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 and CHIP Services

FEB 1 7 2012

Charles M. Palmer, Director Iowa Department of Human Services 1305 East Walnut, 5th Floor Des Moines, Iowa 50319-0114

RE: Iowa State Plan Amendment TN: 11-013

Dear Mr. Palmer:

We have reviewed the proposed amendment to Attachment 4.19-D of your Medicaid State plan submitted under transmittal number (TN) 11-013. This amendment provides for the rebasing and inflation of costs used to calculate nursing facility reimbursement rates effective July 1, 2011.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(13), 1902(a)(30), and 1903(a) of the Social Security Act and the implementing Federal regulations at 42 CFR 447 Subpart C. As part of the review process, the State provided information regarding funding of the State share of expenditures under Attachment 4.19-D. The information provided detailed an arrangement where two county governments reimbursed the State for the non-federal share of Medicaid payments for services provided to its legal residents. In a letter to CMS dated January 25, 2012, the State agreed to establish alternative funding for the non-federal share of payments in question effective July 1, 2012. This is to inform you that Medicaid State plan amendment 11-013 is approved effective July 1, 2011. 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

Director, CMCS

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Enclosures