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State/Territory Name: IA

State Plan Amendment (SPA) #: 18-0011

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

June 28, 2018

Michael Randol, Medicaid Director
Division of Medical Services
Department of Human Services
Iowa Medicaid Enterprise
100 Army Post Road
Des Moines, IA 50315

Dear Mr. Randol:

The Centers for Medicare & Medicaid Services (CMS), Kansas City Regional Office, has completed its review of Iowa State Plan Amendment (SPA) Transmittal Number #18-011. This SPA was submitted on June 14, 2018, seeking a renewal of the exception to the Medicaid Recovery Audit Contractor (RAC) Program in accordance with 42 §CFR 455.516.

CMS is granting the state an additional exception in accordance with 42 §CFR 455.516 until July 1, 2020. At this time it is not permissible to grant an exception to this policy indefinitely or beyond two (2) years.

SPA 18-011 was approved on June 28, 2018, with an effective date of July 1, 2018, as requested by the state. Enclosed is a copy of the CMS 179 form, as well as, the approved pages for incorporation into the Iowa State plan.

If you have any questions regarding these state plan amendment, please contact Sandra Levels at Sandra.Levels@cms.hhs.gov or (816) 426-5925.

Sincerely,

6/28/2018

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

Signed by: James G. Scott -A

Enclosures

cc:

Jerry Foxhoven, Director
Jennifer Steenblock, IME
Julie Lovelady, IME
Kimberly Pierson, IME
Alisa Horn, IME
Sandra Levels, CMCHO

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES		1. TRANSMITTAL NUMBER <u>1 8 — 0 1 1</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, 2018	
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 42 CFR 455 Subpart 4		7. FEDERAL BUDGET IMPACT a. FFY 2018 \$ 0 b. FFY 2019 \$ 0	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Section 4.5, page 36b, 36c		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) Section 4.5, page 36b, 36c	
10. SUBJECT OF AMENDMENT On 4/1/16, approximately 95% of Iowa Medicaid members were enrolled in managed care. The volume of FFS claims subject to RAC audits has been reduced by 95%. There isn't sufficient claim volume to attract a RAC vendor. Request renewal of existing exception.			
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 6-14-18			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED June 14, 2018		18. DATE APPROVED June 28, 2018	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL July 1, 2018		20. SIGNATURE OF REGIONAL OFFICIAL	
21. TYPED NAME James G. Scott		22. TITLE Associate Regional Administrator for Medicaid and Children's Health Operations	
23. REMARKS			

State/Territory: IOWA

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

4.5 Medicaid Recovery Audit Contractor Program (cont'd)

<p>Section 1902 (a)(42)(B)(ii)(II)(bb) of the Act</p>	<p>___ The contingency fee rate paid to the Medicaid RAC that will exceed the highest rate paid to Medicare RACs, as published in the Federal Register. The State will submit a justification for that rate and will submit for FFP for the full amount of the contingency fee.</p> <p>___ The following payment methodology shall be used to determine State payments to Medicaid RACs for the identification of underpayments (e.g., amount of flat fee, the percentage of the contingency fee):</p>
<p>Section 1902 (a)(42)(B)(ii)(III) of the Act</p>	<p>___ The State has an adequate appeal process in place for entities to appeal any adverse determination made by the Medicaid RAC(s).</p>
<p>Section 1902 (a)(42)(B)(ii)(IV)(aa) of the Act</p>	<p>___ The State assures that the amounts expended by the State to carry out the program will be amounts expended as necessary for the proper and efficient administration of the State plan or a waiver of the plan.</p>
<p>Section 1902 (a)(42)(B)(ii)(IV)(bb) of the Act</p>	<p>___ The State assures that the recovered amounts will be subject to a State's quarterly expenditure estimates and funding of the State's share.</p>
<p>Section 1902 (a)(42)(B)(ii)(IV)(cc) of the Act</p>	<p>___ Efforts of the Medicaid RAC(s) will be coordinated with other contractors or entities performing audits of entities receiving payments under the State plan or waiver in the State, and/or State and Federal law enforcement entities and the CMS Medicaid Integrity Program.</p>

State Plan TN #	<u>MS-18-011</u>	Effective	<u>July 1, 2018</u>
Superseded TN #	<u>MS-16-027</u>	Approved	<u>June 28, 2018</u>