

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

October 30, 2024

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

Re: Iowa State Plan Amendment (SPA) 23-0022

Dear Medicaid Director Matney:

The Centers for Medicare & Medicaid Services (CMS) reviewed your Medicaid State Plan Amendment (SPA) submitted under transmittal number (TN) 23-0022. This amendment proposes to allow licensure of Rural Emergency Hospitals authorized by the Iowa State Senate.

We conducted our review of your submittal according to statutory requirements in Title XIX of the Social Security Act and implementing regulations Section 42 C.F.R. Subsection 447.200. This letter informs you that Iowa's Medicaid SPA TN 23-0022 was approved on October 30, 2024, effective July 1, 2023.

Enclosed are copies of the Form CMS-179 and approved SPA pages to be incorporated into the Iowa State Plan.

If you have any additional questions or need further assistance, please contact Lee Herko at (570) 230-4048 or via email at lee.herko@cms.hhs.gov.

James G. Scott, Director
Division of Program Operations

Enclosures

cc: Jennifer Steenblock
Jeanette Brandner

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

1. TRANSMITTAL NUMBER

2 3 — 0 0 2 2

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

July 1, 2023

5. FEDERAL STATUTE/REGULATION CITATION

42 C.F.R. §447.200

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 24 \$ 0
b. FFY 25 \$ 0

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Supplement 2 to Attachment 3.1-A, page 20
Attachment 4.19-B, page 9

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)

Supplement 2 to Attachment 3.1-A, page 20 supersedes Supplement 2 to Attachment 3.1-A

Attachment 4.19-B, page 9 supersedes Attachment 4.19-B, page 9

9. SUBJECT OF AMENDMENT

Allow for licensure of Rural Emergency Hospitals as authorized by Iowa Senate File 75.

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
09/18/2023

15. RETURN TO

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

FOR CMS USE ONLY

16. DATE RECEIVED
09/18/2023

17. DATE APPROVED
10/30/2024

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL
07/01/2023

19. SIC

20. TYPED NAME OF APPROVING OFFICIAL
James G. Scott

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

22. REMARKS

State/Territory: Iowa

- (2) Services must be provided primarily on an individual basis. Group therapy is payable, but total units of service in a month shall not exceed total units of individual therapy.
- (3) Payment will be made for individual diagnostic or trial therapy pursuant to a plan, once per year per condition. Such service shall not exceed 12 hours per month for two months.
- (4) Use of isokinetic or isotonic equipment in occupational and physical therapy is covered when normal ambulation or range of motion of a joint is affected due to bone, joint, ligament or tendon injury or due to post-surgical trauma. Only the time actually spent by the therapist in instructing the patient and assessing the patient's progress is covered.
- (5) Teaching a patient to use a speech generating device is payable. The patient must show significant progress outside the therapy sessions in order for these services to be covered.

8. RESERVED

9. CLINIC SERVICES

Clinic services, as defined in 42 CFR 440.90, which are provided by a clinic which is otherwise required as a matter of state or federal law to be licensed, certified or approved to provide health care services, are covered services under Iowa Medicaid only if the clinic is so licensed, certified or approved.

Services provided by facilities which are not clinic services (as defined in 42 CFR 440.90) may be provided through the facility if provided by licensed practitioner of the healing arts whose services are otherwise covered under the Iowa Medicaid plan, where the practitioner has an employment or contractual relationship with the facility under which the facility submits the claim (Reference: 42 CFR 447.10(g)).

Rural Emergency Hospital (REH) as certified by Medicare: REH includes emergency department and observation services with a length of stay < 24 hours.

State Plan TN# IA-23-0022

Effective Date: July 1, 2023

Superseded TN# IA-18-025

Approval Date: October 30, 2024

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). Clinics that are rural emergency hospitals are paid for clinic services on a fee schedule. Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of home health skilled nursing, home health aide, physical therapy, occupational therapy, and speech pathology services. The agency's fee schedule rate was set as of July 1, 2024 and is effective for services provided on or after that date. All rates are published on the agency's website at: <https://hhs.iowa.gov/programs/welcome-iowa-medicaid/policies-rules-and-regulations/covered-services-rates-and-payments/fee-schedules>
- (f). **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 #	<u>IA-23-0022</u>	Effective	<u>July 1, 2023</u>
Superseded TN #	<u>IA-21-0002</u>	Approved	<u>October 30, 2024</u>
