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State/Territory Name: IA

State Plan Amendment (SPA) #: 17-0012

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) Summary Form (with 179-like data)
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
601 East 12th Street, Suite 355
Kansas City, Missouri 64106



Division of Medicaid and Children's Health Operations

November 8, 2017

Jerry R. Foxhoven, Director
Department of Human Services
Hoover State Office Building
1305 East Walnut, 5th Floor
Des Moines, IA 50319-0114

Dear Mr. Foxhoven:

On August 17, 2017, the Centers for Medicare & Medicaid Services (CMS) received Iowa's State Plan Amendment (SPA) transmittal #17-0012. This SPA is to rebase home health agency low utilization payment adjustment (LUPA) rates that are budget neutral.

SPA #17-0012 was approved November 2, 2017, with an effective date of July 1, 2017, as requested by the state. Enclosed is a copy of the CMS-179 Summary Form, as well as the approved pages for incorporation into the Iowa State Plan.

If you have any questions regarding this amendment, please contact Karen Hatcher or Sandra Levels at (816) 426-5925.

Sincerely,

11/8/2017

Megan K. Buck
Acting Associate Regional Administrator
for Medicaid and Children's Health Operations

Sign

Enclosure

cc:
Mikki Stier
Alisa Horn
Jennifer Steenblock

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES		1. TRANSMITTAL NUMBER <u>1 7 — 0 1 2</u>	2. STATE IOWA
		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE July 1, 2017	
5. TYPE OF PLAN MATERIAL (Check One)			
<input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT			
COMPLETE BLOCKS 5 THRU 10 IF THIS IS AN AMENDMENT (Separate transmittal for each amendment)			
8. FEDERAL STATUTE/REGULATION CITATION		7. FEDERAL BUDGET IMPACT	
		a. FFY 2017 \$ 0.00	
		b. FFY 2018 \$ 0.00	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Attachment 4.19-B, Page 8		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) Attachment 4.19-B, Page 8	
10. SUBJECT OF AMENDMENT This SPA is to rebase home health agency low utilization payment adjustment (LUPA) rates that are budget-neutral.			
11. GOVERNOR'S REVIEW (Check One)			
<input checked="" type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> OTHER, AS SPECIFIED <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF STATE AGENCY OFFICIAL		16. RETURN TO	
13. TYPED NAME Jerry R. Foxhoven		Jerry R. Foxhoven DIRECTOR DEPARTMENT OF HUMAN SERVICES 1305 EAST WALNUT 5TH FLOOR DES MOINES IA 50319-0114	
14. TITLE DIRECTOR			
15. DATE SUBMITTED 8-17-17			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED August 17, 2017		18. DATE APPROVED November 2, 2017	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL July 1, 2017		20. SIGNATURE OF REGIONAL OFFICIAL	
21. TYPED NAME Megan K. Buck		22. TITLE Acting Associate Regional Administrator for Medicaid and Children's Health Operations	
23. REMARKS			

State/Territory:

IOWA

6d9. CERTAIN PHARMACISTS SERVICES: Fee schedule.

6d10. SERVICES OF ADVANCED NURSE PRACTITIONERS CERTIFIED IN PSYCHIATRIC OR MENTAL HEALTH SPECIALTIES: Fee schedule. The fee schedule is based on the definitions of medical and surgical procedures given in the most recent edition of Physician's Current Procedural Terminology (CPT). The fee schedule is established as 85% of the physician fee schedule.

7. HOME HEALTH SERVICES – SKILLED NURSING SERVICES, HOME HEALTH AIDE SERVICES, PHYSICAL THERAPY SERVICES, OCCUPATIONAL THERAPY SERVICES & SPEECH PATHOLOGY SERVICES

The payment for each home health service is determined retrospectively based on the disciplines (skilled nursing, home health aide, physical therapy (PT), occupational therapy (OT), and speech therapy in aggregate. Interim payments for home health agencies are made based on the home health agency's cost-to-charge ratios. A tentative cost settlement is performed based on the as-submitted Medicare cost report and a final cost settlement is performed based on the finalized Medicare cost report.

For services on or after July 1, 2013, the payment for each home health service is determined by the Medicare low utilization payment adjustment (LUPA) wage index-adjusted fee schedule rates for each of the disciplines (skilled nursing, home health aide, physical therapy (PT), occupational therapy (OT), and speech therapy (ST). The LUPA base rates and the Medicare wage index shall be updated every two years.

For services on or after July 1, 2015, payment will be the most current Medicare LUPA rates less 8.35%.

For services on or after July 1, 2016, the Medicaid LUPA wage index-adjusted fee schedule rates in effect on June 30, 2016, will be increased by 2.93%.

For services on or after July 1, 2017, payment will be the most current Medicare LUPA rates less 19.18%.

7a. HOME HEALTH SERVICES - MEDICAL SUPPLIES AND EQUIPMENT: Fee schedule.

State Plan TN #	<u>IA-17-012</u>	Effective	<u>July 1, 2017</u>
Superseded TN #	<u>IA-16-017</u>	Approved	<u>November 2, 2017</u>