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State/Territory Name: IA

State Plan Amendment (SPA) #: 20-0003

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 12th Street, Suite 355
Kansas City, Missouri 64106-2898



Medicaid and CHIP Operations Group

June 15, 2020

Michael Randol, Medicaid Director
Division of Medical Services
Department of Human Services
Iowa Medicaid Enterprise
611 Fifth Avenue
Des Moines, IA 50309

Dear Mr. Randol:

The Centers for Medicare and Medicaid Services (CMS) has completed its review of Iowa's State Plan Amendment (SPA) #20-0003, which was submitted on March 31, 2020. The purpose of SPA #20-0003 is to increase the premiums assessed to individuals enrolled in the eligibility group under section 1902(a)(10)(A)(ii)(XIII) of the Social Security Act beginning on August 1, 2020. This is an annual adjustment. CMS is approving this SPA subject to certain limitations, which are explained in further detail below.

On March 18, 2020, the Families First Coronavirus Response Act (FFCRA) was signed into law (Pub. L. 116-127). The FFCRA authorizes a temporary 6.2 percentage point increase to each qualifying state Federal Medical Assistance Percentage (FMAP) under section 1905(b) of the Social Security Act. States may claim this enhanced FMAP for expenditures beginning January 1, 2020 and extending through the last day of the calendar quarter in which the public health emergency is declared by the Secretary of Health and Human Services.

In order to qualify for the enhanced FMAP, states need to meet certain requirements in section 6008 of the FFCRA. While states may continue to collect premiums during the public health emergency period, under section 6008(b)(2) of the FFCRA, states may not increase premiums to an amount higher than that assessed on January 1, 2020. As such, if the public health emergency has not ended by August 1, 2020, the state has agreed not to implement the premium increase authorized in SPA 20-003 in order to comply with the FFCRA. Instead, the state will suspend all premiums for this eligibility group, per the state's disaster SPA, #20-0008. Once CMS notifies the states that the public health emergency has ended and states can no longer claim enhanced FMAP, then the state can resume premium assessments for this eligibility group and increase the premiums per the amended schedule after the state's rulemaking process has closed.

CMS approved this SPA on May 21, 2020, with an effective date of August 1, 2020, pursuant to the limitations outlined above. 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 about this letter or require any further assistance, please contact Laura D'Angelo at (816) 426-6425, or Laura.DAngelo1@cms.hhs.gov.

Sincerely,

James G. Scott, Director
Division of Program Operations

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

1. TRANSMITTAL NUMBER <u>2</u> <u>0</u> — <u>0</u> <u>0</u> <u>3</u>	2. STATE IOWA
3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
4. PROPOSED EFFECTIVE DATE August 1, 2020	

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 1902 (a) (10) (A) (ii) (XIII) of the SSA	7. FEDERAL BUDGET IMPACT a. FFY <u>2020</u> \$ (< <u>100,000</u>) b. FFY <u>2021</u> \$ (< <u>100,000</u>)
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Attachment 2.6-A, Page 12c	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (<i>If Applicable</i>) Attachment 2.6-A, Page 12c

10. SUBJECT OF AMENDMENT

SPA adjusts the premium scale per 441 IAC 75.1(39)“b”. The maximum premium amount is based on the avg. state employee health insurance premium which is, for a single person, \$829 effective January 1, 2020. Therefore, the maximum premium must not be above that amount.

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 MICHAEL RANDOL MEDICAID DIRECTOR DEPARTMENT OF HUMAN SERVICES 611 5TH AVENUE DES MOINES IA 50309
13. TYPED NAME MICHAEL RANDOL	
14. TITLE MEDICAID DIRECTOR	
15. DATE SUBMITTED	

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED 03/31/2020	18. DATE APPROVED 05/21/2020
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PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL 08/01/2020	20. SIGNATURE OF REGIONAL OFFICIAL 
21. TYPED NAME James G. Scott	22. TITLE Director, Division of Program Operations

23. REMARKS

State: Iowa

Citation	Condition or Requirement
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The definition of “family” for purposes of the 250% family income eligibility test includes:

- ◆ For disabled individuals under 18 and unmarried: the individual, parents living with the individual, unmarried siblings under 18 living with the individual, and children of the individual who live with the individual.
- ◆ For disabled individuals 18 or older or married: the individual, the individual’s spouse living with the individual, and any unmarried children under 18 who are living with the individual.

In comparing family income to 250%, SSI income disregards and exemptions are applied. In determining whether the 250% family income eligibility test is met, disregard the amount of income equal to the social security cost-of-living adjustment for the year until the federal poverty level increase goes into effect for the year.

Premiums will be charged for recipients with gross income in excess of 150% of the federal poverty level and will be adjusted annually based on changes in the average state employee health insurance premium. The premium is determined according to a sliding scale based on income, with the maximum premium, based on the average state employee’s health insurance premium, charged only when not more than 5% of gross income.

Monthly premium amounts established August 1, 2020; begin at \$35 with gross income greater than 150% of the federal poverty level and increase to a maximum of \$829 with gross income greater than 1550% of the federal poverty level. No other cost-sharing charges apply to this group, except for otherwise applicable Iowa Medicaid co-payments, subject to the aggregate limits described in 42 C.F.R. §447.56(f).

In determining the monthly premium amount, the gross income figure used in calculation of the monthly premium will not include the cost-of-living adjustment for the year until the federal poverty level for the year goes into effect.

TN No.	<u>IA-20-003</u>	Approval Date	<u>05/21/2020</u>	Effective Date	<u>08/01/2020</u>
Supersedes TN No.	<u>IA-19-005</u>				