

Disabled and Elderly Health Programs Group

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May 20, 2021

Julie Lovelady  
Interim Medicaid Director  
Iowa Medicaid Enterprise  
611 5th Avenue  
Des Moines, IA 50309

Dear Ms. Lovelady:

I am writing to inform you that the Centers for Medicare & Medicaid Services (CMS) has reviewed your state's Electronic Visit Verification (EVV) Compliance Survey submission from April 5, 2021, and determined, based on the information you provided, that Iowa meets the requirements specified in section 1903(l) of the Social Security Act, as added by section 12006(a) of the 21<sup>st</sup> Century Cures Act (the Cures Act), for personal care services rendered under the state's concurrent section 1915(b)/(c) managed care waiver authority. This determination supersedes the prior determination for this authority set forth in the letter issued by CMS to the state on January 15, 2021.

Because your state has attested to compliance with EVV requirements, CMS will not apply federal medical assistance percentage (FMAP) reductions to personal care service expenditures rendered under the state's concurrent 1915(b)/(c) waiver authority. Please be advised, however, that CMS reserves the right to apply FMAP reductions as required by the Cures Act should evidence indicate the state has not implemented its EVV system in accordance with the state's attestation in the EVV Compliance Survey. Further, if the state adds any personal care authorities to its service system that are not listed above, it must update its EVV Compliance Survey submission.

In addition, based on your state's survey response and consistent with CMS' prior determination issued on January 15, 2021, standalone 1915(c) waiver personal care services (i.e., fee-for-service personal care services) are not compliant and will incur FMAP penalties beginning in the first calendar quarter of 2021, consistent with the requirements of 1903(l)(1)(A) of the Act. For each quarter during which the state is not compliant, FMAP will be reduced by 0.5 percentage points for calendar quarters in 2021; by 0.75 percentage points for calendar quarters in 2022; and by 1 percentage point for calendar quarters in 2023 and each year thereafter. Because FMAP reductions are assigned each quarter, you are encouraged to review your survey information on a quarterly basis and update your response when you achieve compliance in any or all authorities to ensure FMAP reductions are lifted in a timely manner.

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I have included the state's current EVV Compliance Survey submission with this letter. If you need assistance, please feel free to contact the CMS EVV mailbox at [evv@cms.hhs.gov](mailto:evv@cms.hhs.gov).

Sincerely,

Alissa Mooney DeBoy  
Director, DEHPG