

## **Table of Contents**

**State/Territory Name: IA**

**State Plan Amendment (SPA) #: 18-0023**

This file contains the following documents in the order listed:

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

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



**Division of Medicaid and Children's Health Operations**

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November 23, 2018

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

Dear Mr. Randol:

On September 10, 2018, the Centers for Medicare & Medicaid Services (CMS) received Iowa's State Plan Amendment (SPA) Transmittal #18-0023. The purpose of the SPA is to implement a statewide fee schedule reimbursement for case management services in accordance with 2018 Iowa Acts, Senate File 2418, Section 132.

SPA #18-0023 was approved on November 23, 2018, with an effective date of July 1, 2018, as requested by the state. 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 Laura D'Angelo at (816) 426-5925.

Sincerely,

11/23/2018

Megan K. Buck  
Acting Associate Regional Administrator  
for Medicaid and Children's Health Operations

Signed by: PIV

cc:  
Mikki Stier, Deputy Director, Iowa DHS  
Jennifer Steenblock, IME  
Alisa Horn, IME  
Sandra Levels, CMS

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE &amp; MEDICAID SERVICES</b>		1. TRANSMITTAL NUMBER  <u>1</u> <u>8</u> — <u>0</u> <u>2</u> <u>3</u>	2. STATE  IOWA
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
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		4. PROPOSED EFFECTIVE DATE  July 1, 2018	
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 2018 _____ \$ <u>0</u> b. FFY 2019 _____ \$ <u>0</u>		
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT  Attachment 4.19-B, Page 17	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (if Applicable)  Attachment 4.19-B, Page 17		
10. SUBJECT OF AMENDMENT  Implements a statewide fee schedule reimbursement for case management services in accordance with 2018 Iowa Acts, SF 2418, Section 132. The rates were calculated to estimate budget-neutrality.			
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  _____ 13. TYPED NAME      Jerry R. Foxhoven	16. RETURN TO  JERRY R FOXHOVEN DIRECTOR DEPARTMENT OF HUMAN SERVICES 1305 EAST WALNUT 5TH FLOOR DES MOINES IA 50319-0114		
14. TITLE  DIRECTOR	15. DATE SUBMITTED  9-10-18		
<b>FOR REGIONAL OFFICE USE ONLY</b>			
17. DATE RECEIVED September 10, 2018	18. DATE APPROVED November 23, 2018		
<b>PLAN APPROVED - ONE COPY ATTACHED</b>			
19. EFFECTIVE DATE OF APPROVED MATERIAL July 1, 2018	20. SIGNATURE OF REGIONAL OFFICIAL  _____		
21. TYPED NAME Megan K Buck	22. TITLE Acting Associate Regional Administrator for Medicaid and Children's Health Operations		
23. REMARKS  _____			

### Methods and Standards for Establishing Payment Rates

1. **Services Provided Under Section 1915(i) of the Social Security Act.** For each optional service, describe the methods and standards used to set the associated payment rate. *(Check each that applies, and describe methods and standards to set rates):*

<input checked="" type="checkbox"/>	<p>HCBS Case Management</p> <p>Providers of case management services shall be reimbursed at cost. Providers are reimbursed throughout each fiscal year on the basis of a projected interim payment rate for a 15-minute unit of service based on each provider's reasonable and proper costs of operation. Reasonable and proper cost was identified consistent with 2 CFR, part 200 as implemented by HHS at 45 CFR, part 75.</p> <p>The methodology for determining the reasonable and proper cost for service provision assumes the following:</p> <ul style="list-style-type: none"> <li>• The indirect administrative costs shall be limited to 23 percent of other costs. Other costs include: professional staff – direct salaries, other – direct salaries, benefits and payroll taxes associated with direct salaries, mileage and automobile rental, agency vehicle expense, automobile insurance, and other related transportation.</li> <li>• Mileage shall be reimbursed at a rate no greater than the state employee rate.</li> <li>• Costs of operation shall include only those costs that pertain to the provision of services which are authorized under rule 441—90.3(249A).</li> </ul> <p>Interim payments are subject to annual retrospective cost settlement based on submission of actual costs of operation and service utilization data by the provider on Form 470-0664., Financial and Statistical Report submitted by providers ninety days after each fiscal year end. The cost settlement represents the difference between the amount received by the provider during the year for covered services and the amount supported by the actual costs of doing business, determined in accordance with an accepted method of cost apportionment.</p> <p>For dates of services on or after July 1, 2018, case management services shall be reimbursed by fee schedule. Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of HCBS case management services. The agency's fee schedule rate was set as of July 1, 2018 and is effective for services provided on or after that date. All rates are published on the agency's website at: <a href="https://dhs.iowa.gov/ime/providers/csrp/fee-schedule">https://dhs.iowa.gov/ime/providers/csrp/fee-schedule</a></p>
<input checked="" type="checkbox"/>	<p>HCBS Home-Based Habilitation</p> <p>For services provided on July 1, 2013 through December 31, 2013, home-based habilitation services will be reimbursed according to the Iowa Plan for Behavioral Health contractor provider-specific cost based fee schedule rate without reconciliation. The Agency's fees were set as of July 1, 2013 and are effective for dates of service provided on and after that date through December 31, 2013.</p> <p>For dates of services on or after January 1, 2014, providers shall be reimbursed a prospective statewide rate. Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of HCBS Home-Base Habilitation services. The agency's fee schedule rate was set as of May 1, 2016 and is effective for services provided on or after that date. All rates are published on the agency's website at: <a href="http://dhs.iowa.gov/ime/providers/csrp/fee-schedule">http://dhs.iowa.gov/ime/providers/csrp/fee-schedule</a></p>