DEPARTMENT OF HEALTH & HUMAN SERVICES Centers for Medicare & Medicaid Services 601 East 12th Street, Suite 235 Kansas City, Missouri 64106



Division of Medicaid and Children's Health

June 17, 2010

Charles J. Krogmeier, Director Department of Human Services Hoover State Office Building 1305 East Walnut, 5th Floor Des Moines, Iowa 50319-0119

Dear Mr. Krogmeier:

On June 24, 2008, the Centers for Medicare & Medicaid Services (CMS) received Iowa's State Plan Amendment (SPA) transmittal #08-013, which proposes to remove 3 of the 4 target groups from the State Plan. This SPA replaces the information for Supplement 2 to Attachment 3.1-A, pages 46 - 50 to bring the Birth to 3 Target Group into compliance with Targeted Case Management (TCM) rules. During the review of TN 08-013, CMS identified reimbursement issues on a page that was subsequently withdrawn from TN 08-013. The State has separately submitted another SPA (IA 09-024) which request changes to address those issues.

This SPA is approved as of June 15, 2010, effective November 1, 2008 as requested by the State. However, during the review of SPA 08-013, CMS performed an analysis of the coverage and reimbursement provisions that correspond to the coverage pages. This analysis revealed issues that will require additional information and/or possible revision through a corrective action plan. Under separate cover, CMS will release a letter detailing those issues, and providing guidance on timeframes for correction.

Enclosed is a copy of the CMS 179 form as well as the approved pages for incorporation into the lowa State plan. It should be noted that during the process of review, revised pages 44 and 45 of Supplement 2 to Attachment 3.1A were not resubmitted as "reserved" pages to remove the EPSDT Target Group. We invite discussion on the options available to you in resolving this issue.

I appreciate the significant amount of work that your staff dedicated to getting this SPA approved and the cooperative way in which we achieved this much-desired outcome. If you have any questions concerning this SPA please contact Rhonda Wells or Sharon Taggart at (816) 426-5925 or Rhonda.Wells@cms.hhs.gov

Sincerely,

/s/

James G. Scott Associate Regional Administrator for Medicaid and Children's Health Operations

Enclosure

cc: Jennifer Vermeer