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 Operations

May 18, 2011

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

Dear Mr. Palmer:

On September 3, 2010, the Centers for Medicare & Medicaid Services (CMS) received lowa's State Plan Amendment (SPA) transmittal #10-013, which proposes to implement a change in reimbursement methodology to provide an additional \$9.9 million to the University of Iowa Hospital and Clinics (UIHC) for inpatient and outpatient hospital services.

This SPA 10-013 specific to the outpatient services was approved on May 17, 2011 with an effective date of July 1, 2010 as requested by the State. Enclosed is a copy of the CMS-179 form, as well as, the approved page for incorporation into the Iowa State plan.

If you have any questions regarding this amendment, please contact Narinder Singh at (816) 426-5925 or Narinder.Singh@cms.hhs.gov.

Sincerely,

/s/

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

Enclosure

cc: Jennifer Vermeer