an insurance payment. Providers must resubmit the claim indicating payment or denial from the third party before payment is made by Medicaid.

When the other resource has not paid the provider's full charge, providers may bill Medicaid for the difference (up to the Medicaid maximum allowable fee). Auditing is performed on a random basis to ensure correct billing.

However, the Department pays in accordance with the usual payment schedule without regard to third-party liability for claims where the liability is derived, through insurance or otherwise, from a parent whose obligation to pay support is being enforced by the state IV-D agency, or for a Medicaid-eligible woman who is pregnant, or for children receiving preventive pediatric services. These types of claims, are paid by Medicaid, then are billed to the responsible third party by Medicaid. All services are subject to this provision.

Inquiries for third-party liability on trauma claims are automated on a postpayment basis.

2. THRESHOLD AMOUNTS

The Department will attempt to collect from a liable third party when a member's total trauma claims for a single trauma incident are greater than \$250. Each member's trauma claims, which are related to a single incident, will be added together for one year to compare to the \$250 threshold.

However, when an attorney notifies Iowa Medicaid of their involvement in casualty situations or a member notifies Medicaid of possible insurance payment in casualty situations, these requests are worked when they total over \$50 in amount.

Insurance claims of less than \$100 dollars are billed once the dollar value of total claims is greater than \$100.00.

TN No. IA-16-024
Supersedes _____ Approval Date April 11, 2016 Effective Date April 1, 2016
TN No. MS-06-009