8EPARTMENT OF HEALTH & HUMAN SERVICES Centers for Medicare & Medicaid Services 7500 Security Boulevard, Mail Stop S3-14-28 Baltimore, Maryland 21244-1850



## Center for Medicaid, CHIP, and Survey & Certification

JUN - 9 2011

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

RE: IA 10-020

Dear Mr. Palmer:

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid State plan submitted under transmittal number (TN) 10-020. Effective July 1, 2010, this amendment increases inpatient hospital payment rates by 20.46 percent. The increase is not applicable to the University of Iowa Hospital and Clinics, out-of-state hospitals, or critical access hospitals. The rate increase is funded by an inpatient and outpatient hospital provider tax that has been reviewed and approved by CMS.

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. This letter informs you that Medicaid State plan amendment 10-020 is approved effective July 1, 2010. We are enclosing the HCFA-179 and the amended plan pages.

If you have any questions, please call Tim Weidler at (816) 426-6429.

Sincerely,

Cindy Mann

Center for Medicaid, CHIP, and Survey & Certification

Enclosures

cc: Jennifer Vermeer