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State/Territory Name: Iowa

State Plan Amendment (SPA) #: 23-0003

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
601 E. 12th St., Room 355
Kansas City, Missouri 64106



Medicaid and CHIP Operations Group

June 23, 2023

Elizabeth Matney
Medicaid Director
Iowa Department of Human Services
1305 East Walnut Street
Des Moines, IA 50319

Re Iowa State Plan Amendment (SPA) IA-23-0003

Dear Iowa Medicaid Director Ms. Matney:

The Centers for Medicare & Medicaid Services (CMS) reviewed your Medicaid State Plan Amendment (SPA) submitted under transmittal number (TN) IA-23-0003. This amendment proposes to add covered services of functional family therapy and multisystemic therapy for youth.

We conducted our review of your submittal according to statutory requirements in Title XIX of the Social Security Act and implementing regulations 42 CFR §447.200. This letter is to inform you that Iowa's Medicaid SPA IA-23-0003 was approved on June 23, 2023, with an effective date of March 1, 2023.

If you have any questions, please contact Lee Herko at 570-230-4048 or via email at lee.herko@cms.hhs.gov if you have any questions about this approval.

Sincerely,

A black rectangular box redacts the signature of James G. Scott. A blue ink scribble is visible below the box.

Digitally signed by James
G. Scott -S
Date: 2023.06.23 14:29:13
-05'00'

James G. Scott, Director
Division of Program Operations

cc: Jennifer Steenblock

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

1. TRANSMITTAL NUMBER

2 3 — 0 0 0 3

2. STATE

IA

3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT

XIX XXI

TO: CENTER DIRECTOR
CENTERS FOR MEDICAID & CHIP SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

March 1, 2023

5. FEDERAL STATUTE/REGULATION CITATION

42 CFR §447.200

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 23 \$ 70,275
b. FFY 24 \$ 158,640

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 4.19-B page 5
Supplement 2 Attachment 3.1A pgs. 13, 13a, 13b, 13c, 13d, 13e, 14

Attachment 3.1-A page 16
Attachment 3.1-B page 15

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)

Supersedes TN No. IA-16-022 (Att. 4.19-B page 5)
Supersedes TN No. IA-11-014 (Supp.2 Att. 3.1A pg 13).
All other pages are new
Supersedes TN No. 07-020 (Att. 3.1-A page 16)
Supersedes TN No. 06-003 (Att. 3.1-B page 15)

9. SUBJECT OF AMENDMENT

Adds covered services of functional family therapy (FFT) and multisystemic therapy (MST) for youth as authorized by Iowa House

10. 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:

11. SIGNATURE OF STATE AGENCY OFFICIAL



12. TYPED NAME
Elizabeth Matney

13. TITLE
Medicaid Director

14. DATE SUBMITTED
03/27/2023

15. RETURN TO

FOR CMS USE ONLY

16. DATE RECEIVED
March 28, 2023

17. DATE APPROVED
June 23, 2023

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL
March 1, 2023

19. SIGNATURE OF APPROVING OFFICIAL

Digitally signed by James G. Scott -S
Date: 2023.06.23 14:29:44 -05'00'

20. TYPED NAME OF APPROVING OFFICIAL
James G. Scott

21. TITLE OF APPROVING OFFICIAL
Director, Division of Program Operations

22. REMARKS

Boxes 7 and 8: State authorized pen and ink changes on 06/23/2023

State/Territory: IOWA

- f. *Personal care services in recipient's home, prescribed in accordance with a plan of treatment and provided by a qualified person under the supervision of a registered nurse are not provided.*
- g. Critical access hospital services (CAH) as defined in 42 CFR 440.170(g) are not provided under this item but are provided under Item 1 and 2a.
25. Home and Community Care for Functionally Disabled Elderly Individuals, as defined, described and limited in Supplement 2 to Attachment 3.1-A and Appendices A-G to Supplement 2 to Attachment 3.1-A are not provided.
26. Personal care services (*As defined in 42 CFR 440.167*) furnished to an individual who is not an inpatient or resident of a hospital, nursing facility, intermediate care facility for the mentally retarded or institution for mental disease that are:
- (A) RESERVED
 - (B) RESERVED
 - (C) Furnished in a home
 - Provided State Approved (Not Physician) Service Plan Allowed Services Outside the Home Also Allowed
 - Limitations: Provided as an EPSDT benefit only, as described at Supplement 2 to Attachment 3.1-A, Item 9.
 - Not Provided
27. Program of All-Inclusive Care for the Elderly (PACE) services, as described in Supplement 3 to Attachment 3.1-A.
- Election of PACE: By virtue of this submittal, the state elects PACE as an optional state plan service.
 - No election of PACE: By virtue of this submittal, the state elects to not add PACE as an optional state plan service.

State Plan TN#: IA-23-0003

Effective: 3/1/2023

Superseded TN#: MS-07-020

Approved: 6/23/2023

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- c. The rehabilitative services provided under the plan, which is described in (b) above, are appropriately documented by the rehabilitative provider(s) in a manner which permits a physician or other licensed practitioner of the healing arts to determine that the plan as implemented remains appropriate for the maximum reduction of the mental disability of the individual and the restoration of the individual to his or her best possible functional level, and such a determination is periodically made and documented by a physician or other licensed practitioner of the healing arts.
 - d. *Behavioral Health Intervention Services*, Refer to Supplement 2 to Attachment 3.1-A, page 31f, Item 13d(6).
 - e. *Drug & Alcohol Services*, Refer to Supplement 2 to Attachment 3.1-A, page 31h, Item 13d(7).
- (8) *Transportation Services*. (As defined in 42 CFR 440.170(a)). Non-emergency transportation in a vehicle specially equipped or staffed to accommodate the individual's special medical needs or who reside in an area in which school bus transportation is not provided but transportation is medically necessary for the individual. School based transportation is available on any day when the following two conditions are met.
- 1. On days when the child receives transportation to obtain a Medicaid covered service and;
 - 2. Both the Medicaid covered service and the need for transportation are included in the child's IEP or IFSP if the child receives a Medicaid covered IDEA service at an off-site facility during the school day and the cost of the transportation from the school to the facility and back to the school is reimbursable in full, however no cost of transportation to and from the child's home and school is reimbursable.
- (9) *Personal Care Services* as defined in 42 CFR 440.167 and further described in Section 4480 (Personal Care Services) of the State Medicaid Manual. This can be provided in the home or outside of the home. A physician must authorize the services. The services must be provided by an adult who is able to perform the cares the member needs and who is not a member of the members' family. Providers of personal care include home health agencies and local education agencies.

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(10) EVIDENCE BASED BEHAVIORAL HEALTH INTERVENTIONS

Iowa Medicaid covers Multisystemic Therapy (MST) and Functional Family Therapy (FFT), both evidence based behavioral health interventions, as a rehabilitative service pursuant to 42 CFR 440.130(d), subject to the following scope and provider limitations.

a. MST

MST is an evidenced based intensive treatment process that focuses on diagnosed behavioral health disorders and on environmental systems (family, school, peer groups, culture, neighborhood, and community) that contribute to, or influence a youth's involvement, or potential involvement in the juvenile justice system. The therapeutic modality reinforces positive behaviors, and reduces negative behavior, uses family strengths to promote positive coping activities and helps the family increase accountability and problem solving. Beneficiaries accepting MST receive assessment and home-based treatment that strives to change how youth, who are at risk of out-of-home placement or who are returning home from an out of home placement, function in their natural settings to promote positive social behavior while decreasing anti-social behavior.

MST's therapeutic services aim to uncover and assess the functional origins of adolescent behavioral problems by altering the youth's behavioral health issues in a manner that promotes prosocial conduct while decreasing aggressive/violent, antisocial, substance using or delinquent behavior by keeping the youth safely at home, in school and out of trouble. Treatment is used at the onset of behaviors that could result in (or have resulted in) criminal involvement by treating the youth within the environment that has formed the basis of the problem behavior. Treatment shall target reducing the severity of the behavioral issue identified as the reason for referral and to support the development of adaptive and functional behaviors. Treatment shall be for the direct benefit of the beneficiary. Beneficiaries eligible for EPSDT who are outside of the standard referral age range for MST may receive a comparable service if medically necessary.

(1) MST services

(a) Assessment

An Initial Diagnostic Interview (IDI) is a comprehensive assessment that identifies the Clinical need for treatment and the most effective treatment intervention/level of care to meet the medical necessity needs of the client. The IDI is completed prior to service provision and the IDI documentation accompanies the referral information to the rehabilitation program provider. The recommendations of the licensed supervising practitioner following the IDI serves as the treatment plan until the comprehensive treatment plan is developed.

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(b) Treatment

- (i) Youth and families receive individualized, therapy which is available 24 hours a day, seven days a week in the community setting. The MST therapy services is designed to decrease symptoms of the mental health diagnosis, reduce maladaptive referral behaviors and increase pro-social behaviors at home and across the multiple interconnected systems. The interconnected systems include the family, extended family, peers, neighbors, and the community that exists in the youth's world. The positives that are found in these systems are used as leverage for change. MST is an evidence-based practice.
- (ii) The family receives family therapy in order to understand and implement how to assist their child based on the child's diagnosis.

(2) MST Providers

- (i) Providers that may assess a member for MST services include the following: Physicians; Psychiatrists; Certified Psych/Mental Health Advanced Registered Nurse Practitioners; Licensed Psychologists; Provisionally Licensed Psychologists; Licensed Marriage and Family Therapists; Licensed Independent Social Workers; or Licensed Mental Health Counselors acting within their scopes of practice.
- (ii) MST treatment providers may be any of the following: Physicians; Psychiatrists; Certified Psych/Mental Health Advanced Registered Nurse Practitioners; Licensed Psychologists; Provisionally Licensed Psychologists; Licensed Marriage and Family Therapists; Licensed Independent Social Workers; Licensed Mental Health Counselors; Temporary Licensed Mental Health Counselors; Provisionally Licensed Marriage and Family Therapists; or Licensed Master Social Workers acting within their scopes of practice.

1. Treatment Provider Qualifications: MST treatment providers at minimum have attained their master's degree. Certification for MST is also a requirement, as is being a member of an active MST team. An active MST team requires MST certification of a Clinical Supervisor and at least three MST certified treatment providers working collaboratively with one another using the MST framework as defined by the international MST Services program.

2. Supervision:

MST Clinical Supervisors may be any of the following: Physicians; Licensed

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Psychologists; Licensed Mental Health Counselors; Licensed Marriage and Family Therapists; or Licensed Independent Social Workers. Clinical Supervisor education and licensure requirements equate to that of the MST Treatment Providers with the exception that a Clinical Supervisor must have two years of prior experience in practicing psychotherapy.

The MST Treatment Providers that require clinical supervision include: Provisionally Licensed Psychologists; Temporary Licensed Mental Health Counselors; Provisionally Licensed Marriage and Family Therapists; and Licensed Masters Social Workers. The following table provides the MST Clinical Supervisor types and the MST Treatment Providers they may supervise:

MST Clinical Supervisor	MST Treatment Provider Who Supervisor Can Oversee
Physician	Any provider type requiring supervision
Licensed Psychologist	Provisionally Licensed Psychologists
Licensed Independent Social Worker	Temporary Licensed Mental Health Counselor; Licensed Master Social Worker
Licensed Marriage and Family Therapist	Provisionally Licensed Marriage and Family Therapist
Licensed Mental Health Counselor	Temporary Licensed Mental Health Counselor; Licensed Master Social Worker

b. FFT

FFT is an evidenced-based family therapy that provides clinical assessment and treatment for the youth and their family to improve communication, problem solving, and conflict management in order to reduce problematic behavior of the youth. It is a short-term treatment strategy that is built on a foundation of respect of individuals, families, and cultures.

The services include an emphasis on assessment in understanding the purpose behavior problems serve within the family relationship system, followed by treatment strategies that pave the way for motivating the youth and their families to become more adaptive and successful in their lives.

FFT is designed to improve family communication and supports, while decreasing intense

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negativity and dysfunctional patterns of behavior. Therapy also includes training parents how to assist their child based on the child's diagnosis. Treatment shall be for the direct benefit of the beneficiary.

(1) FFT Services

(a) Assessment

An Initial Diagnostic Interview (IDI) is a comprehensive assessment that identifies the Clinical need for treatment and the most effective treatment intervention/level of care to meet the medical necessity needs of the client. The IDI is completed prior to service provision and the IDI documentation accompanies the referral information to the rehabilitation program provider. The recommendations of the licensed supervising practitioner following the IDI serves as the treatment plan until the comprehensive treatment plan is developed.

(b) Treatment

The services the youth and family will receive with FFT include frequent therapy assisting the youth and family in learning and demonstrating the benefits of positive, respectful, strength-based relationships. Positive outcomes are anticipated through the therapy which includes conflict resolution and strategies to enhance the relationships within the family. The youth and family will also gain the ability through therapy to extend their acquired competencies into accessing additional resources to prevent relapse as they continue developing their independence.

(2) FFT Providers

- (i) Providers that may assess a member for FFT include any of the following: Physicians; Psychiatrists; Certified Psych/Mental Health Advanced Registered Nurse Practitioners; Licensed Psychologists; Provisionally Licensed Psychologists; Licensed Marriage and Family Therapists; Licensed Independent Social Workers; or Licensed Mental Health Counselors acting within their scopes of practice.
- (ii) FFT treatment providers may be any of the following: Physicians; Psychiatrists; Certified Psych/Mental Health Advanced Registered Nurse Practitioners; Licensed Psychologists; Provisionally Licensed Psychologists; Licensed Marriage and Family Therapists; Licensed Independent Social Workers; Licensed Mental Health Counselors; Temporary Licensed Mental Health Counselors; Provisionally Licensed Marriage and Family Therapists; or Licensed Master Social Workers acting within their scopes of practice.

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1. Treatment Provider Qualifications: FFT treatment providers at minimum have attained their master’s degree and are a member of an active FFT team. An active FFT team requires FFT certification of a Clinical Supervisor and at least three FFT certified treatment providers working collaboratively with one another using the FFT services as defined by FFT, LLC or FFT Partners.

2. Supervision:

FFT Clinical Supervisors may be any of the following: Physicians; Licensed Psychologists; Licensed Mental Health Counselors; Licensed Marriage and Family Therapists; or Licensed Independent Social Workers. Clinical Supervisors must be certified in the FFT model with experience in the practice of psychotherapy.

The FFT Treatment Providers that require clinical supervision include: Provisionally Licensed Psychologists; Temporary Licensed Mental Health Counselors; Provisionally Licensed Marriage and Family Therapists; and Licensed Masters Social Workers. The following table provides the FFT Clinical Supervisor types and the FFT Treatment Providers they may supervise:

FFT Clinical Supervisor	FFT Treatment Provider Who Supervisor Can Oversee
Physician	Any provider type requiring supervision
Licensed Psychologist	Provisionally Licensed Psychologists
Licensed Independent Social Worker	Temporary Licensed Mental Health Counselor; Licensed Master Social Worker
Licensed Marriage and Family Therapist	Provisionally Licensed Marriage and Family Therapist
Licensed Mental Health Counselor	Temporary Licensed Mental Health Counselor; Licensed Master Social Worker

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4c. Family Planning Services do not include the treatment of infertility.

5a. PHYSICIANS SERVICES

Iowa Medicaid will not cover the following services when rendered by a physician:

- (a) Acupuncture, and
- (b) Cosmetic, reconstructive or plastic surgery where the primary purpose is to improve physical appearance or which is performed primarily for psychological purposes or which restores form but does not correct or materially improve the bodily functions.
 - i. Cosmetic, reconstructive or plastic surgery is covered under limited circumstances where such is for the purpose of correcting congenital anomalies; restoration of body form and/or function following accidental injury; or the revision of disfiguring or extensive scarring resulting from neoplastic surgery.

5b. MEDICAL AND SURGICAL SERVICES FURNISHED BY A DENTIST IN ACCORDANCE WITH SECTION 1905(a)(5)(B) OF THE ACT

Iowa Medicaid covers medical and surgical services performed by a dentist to the extent these services may be performed under State law by doctors of medicine, osteopathy, dental surgery, or dental medicine and would be covered if furnished by doctors of medicine and osteopathy.

6a. PODIATRISTS SERVICES

Iowa Medicaid covers only those medical and remedial care or services provided by a doctor of podiatric medicine, acting within the scope of his or her license, if the services would be covered as physicians' services when performed by a doctor of medicine or osteopathy. Additionally, Iowa Medicaid does not cover the following services:

- (a) Treatment of flat foot;
- (b) Treatment of subluxations of the foot; and
- (c) Routine foot care.

Podiatrists services are limited except for children under 21 years of age for which medically necessary services are covered in accordance with the EPSDT provisions.

6b. OPTOMETRIST SERVICES

Iowa Medicaid covers optometric services subject to the following limitations regarding amount, duration and scope, except for children under 21 years of age for which medically necessary services are covered in accordance with EPSDT provisions:

- (1) Routine eye examinations are covered once in a 12-month period.
- (2) Auxiliary procedures and special tests are reimbursed as a separate procedure only when warranted by case history or diagnosis.
- (3) Lenses made of polycarbonate or equal material are allowed only for:
 - (i) Members with vision in only one eye.

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26. Personal care services (*As defined in 42 CFR 440.167*) furnished to an individual who is not an inpatient or resident of a hospital, nursing facility, intermediate care facility for the mentally retarded or institution for mental disease that are:

(A) RESERVED

(B) RESERVED

(C) Furnished in a home

Provided

State Approved (Not Physician) Service Plan Allowed
Services Outside the Home Also Allowed

Limitations: Provided as an EPSDT benefit only, as described at Supplement 2 to Attachment 3.1-A, Item 9.

Not Provided

27. RESERVED

28. RESERVED

State/Territory:

IOWA

3. OTHER INDEPENDENT LABORATORIES SERVICES

Fee Schedule. The fee schedule is 95.00% of the Medicare Clinical Laboratory Fee Schedule.

4a. NURSING FACILITY SERVICES (OTHER THAN SERVICES IN AN INSTITUTION FOR MENTAL DISEASES)

See Attachment 4.19-D of the State Plan.

4b. EARLY PERIODIC DIAGNOSTIC AND SCREENING SERVICES

- (1) Outpatient Hospital Services: Except as otherwise noted in the plan, state developed fee schedule rates are the same for both governmental and private providers of rehabilitative services. The agency's fee schedule rate was set as of April 1, 2016, and is effective for services provided on or after that date. All rates are published on the Department of Human Services website: www.dhs.iowa.gov.
- (2) Services of licensed practitioners of the healing arts: Except as otherwise noted in the plan, state developed fee schedule rates are the same for both governmental and private providers of rehabilitative services. The agency's fee schedule rate was set as of March 1, 2023, and is effective for services provided on or after that date. All rates are published on the Department of Human Services website: <https://hhs.iowa.gov/ime/providers/csrp/fee-schedule>.
- (3) Private duty nursing services: For services on or after, July 1, 2013, payment for private duty nursing services will be based on the provider's reasonable and necessary costs as determined by the State Medicaid agency, not to exceed 133 percent of the statewide average allowable costs per hour. An interim provider-specific fee schedule based on the State Medicaid agency's estimate of reasonable and necessary costs for services provided will be paid based on financial forms approved by the department, with suitable retroactive adjustments based on final financial reports.
- (4) Home health services –medical supplies and equipment: Except as otherwise noted in the plan, state developed fee schedule rates are the same for both governmental and private providers of rehabilitative services. The agency's fee schedule rate was set as of April 1, 2016, and is effective for services provided on or after that date. All rates are published on the Department of Human Services website: www.dhs.iowa.gov.
- (5) Personal care services: For services on or after, July 1, 2013, payment for personal care services will be based on the provider's reasonable and necessary costs as determined by the State Medicaid agency, not to exceed 133 percent of the statewide average allowable costs per 15 minutes. An interim provider-specific fee schedule based on the State Medicaid agency's estimate of reasonable and necessary costs for services provided will be paid based on financial forms approved by the department, with suitable retroactive adjustments based on final financial reports.
- (6) Dental services: Except as otherwise noted in the plan, state developed fee schedule rates are the same for both governmental and private providers of rehabilitative services. The agency's fee schedule rate was set as of April 1, 2016, and is effective for services provided on or after that date. All rates are published on the Department of Human Services website: www.dhs.iowa.gov.
- (7) Diagnostic services: Except as otherwise noted in the plan, state developed fee schedule rates are the same for both governmental and private providers of rehabilitative services. The agency's fee schedule rate was set as of April 1, 2016, and is effective for services provided on or after that date. All rates are published on the Department of Human Services website: www.dhs.iowa.gov.
- (7a) Preventive Services: Fee Schedule. Except as otherwise noted in the plan, state developed fee schedule rates are the same for both governmental and private providers of preventive services. The agency's fee schedule rate was set as of July 1, 2014, and is effective for services provided on or after that date. All rates are published on the Department of Human Services website: www.dhs.iowa.gov.
- (8) Rehabilitative Services: For services provided from July 1, 2011, to March 31, 2016, rehabilitative services will be reimbursed according to the Medicaid Managed Care provider specific fee schedule. The provider specific fee schedule was established using finalized cost based rates in effect on February 28, 2011 in accordance with the reimbursement methodology in effect prior to July 1, 2011, described below.

Beginning April 1, 2016, except as otherwise noted in the plan, state developed fee schedule rates are the same for both governmental and private providers of rehabilitative services. The agency's fee schedule rate was set as of July 1 2015, and is effective for services provided on or after that date. All rates are published on the Department of Human Services website: www.dhs.iowa.gov. Providers of rehabilitative services shall maintain complete and legible medical records for each service for which a charge is made to the medical assistance program containing the following components:

State Plan TN # IA-23-0003

Effective 3/1/2023

Superseded TN # IA-16-022

Approved 6/23/2023