

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-26-12
Baltimore, Maryland 21244-1850



Center for Medicaid, CHIP and Survey & Certification

MAY - 4 2010

Mr. Charles J. Krogmeier, Director
Iowa Department of Human Services
1305 East Walnut, 5th Floor
Des Moines, IA 50319-0114

RE: TN 09-018

Dear Mr. Krogmeier:

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid State plan submitted under transmittal number (TN) 09-018. Effective July 1, 2009, this amendment proposes to increase reimbursement rates for Medicaid Inpatient Psychiatric Hospital Services for Individuals Under 21 furnished by Psychiatric Medical Institute for Children (PMIC) facilities. Specifically, rates paid to facilities under this amendment will be set at reasonable costs subject to a Statewide payment limit in the case of non-State facilities.

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. We are pleased to inform you that Medicaid State plan amendment 09-018 is approved effective July 1, 2009. We are enclosing the HCFA-179 and the amended pages.

During our review, we did note an inconsistency with the treatment of certain ancillary services included in a child's care plan. To be considered part of the psychiatric under 21 benefit, it is not sufficient for the services to be included in a child's care plan. The services must also be included in the PMIC's charge for an inpatient service and Medicaid payment is made to the facility through its reimbursement rate.

If you have any questions, please call Tim Weidler of the National Institutional Reimbursement Team at (816) 426-6429.

Sincerely,

A handwritten signature in black ink that reads "Cindy Mann". The signature is written in a cursive style with a large initial "C".

Cindy Mann

Director
Center for Medicaid, CHIP, and Survey & Certification