

Table of Contents

State/Territory Name: Iowa

State Plan Amendment (SPA) #: 21-0002

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
Center for Medicaid & CHIP Services
233 North Michigan Ave., Suite 600
Chicago, Illinois 60601



Financial Management Group

December 16, 2021

Elizabeth Matney Medicaid Director
Division of Medical Services
Iowa Medicaid Enterprise
1305 E. Walnut Street
Des Moines, IA 50319

RE: TN 21-0002

Dear Director Matney:

We have reviewed the proposed Iowa (IA) State Plan Amendment (SPA) to Attachment 4.19-B IA-21-0002, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on October 4, 2021. This plan amendment permits IHS and Tribal facilities to claim Medicaid reimbursement under the FQHC services benefit, including the IHS All Inclusive Rate, provided outside the “four wall” of the facility.

Based upon the information provided by the State, we have approved the amendment with an effective date of October 1, 2021. We are enclosing the approved CMS-179 and a copy of the new state plan pages.

If you have any additional questions or need further assistance, please contact Robert Bromwell at 443-786-5914 or Robert.bromwell@cms.hhs.gov.

Sincerely,

A solid black rectangular box redacting the signature of Todd McMillion.

Todd McMillion
Director
Division of Reimbursement Review

Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES		1. TRANSMITTAL NUMBER	2. STATE
		2 1 — 0 0 2	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)	
		4. PROPOSED EFFECTIVE DATE October 1, 2021	
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		7. FEDERAL BUDGET IMPACT	
See below in block 23.		a. FFY 2022 \$ 0	
		b. FFY 2023 \$ 0	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)	
Attachment 4.19-B, Pages 9, 9a		Attachment 4.19-B, Pages 9, 9a	
10. SUBJECT OF AMENDMENT			
Permits IHS and Tribal facilities to claim Medicaid reimbursement under the clinic services benefit at 42.CFR Sec. 440.90 (including at the IHS All Inclusive Rate) for services provided outside the "four wall" of the facility. +			
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 ELIZABETH MATNEY MEDICAID DIRECTOR DEPARTMENT OF HUMAN SERVICES 1305 EAST WALNUT 5TH FLOOR DES MOINES IA 50319-0114	
13. TYPED NAME Elizabeth Matney			
14. TITLE MEDICAID DIRECTOR			
15. DATE SUBMITTED October 5, 2021			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED October 4, 2021		18. DATE APPROVED December 16, 2021	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL October 1, 2021		20. SIGNATURE OF REGIONAL OFFICIAL	
21. TYPED NAME Todd McMillion		22. TITLE Director, Division of Reimbursement Review	
23. REMARKS			
Block 10 Permits IHS and Tribal facilities to claim Medicaid reimbursement under the FQHC services at 42 CFR § 405.2462 (including at the IHS All Inclusive Rate) for services provided outside the "four wall" of the facility.			

State/Territory: IOWA

8. RESERVED

9. CLINIC SERVICES

Physician and dental fee schedules, except as follows:

- (a). Clinics that are renal dialysis clinics are paid for clinic services on a fee schedule. Fee schedule amounts were set in accordance with the effective date noted on page 1c of Attachment 4.19-B.
- (b). Clinics that are ambulatory surgical centers are paid for clinic services on a fee schedule. Fee schedule amounts were set in accordance with the effective date noted on page 1c of Attachment 4.19-B.
- (c). Clinics that are maternal health centers are paid for clinic services on a prospective cost-based fee schedule with no retroactive cost settlement, as determined by the Department based on a cost center report submitted by clinics on an annual basis. Services payable to the clinics include: 1) Maternal Health 2) Maternal Oral Health 3) Immunization 4) Laboratory. Cost of services to calculate the cost-based fee schedule rates includes direct cost (personnel and supplies) and overhead indirect cost incurred to support the services. Agency rates were set in accordance with the effective date noted on page 1c of Attachment 4.19-B.
- (d). Clinics that are family planning clinics are paid for clinic services on a fee schedule. Fee schedule amounts were set in accordance with the effective date noted on page 1c of Attachment 4.19-B.

(e). Payments to Indian Health Services and Tribal 638 Programs

All-inclusive rates (AIR): The Medicaid all-inclusive rates (AIR) are published each year in the Federal Register by the Department of Health and Human Services, for general covered services provided by Indian Health Services (IHS) facilities and facilities operated by federally recognized tribes under P.L. 93-638.

The general covered service categories are: Inpatient; Outpatient, Pharmacy, Vision, Dental, Mental Health, Substance Use Disorder, Clinic and EPSDT.

Tribal 638 Federally Qualified Health Center (FQHC) Alternate Payment Methodology

A tribal health program selecting to enroll as a FQHC and agreeing to an alternate payment methodology (APM) will be paid using the APM, which is the AIR. Tribal 638 FQHCs are not required to comply with the HRSA rules for a FQHC.

State Plan TN #	IA-21-0002	Effective	October 1, 2021
Superseded TN #	IA-17-017	Approved	12/16/2021

State/Territory:

IOWA

Iowa Medicaid will establish a Prospective Payment System (PPS) methodology for Tribal 638 FQHCs. The PPS rate shall be the average rate of other FQHCs in the state. Annually, Iowa Medicaid will compare the APM rate to the PPS rates to ensure the APM is equal to or greater than the PPS rate. The Tribal 638 FQHCs are not required to report its costs for the purposes of establishing a PPS rate.

Multiple visits for different services on the same day with different diagnosis:

IHS facilities, Tribal 638 facilities, and Tribal 638 FQHCs are eligible for multiple encounter payments for general covered service categories on the same day for the same recipient with a different diagnosis. For services provided, these clinics may bill for one visit per patient per calendar day for covered outpatient prescribed drugs provided by the facility (at the outpatient prescribed drugs per visit rate (excluding Medicare)), which shall constitute payment in full for all services provided on that day.

Multiple visits for different services on the same day with the same diagnosis:

IHS facilities, Tribal 638 facilities, and Tribal FQHCs are eligible for multiple encounter payments for general covered service categories on the same day for the same recipient with the same diagnosis provided they are for distinctly different services. The diagnosis code may be the same for each of the encounters, but the services provided must be distinctly different and occur within different units of the facility.

Multiple visits for the same type of service on the same day with different diagnoses:

IHS facilities, Tribal 638 facilities, and Tribal 638 FQHCs are eligible for multiple encounter payments for multiple same day visits for the same type of general covered service category if the diagnoses are different.

(f). When a facility provides services, which are otherwise covered under the state plan, in addition to clinic services, payment is based on the methodology as defined for the service that is provided.

(g). Reimbursement methodology for Community Mental Health Centers:

Community Mental Health Centers may choose one of the following reimbursement methodologies:

1. 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

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