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State/Territory Name: IA

State Plan Amendment (SPA) #: 18-0001

This file contains the following documents in the order listed:

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



Financial Management Group

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

RE: Iowa Medicaid State Plan Amendment TN: 18-001

November 6, 2018

Dear Mr. Foxhoven:

We have reviewed the proposed amendment to Attachment 4.19-D of your Medicaid State plan submitted under transmittal number (TN) 18-001. This amendment increases the maximum age for a special population NF from 21 to age 30. The definition of special population NF criteria is also expanded to include persons residing in an Intermediate Care Facility for medical complexity.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 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. This is to inform you that Medicaid State plan amendment 18-001 is approved effective July 1, 2018. We are enclosing the CMS-179 and the amended plan page.

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

Sincerely,

Kristin Fan
Director

Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES		1. TRANSMITTAL NUMBER <u>1 8 — 0 0 1</u>	2. STATE <u>IOWA</u>
		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 <u>July 1, 2018</u>	
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 6 THRU 10 IF THIS IS AN AMENDMENT (Separate transmittal for each amendment)			
6. FEDERAL STATUTE/REGULATION CITATION <u>42 CFR 483 subpart B</u>		7. FEDERAL BUDGET IMPACT a. FFY 2019 <u>\$ 59,171</u> b. FFY 2020 <u>\$ 96,600</u>	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT <u>Attachment 4.19-D, Page 13</u> <u>Attachment 4.19-D, Page 13a (New Page)</u>		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) <u>Attachment 4.19-D, Page 13</u>	
10. SUBJECT OF AMENDMENT <u>Increases to the maximum age for a special population NF from 21 to age 30 and expands the definition of a special population NF criteria to include person residing in an ICF for medical complexity.</u>			
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 <u>Jerry R. Foxhoven</u>		JERRY R FOXHOVEN DIRECTOR DEPARTMENT OF HUMAN SERVICES 1305 EAST WALNUT 5TH FLOOR DES MOINES IA 50319-0114	
14. TITLE <u>DIRECTOR</u>			
15. DATE SUBMITTED <u>8-17-18</u>			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED <u>August 17, 2018</u>		18. DATE APPROVED <u>November 6, 2018</u>	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL <u>July 1, 2018</u>		20. SIGNATURE OF REGIONAL OFFICIAL	
21. TYPED NAME <u>Kristin Fan</u>		22. TITLE <u>Director, FMG</u>	
23. REMARKS			

Methods and Standards for Establishing Payment Rates for Nursing Facility Services

D. State-Owned Nursing Facilities and Special Population Nursing Facilities

“Special population nursing facility” refers to a nursing facility that serves the following populations:

- 100 percent of the residents served are aged 30 and under and require the skilled level of care
- 70 percent of the residents served require the skilled level of care for neurological disorders
- One hundred percent of the residents require care from a facility licensed by the department of inspections and appeals as an intermediate care facility for persons with mental illness.
- One hundred percent of the residents require care from a facility licensed by the department of inspections and appeals as an intermediate care facility for persons with medical complexity. “Intermediate care facility for persons with medical complexity” means an intermediate care facility for persons with an intellectual disability which provides health and rehabilitation services to individuals who require a skilled nursing level of care, have either a multiple organ dysfunction or severe single organ dysfunction, and requires daily use of medical resources or technology.

State-owned nursing facilities and special population nursing facilities receive Medicaid payment rates that are updated annually with new cost report data. State-owned and specialty population nursing facilities are required to complete a financial and statistical report approved by the Department.

Cost is allowable only to the extent that it relates to patient care; is reasonable, ordinary, and necessary; and is not in excess of what a prudent and cost-conscious buyer would pay for the given services or item. Only these costs are considered in calculating the Medicaid nursing facility reimbursable cost per diem for purposes of this section.

For special population nursing facilities enrolled on or after June 1, 1993, the upper limit on the Medicaid reimbursement rate is equal to the sum of the following:

- The direct care Medicare-certified hospital-based nursing facility patient-day-weighted median times 120 percent
- The non-direct care Medicare-certified hospital-based nursing facility patient-day-weighted median times 110 percent

TN No.	<u>IA-18-001</u>	Effective	<u>7-1-2018</u>
Supersedes TN #	<u>MS-01-34</u>	Approved	<u>NOV 06 2018</u>

E. Case Mix Index Calculation

The Resource Utilization Groups-III (RUG-III) Version 5.12b, 34 group, index maximizer model is used as the resident classification system to determine all case-mix indices, using data from the minimum data set (MDS) submitted by each facility.

Standard Version 5.12b case-mix indices developed by CMS are the basis for calculating the average case-mix index and are used to adjust the direct care costs in the determination of the direct care patient-day-weighted median and the reimbursement rate.

Each resident in the facility with a completed and submitted assessment is assigned a RUG-III 34 group calculated on the resident's most current assessment available on the last day of each calendar quarter. This RUG-III group shall be translated to the appropriate case-mix index.

TN No.	<u>IA-18-001</u>	Effective	<u>7-1-2018</u>
Supersedes TN #	<u>NEW PAGE</u>	Approved	<u>NOV 06 2018</u>