

**Methods and Standards for Establishing Payment Rates for Nursing Facility Services**

**K. Nursing Facility Quality Assurance Assessment Pass-Through and Quality Assurance Rate Add-On**

1. Quality assurance assessment pass-through. Effective the first day of the quarter following approval from CMS a quality assurance assessment pass-through rate shall be added to the Medicaid reimbursement rate as otherwise calculated pursuant to Section 4.19-D. The quality assurance assessment pass-through rate shall be equal to the quality assurance assessment Medicaid cost divided by Medicaid patient days.
  
2. Quality assurance assessment rate add-on. Effective the first day of the quarter following approval from CMS, a quality assurance rate add-on of \$10.00 per patient day shall be added to the Medicaid reimbursement rates as otherwise calculated pursuant to Section 4.19-D.

TN No. MS-09-009  
Supersedes TN # None

Effective APR - 1 2010  
Approved MAR 24 2010

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Supersedes TN # None

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**OS Notification**

**State/Title/Plan Number: Iowa 09-009**

**Type of Action: SPA Approval**

**Required Date for State Notification: 03/08/2010**

**Fiscal Impact: FFY 10 \$33,586,420 FFY 11 \$40,798,977**

**Number of Services Provided by Enhanced Coverage, Benefits or Retained Enrollment: 0**

**Number of Potential Newly Eligible People: 0**

**or**

**Eligibility Simplification: No**

**Provider Payment Increase: Yes or Decrease: No**

**Delivery System Innovation: No**

**Number of People Losing Medicaid Eligibility: 0**

**Reduces Benefits: No**

**Detail:**

**Effective for nursing facility services on and after April 1, 2010, this amendment provides for a quality assurance assessment rate pass-through and a quality assurance assessment rate add-on. These rate enhancements are funded by a new provider tax on nursing facility services.**

**Other Considerations:**

**This plan amendment has not generated significant outside interest and we do not recommend the Secretary contact the governor.**

**This OSN has been reviewed in the context of the ARRA and approval of the OSN is not in violation of ARRA provisions.**

**CMS Contact:**

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**National Institutional Reimbursement Team**