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State/Territory Name: IA

State Plan Amendment (SPA) #: 23-0025

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



Financial Management Group

December 7, 2023

Ms. Elizabeth Matney, Medicaid Director
Iowa Medicaid Enterprise
1305 E. Walnut Street
Des Moines, IA 50319

RE: IA 23-0025

Dear Ms. Matney:

We have reviewed the proposed amendment to Attachments 4.19-A of your Medicaid State plan submitted under transmittal number (TN) 23-0025. This SPA increases rates to non-state owned Psychiatric Medical Institutions for Children.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30), 1903(a) and 1923 of the Social Security Act and the implementing Federal regulations at 42 CFR 447 Subpart C.

This is to inform you that Medicaid State plan amendment IA 23-0025 is approved effective July 1, 2023. The CMS-179 and the amended plan page(s) are attached.

If you have any additional questions or need further assistance, please contact Fred Sebree at Fredrick.sebree@cms.hhs.gov.

Sincerely,

A solid black rectangular box redacting the signature of the sender.

Rory Howe
Director

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

1. TRANSMITTAL NUMBER <u>2 3</u> — <u>0 0 2 5</u>	2. STATE <u>IA</u>
3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT <input checked="" type="radio"/> XIX <input type="radio"/> XXI	
4. PROPOSED EFFECTIVE DATE <u>July 1, 2023</u>	
5. FEDERAL STATUTE/REGULATION CITATION <u>42 C.F.R. §447.200</u>	6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars) a. FFY <u>23</u> \$ <u>33,547</u> b. FFY <u>24</u> \$ <u>136,314</u>
7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT <u>Attachment 4.19-A page 34</u>	8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) <u>Attachment 4.19-A page 34 supersedes IA-21-011</u>


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

9. SUBJECT OF AMENDMENT
Update Psychiatric Medical Institution for Children (PMIC) rates in accordance with Iowa Senate File (SF) 561.

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

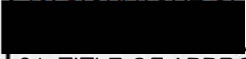
OTHER, AS SPECIFIED:

11. SIGNATURE OF STATE AGENCY OFFICIAL 	15. RETURN TO Elizabeth Matney Medicaid Director Department of Human Services Iowa Medicaid Enterprise 1305 East Walnut Street Des Moines, IA 50319
12. TYPED NAME Elizabeth Matney	
13. TITLE Medicaid Director	
14. DATE SUBMITTED 09/20/2023	

FOR CMS USE ONLY

16. DATE RECEIVED 9/21/2023	17. DATE APPROVED December 7, 2023
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PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL <u>July 1, 2023</u>	19. SIGNATURE OF APPROVING OFFICIAL 
20. TYPED NAME OF APPROVING OFFICIAL Rory Howe	21. TITLE OF APPROVING OFFICIAL Director, FMG

22. REMARKS

Methods and Standards for Establishing Payment Rates for Inpatient Psychiatric Services for Individuals Under 21 Years of Age

1. Non-State Owned Providers

For services provided by non-state-owned providers on July 1, 2014 and after, inpatient psychiatric services for individuals under 21 years of age will be reimbursed according to a fee schedule without reconciliation. The agency’s fees were set as of July 1, 2023 and are effective for dates of service provided on or after July 1, 2023. All rates are published at <https://secureapp.dhs.state.ia.us/medicaidfeesched/X41.xml>.

2. State-Owned Providers

The basis of payment for state-owned providers of inpatient psychiatric services for individuals under 21 years of age is 100 percent of actual and allowable cost. Actual and allowable cost is based on the cost report information the facility submits to the Department on Form 470-0664, Financial and Statistical Report. Rates are calculated as total actual and allowable cost divided by total patient days on a retrospective cost-related basis and adjusted retroactively.

Interim Rates

Providers shall be reimbursed through a prospective interim rate equal to the previous year’s retrospectively calculated cost per day.

Retroactive Cost Adjustment

Reimbursement payments made to state-owned psychiatric institution providers for services on or after July 1, 2009, shall be cost settled to actual cost. Following completion of a cost report desk review, cost settlement will be calculated using reasonable and proper actual cost per day from a 12-month period through retroactive adjustments. The retroactive adjustment represents the difference between the amount received by the provider during the year for covered services and the amount determined in accordance with an accepted method of cost apportionment to be the actual cost of service rendered, not to exceed the maximum reimbursement rate. Providers will receive advance notice of the retroactive adjustments and will also receive transaction detail after the adjustments have been completed.

TN No.	<u>IA-23-0025</u>	Effective	<u>7/1/2023</u>
Supersedes TN No.	<u>IA-21-011</u>	Approved	<u>December 7, 2023</u>