

## **Table of Contents**

**State/Territory Name: Iowa**

**State Plan Amendment (SPA) #: 20-0017**

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS-179 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

---

February 11, 2021

Ms. Julie Lovelady  
Interim Medicaid Director  
Department of Human Services  
Iowa Medicaid Enterprise  
130 East Walnut Street  
Des Moines, IA 50319-0114

Re: Iowa State Plan Amendment (SPA) #20-0017

We reviewed your proposed Medicaid State Plan Amendment (SPA) submitted under transmittal number (TN) IA 20-0017. This amendment proposes to allow Physician Assistants to bill independently from the supervising physician. The SPA also establishes a rate payment for Physicians Assistants.

We conducted our review of your submittal according to statutory requirements in Title XIX of the Social Security Act and implementing regulations at 42 CFR Parts 440 and 447. This letter is to inform you that Iowa's Medicaid SPA TN IA 20-0017 is approved effective December 1, 2020.

If you have any questions, please contact Laura D'Angelo at 816-426-6425 or via email at [Laura.Dangelo1@cms.hhs.gov](mailto:Laura.Dangelo1@cms.hhs.gov).

Sincerely,

A black rectangular redaction box covers the signature area of the letter.

Digitally signed by James G. Scott  
Date: 2021.02.11 10:03:59 -06'00'

James G. Scott, Director  
Division of Program Operations

cc: Jennifer Steenblock, IME

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

1. TRANSMITTAL NUMBER

2 0 — 0 1 7

2. STATE

IOWA

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)

TO: REGIONAL ADMINISTRATOR  
CENTERS FOR MEDICARE & MEDICAID SERVICES  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

December 1, 2020

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

42 CFR 440.60

7. FEDERAL BUDGET IMPACT

a. FFY 2021 \$ 0  
b. FFY 2022 \$ 0

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 3.1-A, Page 8, ~~8a~~\*  
Attachment 3.1-B, Page 8, 8a  
Attachment 4.19-B, Page 7, 7a, 1, 8\*\*  
Supplement 2 to Attachment 3.1-A, page 16\*

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)

Attachment 3.1-A, Page 8, ~~8a~~\*  
Attachment 3.1-B, Page 8, 8a  
Attachment 4.19-B, Page 7, 7a, 1, 8\*\*  
Supplement 2 to Attachment 3.1-A, page 16\*

10. SUBJECT OF AMENDMENT

This SPA allows physician assistants to bill for their services independent from a physician. It also changes behavioral science providers to behavioral health providers and removes certain services for pharmacists to allow any services covered by the scope of their license.\*

11. 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

12. SIGNATURE OF STATE AGENCY OFFICIAL

[Redacted Signature]

13. TYPED NAME

JULIE LOVELADY

14. TITLE

INTERIM MEDICAID DIRECTOR

15. DATE SUBMITTED

November 13, 2020

16. RETURN TO

JULIE LOVELADY  
INTERIM MEDICAID DIRECTOR  
DEPARTMENT OF HUMAN SERVICES  
1305 EAST WALNUT 5TH FLOOR  
DES MOINES IA 50319-0114

**FOR REGIONAL OFFICE USE ONLY**

17. DATE RECEIVED

November 13, 2020

18. DATE APPROVED

02/11/2021

**PLAN APPROVED - ONE COPY ATTACHED**

19. EFFECTIVE DATE OF APPROVED MATERIAL

December 1, 2020

20. SIGNATURE OF REGIONAL OFFICIAL

[Redacted Signature] Digitally signed by James G. Scott -S  
Date: 2021.02.11 10:08:00 -06'00'

21. TYPED NAME

James G. Scott

22. TITLE

Director, Division of Program Operations

23. REMARKS

\*Pen-and-ink changes authorized by state via email on 12/8/2020.

\*\*Additional pen-and-ink changes authorized by state via email on 2/9/2021.

State/Territory:

IOWA

- (4) A. Services of psychologists are provided with additional limitations described in Supplement 2 to Attachment 3.1-A(6d5a).  
*For methods and standards for payment rates see Attachment 4.19-B(6d4).*
- (5) B. Services of social workers are provided with additional limitations described in Supplement 2 to Attachment 3.1-A(6d5).  
*For methods and standards for payment rates see Attachment 4.19-B(6d5).*
- (6) Services of behavioral health providers are provided with additional limitations described in Supplement 2 to Attachment 3.1-A(6d5).  
*For methods and standards for payment rates see Attachment 4.19-B(6d5).*
- (7) Services of physician assistants are provided with additional limitations described in Supplement 2 to Attachment 3.1-A (6d7).  
*For methods and standards for payment rates see Attachment 4.19-B(6d7)*
- (8) A. Services of advanced registered nurse practitioners are provided with additional limitations described in Supplement 2 to Attachment 3.1-A(6d8A).  
*For methods and standards for payment rates see Attachment 4.19-B(6d8)).*
- 8) B. Certified Registered Nurse Anesthetists are provided with additional limitations described in Supplement 2 to Attachment 3.1-A(6d8B).  
*For methods and standards for payment rates see Attachment 4.19-B(6d8)).*
- (9) Services of pharmacists are provided with additional limitations described in Supplement 2 to Attachment 3.1-A(6d9).

*For methods and standards for payment rates see Attachment 4.19-B(6d9).*

*Pharmacists, pharmacy interns, pharmacy technicians, and pharmacies are qualified providers of COVID-19 vaccinations per the HHS COVID-19 PREP Act Declaration and authorizations*

---

State Plan TN #	<u>IA-20-017</u>	Effective	<u>12/01/2020</u>
Superseded TN #	<u>MS-18-017</u>	Approved	<u>02/11/2021</u>

State/Territory:

IOWA

- (1) Reserved
- (2) Services of hearing aid dispensers are provided with additional limitations described in Supplement 2 to Attachment 3.1-A(6d3).  
*For methods and standards for payment rates see Attachment 4.19-B(6d3).*
- (3) A. Services of psychologists are provided with additional limitations described in Supplement 2 to Attachment 3.1-A(6d4).  
*For methods and standards for payment rates see Attachment 4.19-B(6d4).*
- (5) B. Services of social workers are provided with additional limitations described in Supplement 2 to Attachment 3.1-A(6d5).  
*For methods and standards for payment rates see Attachment 4.19-B(6d5).*
- (6) Reserved
- (7) Services of physician assistants are provided with additional limitations described in Supplement 2 to Attachment 3.1-A (6d  
*For methods and standards for payment rates see Attachment 4.19-B(6d7)*
- (8) A. Services of advanced registered nurse practitioners are provided with additional limitations described in Supplement 2 to Attachment 3.1-A(6d8A).  
*For methods and standards for payment rates see Attachment 4.19-B(6d8)).*
- (8) B. Certified Registered Nurse Anesthetists are provided with additional limitations described in Supplement 2 to Attachment 3.1-A(6d8B).  
*For methods and standards for payment rates see Attachment 4.19-B(6d8)).*
- (9) Services of pharmacists are provided with additional limitations described in Supplement 2 to Attachment 3.1-A(6d9).  
*For methods and standards for payment rates see Attachment 4.19-B(6d9).*  
  
*Pharmacists, pharmacy interns, pharmacy technicians, and pharmacies are qualified providers of COVID-19 vaccinations per the HHS COVID-19 PREP Act Declaration and authorizations*
- (10) Services of Advanced Nurse Practitioners Certified in Psychiatric or Mental Health Specialties are provided with additional limitations described in Supplement 2 to Attachment 3.1-A(6d10).

---

State Plan TN #	<u>IA-20-017</u>	Effective	<u>12/1/2020</u>
Superseded TN #	<u>MS-06-003</u>	Approved	<u>02/11/2021</u>

State/Territory:

IOWA

---

*For methods and standards for payment rates see Attachment 4.19-B(6d10).*

7. Home health services as defined in 42 CFR 440.70 and subject to the requirements of 42 CFR 441.15 and 42 CFR 441.16.

---

State Plan TN #	<u>IA-20-017</u>	Effective	<u>12/1/2020</u>
Superseded TN #	<u>MS-06-003</u>	Approved	<u>02/11/2021</u>

State/Territory:

IOWA

---

- (1) Iowa Medicaid Agency in its provider manual which manual manipulation is appropriate treatment.

An x-ray must document the primary regions of subluxation being treated. No x-ray is required for pregnant women and for children age 18 and younger. This x-ray is covered by Iowa Medicaid if it otherwise meets the requirements for a covered x-ray under Item 3 Attachment 3.1.1-A.

6d1. RESERVED

6d2. RESERVED

6d3. RESERVED

6d4. SERVICES OF HEARING AID DISPENSERS

Iowa Medicaid covers only those services of hearing aid dispensers related to hearing aids prescribed by a licensed audiologist or physician (M.D. or D.O.).

6d5a. PSYCHOLOGY

Iowa Medicaid covers services by licensed psychologists within the scope of the psychologist's licensure.

6d5b. SOCIAL WORKER PROVIDER

Iowa Medicaid covers services by a licensed social worker, within the scope of his or her license, when provided as part of a written plan of treatment. The services may also be provided by a Medicare certified home health agency.

6d6. BEHAVIORAL HEALTH PROVIDER

Iowa Medicaid covers services provided by a licensed marital and family therapist and licensed mental health counselor, within the scope of his or her license as part of a written plan of treatment. Iowa Medicaid covers services provided by an alcohol and drug counselor certified by the Iowa Board of Certification.

6d7. Physician Assistant

Iowa Medicaid covers services provided by a licensed physician assistant within their scope of practice in accordance with state law.

---

State Plan TN # IA-20-017  
Superseded TN # IA-13-016

Effective 12/1/2020  
Approved 02/11/2021

State/Territory:

IOWA

**ATTACHMENT 4.19-B  
METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES FOR  
STATE PLAN COVERED SERVICES**

- A. When services which are reimbursed per a fee schedule, unless otherwise noted below, the same fee schedule applies to all providers -- both public and private -- and the fee schedule is published at the Iowa Medicaid Agency's website at: <https://dhs.iowa.gov/ime/providers/csrp/fee-schedule>.

Except for Other Independent Laboratory services, physician assistant services anesthesia services, CRNAs, and pharmacy/pharmacists services, the agency's rates were set as of July 1, 2017, and are effective for services on or after that date.

The fee schedule amounts for Other Independent Laboratory services, including code series 81000 are based on 95% of the Medicare Clinical Laboratory Fee Schedule. Effective January 1, 2017, and thereafter, the Department shall update the Independent Laboratory fee schedule using the most current calendar update as published by the Centers for Medicare and Medicaid Services.

The agency's rates were set as of December 1, 2020, for physician assistant services.

Effective July 1, 2017, the Department shall update the anesthesia conversion factor using the most current calendar year update of the Medicare anesthesia conversion factor, adjusted for the state as described below, converted to a per minute amount.

The agency's rates for CRNAs were set for services on and after December 1, 2020, and will be updated annually with the most recent Medicare anesthesia conversion factor as described above.

The agency's rates were set as of December 1, 2020, for pharmacy/pharmacists services.

- B. The principles and standards established in OMB Circular A-87 are applied, when applicable, in determining rates regardless of the reimbursement methodology or fee schedule described below.
- C. Rates paid for individual practitioner services based on the fee schedule or methodology described below shall not exceed the provider's customary charges for the service billed. In order for the Iowa Medicaid Agency to meet the requirements of 42 CFR 447.203(b)(1) providers of individual practitioner services must bill Medicaid the customary charge for the service provided.
- D. Providers of services must accept reimbursement based upon the Iowa Medicaid agency fee or methodology without making any additional charge to the recipient.
- E. All payments are made to providers. The term "provider" means an individual or an entity furnishing Medicaid services under an agreement with the Iowa Medicaid agency. An entity need not be a facility such as a hospital, ICF/ID, or nursing. Pursuant to 42 CFR 447.15 (g), the term may include facilities or entities who employ or contract with persons who are authorized under the Iowa State Plan to provide covered services. Also an entity may provide, for example, "clinic services (as defined in 42 CFR 440.90)" or "home health services (as defined in 42 CFR 440.70) and other services which are otherwise covered under Iowa Medicaid through its employees or contractors. In the latter case the entity would also be paid for those non-clinic and

State Plan TN #	<u>IA-20-017</u>	Effective	<u>12/1/2020</u>
Superseded TN #	<u>IA-17-005</u>	Approved	<u>02/11/2021</u>



State/Territory:

IOWA

---

Fee Schedule. The fee schedule is based on the definitions of medical and surgical procedures given in the most recent edition of Physician's Current Procedural Terminology (CPT).

6d4. HEARING AID DISPENSER SERVICES

Fee schedule. The fee schedule is based on the definitions of medical and surgical supplies given in the most recent edition of Healthcare Common Procedure Coding System (HCPCS).

6d5A. PSYCHOLOGISTS' SERVICES

Fee Schedule. The fee schedule is based on the definitions of medical and surgical procedures given in the most recent edition of Physician's Current Procedural Terminology (CPT).

6d5B. SOCIAL WORKERS' SERVICES

Fee Schedule. The fee schedule is based on the definitions of medical and surgical procedures given in the most recent edition of Physician's Current Procedural Terminology (CPT). The following are exceptions:

When social worker services are provided by a social worker employed by a physician, hospital, home health agency, rural health clinic, federally qualified health center or community mental health center, payment for the service will be made to the provider based upon a fee schedule for physician and community mental health center and the reimbursement defined for hospital, home health agency, rural health clinic and federally qualified health center services.

6d6 BEHAVIORAL HEALTH PROVIDERS

Fee Schedule. The fee schedule is based on the definitions of medical and surgical procedures given in the most recent edition of Physician's Current Procedural Terminology (CPT). The agency's rates were set as of December 1, 2008 and are effective for services on or after that date.

6d7 PHYSICIAN ASSISTANTS SERVICE

Fee Schedule. The fee schedule is based on the definitions of medical and surgical procedures given in the most recent edition of Physician's Current Procedural Terminology (CPT). The fee scheduled is established as 85% of the physician fee schedule.

6d8 A. SERVICES OF ADVANCED REGISTERED NURSE PRACTITIONERS

Fee Schedule. The fee schedule is based on the definitions of medical and surgical procedures given in the most recent edition of Physician's Current Procedural Terminology (CPT). The fee schedule is established as 85% of the physician fee schedule.

---

State Plan TN #	<u>IA-20-017</u>	Effective	<u>12/1/2020</u>
Superseded TN #	<u>MS-08-017</u>	Approved	<u>02/11/2021</u>

State/Territory:

IOWA

---

6d8 B. SERVICES OF CERTIFIED NURSE ANESTHETISTS

Fee Schedule. Payment for CRNA services is made using the CMS fee schedule (CPT-4) anesthesiology procedure list and associated base units. When the CRNA receives medical direction from the surgeon, reimbursement to the CRNA is 80% of the amount that would be paid to an anesthesiologist (MD or DO). When the CRNA receives medical direction from an anesthesiologist, reimbursement to the CRNA is 60% of what an anesthesiologist would receive for the same procedure.

---

State Plan TN #	<u>IA-20-017</u>	Effective	<u>12/1/2020</u>
Superseded TN #	<u>MS-08-017</u>	Approved	<u>02/11/2021</u>

State/Territory:

IOWA

- 6d9. PHARMACIST/PHARMACY SERVICES: Fee schedule.
- 6d10. SERVICES OF ADVANCED NURSE PRACTITIONERS CERTIFIED IN PSYCHIATRIC OR MENTAL HEALTH SPECIALTIES: Fee schedule. The fee schedule is based on the definitions of medical and surgical procedures given in the most recent edition of Physician's Current Procedural Terminology (CPT). The fee schedule is established as 85% of the physician fee schedule.
7. HOME HEALTH SERVICES – SKILLED NURSING SERVICES, HOME HEALTH AIDE SERVICES, PHYSICAL THERAPY SERVICES, OCCUPATIONAL THERAPY SERVICES & SPEECH PATHOLOGY SERVICES  
 Fee schedule. The payment for each home health service is determined by the Medicare low utilization payment adjustment (LUPA) wage index-adjusted fee schedule rates for each of the disciplines (skilled nursing, home health aide, physical therapy (PT), occupational therapy (OT), and speech therapy (ST)). The LUPA base rates and the Medicare wage index shall be updated every two years.
- 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, 2018 and is effective for services provided on or after that date. All rates are published on the agency's website at:  
<http://dhs.iowa.gov/ime/providers/csrp/fee-schedule>
- 7a. HOME HEALTH SERVICES - MEDICAL SUPPLIES AND EQUIPMENT: Fee schedule.

---

State Plan TN #	<u>IA-20-017</u>	Effective	<u>12/1/2020</u>
Superseded TN #	<u>IA-18-017</u>	Approved	<u>02/11/2021</u>