## **HUMAN SERVICES DEPARTMENT[441]**

#### **Adopted and Filed Emergency**

Pursuant to the authority of Iowa Code section 249A.4, the Department of Human Services amends Chapter 79, "Other Policies Relating to Providers of Medical and Remedial Care," and Chapter 83, "Medicaid Waiver Services," Iowa Administrative Code.

Revisions to Chapters 79 and 83 are due to the change in the reimbursement rate for providers of home- and community-based service (HCBS) waivers, to be increased beginning January 1, 2013, by 2 percent over the rates in effect on June 30, 2012. The caps on the total monthly costs of HCBS waiver services for members under each waiver are also being increased by 2 percent, with the exception for the elderly waiver nursing facility level of care, which was increased by 16 percent (from \$1,117 to \$1,300) in July 2012. The increase in the cap is put in place so members can receive the same services after the rate increase.

These changes are being made to come into compliance with 2012 Iowa Acts, Senate File 2336, section 33 (amending 2011 Iowa Acts, chapter 129, section 141, subsection 1, paragraph "q"), which requires the Department of Human Services to increase the rates for providers of HCBS waivers by 2 percent over the rates in effect June 30, 2012.

The Council on Human Services adopted these amendments on December 12, 2012.

Pursuant to Iowa Code section 17A.4(3), the Department finds that notice and public participation are unnecessary because the Legislature mandated these changes.

Pursuant to Iowa Code section 17A.5(2)"b"(2), the Department further finds that the normal effective date of these amendments, 35 days after publication, should be waived and the amendments made effective January 1, 2013, because the amendments confer a benefit on the public. Also, 2012 Iowa Acts, Senate File 2336, section 33, authorizes emergency rule-making authority.

These amendments are also published herein under Notice of Intended Action as ARC 0547C to allow for public comment.

These amendments do not provide for waivers in specified situations because requests for the waiver of any rule may be submitted under the Department's general rule on exceptions at 441—1.8(17A,217).

After analysis and review of this rule making, no impact on jobs has been found.

These amendments are intended to implement Iowa Code section 249A.4.

These amendments became effective January 1, 2013.

The following amendments are adopted.

#### ITEM 1. Amend paragraph **79.1(1)**"e" as follows:

- e. Retrospectively limited prospective rates. Providers are reimbursed on the basis of a rate for a unit of service calculated prospectively for each participating provider (and, for supported community living daily rates, for each consumer or site) based on projected or historical costs of operation subject to the maximums listed in subrule 79.1(2) and to retrospective adjustment pursuant to subparagraph 79.1(1) "e"(3).
  - (1) and (2) No change.
- (3) The prospective rates paid to both new and established providers are subject to the maximums listed in subrule 79.1(2) and to retrospective adjustment based on the provider's actual, current costs of operation as shown by financial and statistical reports submitted by the provider, so as not to exceed reasonable and proper costs actually incurred by more than 2.5 4.5 percent.

ITEM 2. Amend subrule **79.1(2)**, provider category "HCBS waiver service providers," as follows:

Provider category Basis of reimbursement Upper limit

HCBS waiver service providers, Except as noted, limits apply to

HCBS waiver service providers, including:

1. Adult day care Fee schedule

For AIDS/HIV, brain injury, elderly, and ill and handicapped waivers effective 7/1/11 1/1/13: Provider's rate in effect 11/30/09 6/30/12 plus 2%. If no 11/30/09 6/30/12 rate: Veterans Administration contract rate or \$22.12 22.56 per half-day, \$44.03 44.01 per full day, or \$66.03 67.35 per extended day if no Veterans Administration

all waivers that cover the named

contract.

provider.

For intellectual disability waiver: County contract rate or, effective 7/1/11 1/1/13 in the absence of a contract rate, provider's rate in effect 11/30/09 6/30/12 plus 2%. If no 11/30/09 6/30/12 rate, \$29.47 30.06 per half-day, \$58.83 60.00 per full day, or \$75.00 76.50 per extended day.

2. Emergency response system:

Personal response system Fee schedule

Effective 7/1/11 1/1/13, provider's rate in effect 11/30/09 6/30/12 plus 2%. If no 11/30/09 6/30/12 rate: Initial one-time fee: \$49.53 50.52. Ongoing monthly fee: \$38.52

<u>39.29</u>.

Portable locator system Fee schedule

Effective 7/1/11 1/1/13, provider's rate in effect 11/30/09 6/30/12 plus 2%. If no 11/30/09 6/30/12 rate: One equipment purchase: \$307.69 313.84. Initial one-time fee: \$49.53 50.52. Ongoing monthly

fee: \$38.52 39.29.

Provider category	Basis of reimbursement	Upper limit
3. Home health aides	Retrospective cost-related	For AIDS/HIV, elderly, and ill and handicapped waivers effective 7/1/11 1/1/13: Lesser of maximum Medicare rate in effect 11/30/09 plus 2% or maximum Medicaid rate in effect 11/30/09 6/30/12 plus 2%.
		For intellectual disability waiver effective 7/1/11 1/1/13: Lesser of maximum Medicare rate in effect 11/30/09 plus 2% or maximum Medicaid rate in effect 11/30/09 6/30/12 plus 2%, converted to an hourly rate.
4. Homemakers	Fee schedule	Effective 7/1/11 1/1/13, provider's rate in effect 11/30/09 6/30/12 plus 2%. If no 11/30/09 6/30/12 rate: \$19.81 20.21 per hour.
5. Nursing care	For elderly and intellectual disability waivers: Fee schedule as determined by Medicare.	For elderly waiver effective 7/1/11 1/1/13, provider's rate in effect 11/30/09 6/30/12 plus 2%. If no 11/30/09 6/30/12 rate: \$82.92 84.58 per visit.
		For intellectual disability waiver effective 7/1/11 1/1/13: Lesser of maximum Medicare rate in effect 11/30/09 plus 2% or maximum Medicaid rate in effect 11/30/09 6/30/12 plus 2%, converted to an hourly rate.
	For AIDS/HIV and ill and handicapped waivers: Agency's financial and statistical cost report and Medicare percentage rate per visit.	For AIDS/HIV and ill and handicapped waivers effective 7/1/11 1/1/13, provider's rate in effect 11/30/09 6/30/12 plus 2%. If no 11/30/09 6/30/12 rate: \$82.92 84.58 per visit.
6. Respite care when provided by:		
Home health agency:		F. C
Specialized respite	Cost-based rate for nursing services provided by a home health agency	Effective 7/1/11 1/1/13, provider's rate in effect 11/30/09 6/30/12 plus 2%. If no 11/30/09 6/30/12 rate: Lesser of maximum Medicare rate in effect 11/30/09 plus 2% or maximum Medicaid rate in effect 11/30/09 6/30/12 plus 2%, converted to an hourly rate, not to exceed \$296.94 302.88 per day.

Provider category	Basis of reimbursement	Upper limit
Basic individual respite	Cost-based rate for home health aide services provided by a home health agency	Effective 7/1/11 1/1/13, provider's rate in effect 11/30/09 6/30/12 plus 2%. If no 11/30/09 6/30/12 rate: Lesser of maximum Medicare rate in effect 11/30/09 plus 2% or maximum Medicaid rate in effect 11/30/09 6/30/12 plus 2%, converted to an hourly rate, not to exceed \$296.94 302.88 per day.
Group respite	Retrospectively limited prospective rates. See 79.1(15)	Effective 7/1/11 1/1/13, provider's rate in effect 11/30/09 6/30/12 plus 2%. If no 11/30/09 6/30/12 rate: \$13.12 13.38 per hour not to exceed \$296.94 302.88 per day.
Home care agency:		
Specialized respite	Retrospectively limited prospective rates. See 79.1(15)	Effective 7/1/11 1/1/13, provider's rate in effect 11/30/09 6/30/12 plus 2%. If no 11/30/09 6/30/12 rate: \$33.75 34.43 per hour not to exceed \$296.94 302.88 per day.
Basic individual respite	Retrospectively limited prospective rates. See 79.1(15)	Effective 7/1/11 1/1/13, provider's rate in effect 11/30/09 6/30/12 plus 2%. If no 11/30/09 6/30/12 rate: \$18.01 18.37 per hour not to exceed \$296.94 302.88 per day.
Group respite	Retrospectively limited prospective rates. See 79.1(15)	Effective 7/1/11 1/1/13, provider's rate in effect 11/30/09 6/30/12 plus 2%. If no 11/30/09 6/30/12 rate: \$13.12 13.38 per hour not to exceed \$296.94 302.88 per day.
Nonfacility care:		
Specialized respite	Retrospectively limited prospective rates. See 79.1(15)	Effective 7/1/11 1/1/13, provider's rate in effect 11/30/09 6/30/12 plus 2%. If no 11/30/09 6/30/12 rate: \$33.75 34.43 per hour not to exceed \$296.94 302.88 per day.
Basic individual respite	Retrospectively limited prospective rates. See 79.1(15)	Effective 7/1/11 1/1/13, provider's rate in effect 11/30/09 6/30/12 plus 2%. If no 11/30/09 6/30/12 rate: \$18.01 18.37 per hour not to exceed \$296.94 302.88 per day.
Group respite	Retrospectively limited prospective rates. See 79.1(15)	Effective 7/1/11 1/1/13, provider's rate in effect 11/30/09 6/30/12 plus 2%. If no 11/30/09 6/30/12 rate: \$13.12 13.38 per hour not to exceed \$296.94 302.88 per day.

Provider category Basis of reimbursement Upper limit Facility care: Hospital or nursing facility Fee schedule Effective 7/1/11 1/1/13, providing skilled care provider's rate in effect 11/30/09 6/30/12 plus 2%. If no 11/30/09 6/30/12 rate: \$13.12 13.38 per hour not to exceed the facility's daily Medicaid rate for skilled nursing level of care. Nursing facility Fee schedule Effective 7/1/11 1/1/13, provider's rate in effect 11/30/09 6/30/12 plus 2%. If no 11/30/09 6/30/12 rate: \$13.12 13.38 per hour not to exceed the facility's daily Medicaid rate. Camps Retrospectively limited Effective 7/1/11 1/1/13, prospective rates. See 79.1(15) provider's rate in effect <del>11/30/09</del> 6/30/12 plus 2%. If no 11/30/09 6/30/12 rate: \$13.12 13.38 per hour not to exceed \$296.94 302.88 per day. Fee schedule Effective <del>7/1/11</del> 1/1/13, Adult day care provider's rate in effect 11/30/09 6/30/12 plus 2%. If no 11/30/09 6/30/12 rate: \$13.12 13.38 per hour not to exceed rate for regular adult day care services. Fee schedule Intermediate care facility Effective 7/1/11 1/1/13, for the mentally retarded provider's rate in effect persons with an intellectual 11/30/09 6/30/12 plus 2%. If no 11/30/09 6/30/12 rate: \$13.12 disability 13.38 per hour not to exceed the facility's daily Medicaid rate. Fee schedule Effective 7/1/11 1/1/13, Residential care facilities for persons with mental provider's rate in effect 11/30/09 6/30/12 plus 2%. If no retardation an intellectual disability 11/30/09 6/30/12 rate: \$13.12 13.38 per hour not to exceed contractual daily rate. Fee schedule Effective 7/1/11 1/1/13, Foster group care provider's rate in effect 11/30/09 6/30/12 plus 2%. If no 11/30/09 6/30/12 rate: \$13.12 13.38 per hour not to exceed daily rate for child welfare services. Child care facilities Fee schedule Effective 7/1/11 1/1/13, provider's rate in effect 11/30/09 6/30/12 plus 2%. If no 11/30/09 6/30/12 rate: \$13.12 13.38 per hour not to exceed contractual daily rate. 7. Chore service Fee schedule Effective <del>7/1/11</del> 1/1/13, provider's rate in effect 11/30/09 6/30/12 plus 2%. If no 11/30/09 6/30/12 rate: \$7.71 7.86 per half hour.

Provider category	Basis of reimbursement	Upper limit
8. Home-delivered meals	Fee schedule	Effective 7/1/11 1/1/13, provider's refrect 11/30/09 6/30/12 plus 2%. If no 11/30/09 6/30/12 rate: \$7.71 7.86 per meal. Maximum of 14 meals per week.
9. Home and vehicle modification	Fee schedule. See 79.1(17)	For elderly waiver <u>effective</u> 1/1/13: \$1,010 1,030.20 lifetime maximum.
		For intellectual disability waiver effective 1/1/13: \$5,050 5,151 lifetime maximum.
		For brain injury, ill and handicapped and physical disability waivers <u>effective</u> 1/1/13: \$6,060 6,181.20 per year.
10. Mental health outreach providers	Fee schedule	Effective 7/1/11 1/1/13, provider's rate in effect 11/30/09 6/30/12 plus 2%. If no 11/30/09 6/30/12 rate: On-site Medicaid reimbursement rate for center or provider. Maximum of 1440 units per year.
11. Transportation	Fee schedule	Effective 7/4/41 1/1/13: County contract rate or, in the absence of a contract rate, provider's rate in effect 41/30/09 6/30/12 plus 2%. If no 11/30/09 rate, the rate set by the area agency on aging.
12. Nutritional counseling	Fee schedule	Effective 7/1/11 1/1/13 for non-county contract: Provider's rate in effect 11/30/09 6/30/12 plus 2%. If no 11/30/09 6/30/12 rate: \$8.25 8.42 per unit.
13. Assistive devices	Fee schedule. See 79.1(17)	Effective 7/1/11 1/1/13: \$110.05 112.25 per unit.
14. Senior companion	Fee schedule	Effective 7/1/11 1/1/13 for non-county contract: Provider's rate in effect 11/30/09 6/30/12 plus 2%. If no 11/30/09 6/30/12 rate: \$6.59 6.72 per hour.
15. Consumer-directed attendant care provided by:		
Agency (other than an elderly waiver assisted living program)	Fee agreed upon by member and provider	Effective 7/1/11 1/1/13, provider's rate in effect 11/30/09 6/30/12 plus 2%. If no 11/30/09 6/30/12 rate: \$20.20 20.60 per hour not to exceed \$116.72 119.05 per day.

Provider category Basis of reimbursement Upper limit Assisted living program (for Provider's Effective 1/1/13, Fee agreed upon by elderly waiver only) member and provider provider's rate in effect 11/30/09 6/30/12 plus 2%. If no 11/30/09 6/30/12 rate: \$1,117 1,139.34 per calendar month. When prorated per day for a partial month, \$36.71 37.44 per Individual Fee agreed upon by Effective July 1, 2010 1/1/13, member and provider \$13.47 13.74 per hour not to exceed \$78.56 80.13 per day. 16. Counseling Individual: Fee schedule Effective <del>7/1/11</del> 1/1/13, provider's rate in effect 11/30/09 6/30/12 plus 2%. If no <del>11/30/09</del> 6/30/12 rate: \$10.79 11.01 per unit. Group: Fee schedule Effective 7/1/11 1/1/13, provider's rate in effect 11/30/09 6/30/12 plus 2%. If no 11/30/09 6/30/12 rate: \$43.14 44.00 per hour. 17. Case management Fee schedule with cost For brain injury waiver: settlement. See 79.1(1)"d." Retrospective cost-settled rate. For elderly waiver: Quarterly revision of reimbursement rate as necessary to maintain projected expenditures within the amounts budgeted under the appropriations made for the medical assistance program for the fiscal year. 18. Supported community living Retrospectively limited Effective 7/1/11 1/1/13: \$34.98 prospective rates. See 79.1(15) 35.68 per hour, \$\overline{78.88}\$ per day not to exceed the maximum daily ICF/MR ICF/ID rate in effect 6/30/12 plus 2%. 19. Supported employment: Activities to obtain a job: Job development Fee schedule Effective 7/1/11 1/1/13, provider's rate in effect <del>11/30/09</del> 6/30/12 plus 2%. If no <del>11/30/09 6/30/12 rate:</del> \$909 927.18 per unit (job placement). Maximum of two units per 12 months. Fee schedule Effective 7/1/11 1/1/13, Employer development provider's rate in effect 11/30/09 6/30/12 plus 2%. If no <del>11/30/09 6/30/12 rate:</del> \$909 927.18 per unit (job placement). Maximum of two units per 12 months. Enhanced job search Retrospectively limited Effective 7/1/11 1/1/13: \$34.98 prospective rates. See 79.1(15) 35.68 per hour. Maximum of 26 hours per 12 months.

Provider category	Basis of reimbursement	Upper limit
Supports to maintain employment	Retrospectively limited prospective rates. See 79.1(15)	Effective 7/1/11 1/1/13: \$34.98 35.68 per hour for all activities other than personal care and services in an enclave setting. \$19.81 20.21 per hour for personal care. \$6.19 6.31 per hour for services in an enclave setting. \$2,883.71 2,941.38 per month for total service. Maximum of 40 units per week.
20. Specialized medical equipment	Fee schedule. See 79.1(17)	Effective 1/1/13, \$6,060 6,181.20 per year.
21. Behavioral programming	Fee schedule	Effective 7/1/11 $1/1/13$ , provider's rate in effect $\frac{11/30/09}{6/30/12}$ plus 2%. If no $\frac{11/30/09}{11.01}$ per $\frac{6/30/12}{15}$ rate: \$10.79
22. Family counseling and training	Fee schedule	Effective $\frac{7}{1/11} \frac{1}{1/13}$ , provider's rate in effect $\frac{11}{30}\frac{6}{30} \frac{6}{30}\frac{12}{12}$ plus $\frac{2}{30}$ . If no $\frac{11}{30}\frac{6}{30}$ per hour.
23. Prevocational services	Fee schedule	For the brain injury waiver County contract rate or, in absence of a contract rate, effective 7/1/11: 1/1/13: Lesser of provider's rate in effect 6/30/12 plus 2%, \$48.22 49.18 per day, \$24.11 24.59 per half-day, or \$13.21 13.47 per hour.  For the intellectual disability waiver effective 7/1/11: County contract rate or, in absence of a contract rate, \$48.22 per day, \$24.11 per half-day, or \$13.21
24. Interim medical monitoring and treatment:		<del>per hour.</del>
Home health agency (provided by home health aide)	Cost-based rate for home health aide services provided by a home health agency	Effective 7/1/11 1/1/13: Lesser of maximum Medicare rate in effect 11/30/09 plus 2% or maximum Medicaid rate in effect 11/30/09 6/30/12 plus 2%, converted to an hourly rate.
Home health agency (provided by nurse)	Cost-based rate for nursing services provided by a home health agency	Effective 7/1/41 1/1/13: Lesser of maximum Medicare rate in effect 11/30/09 plus 2% or maximum Medicaid rate in effect 11/30/09 6/30/12 plus 2%, converted to an hourly rate.
Child development home or center	Fee schedule	Effective 7/1/11 1/1/13, provider's rate in effect 11/30/09 6/30/12 plus 2%. If no 11/30/09 6/30/12 rate: \$13.12 13.38 per hour.

Provider category	Basis of reimbursement	Upper limit
Supported community living provider	Retrospectively limited prospective rate. See 79.1(15)	Effective 7/4/11 1/1/13, provider's rate in effect 11/30/09 6/30/12 plus 2%. If no 11/30/09 6/30/12 rate: \$34.98 35.68 per hour, not to exceed the maximum ICF/MR ICF/ID rate per day in effect 6/30/12 plus 2%.
25. Residential-based supported community living	Retrospectively limited prospective rates. See 79.1(15)	Effective 7/1/11 1/1/13: The Not to exceed the maximum ICF/MR ICF/ID rate per day in effect 6/30/12 plus 2%.
26. Day habilitation	Fee schedule	Effective 7/1/11 1/1/13: County contract rate or, in the absence of a contract rate, provider's rate in effect 11/30/09 6/30/12 plus 2%. If no 11/30/09 6/30/12 rate: \$13.21 13.47 per hour, \$32.15 32.79 per half-day, or \$64.29 65.58 per day.
27. Environmental modifications and adaptive devices	Fee schedule. See 79.1(17)	Effective 1/1/13, \$6,060 6,181.20 per year.
28. Family and community support services	Retrospectively limited prospective rates. See 79.1(15)	Effective 7/1/11 1/1/13, provider's rate in effect 11/30/09 6/30/12 plus 2%. If no 11/30/09 6/30/12 rate: \$34.98 35.68 per hour.
29. In-home family therapy	Fee schedule	Effective 7/1/11 1/1/13, provider's rate in effect 11/30/09 6/30/12 plus 2%. If no 11/30/09 6/30/12 rate: \$93.63 95.50 per hour.
30. Financial management services	Fee schedule	Effective 7/1/11 1/1/13, provider's rate in effect 11/30/09 6/30/12 plus 2%. If no 11/30/09 6/30/12 rate: \$65.65 66.96 per enrolled member per month.
31. Independent support broker	Rate negotiated by member	Effective 7/1/11 1/1/13, provider's rate in effect 11/30/09 6/30/12 plus 2%. If no 11/30/09 6/30/12 rate: \$15.15 15.45 per hour.
32. Self-directed personal care	Rate negotiated by member	Determined by member's individual budget.
33. Self-directed community supports and employment	Rate negotiated by member	Determined by member's individual budget.
34. Individual-directed goods and services	Rate negotiated by member	Determined by member's individual budget.

# ITEM 3. Amend paragraph **79.1(15)"f"** as follows:

f. Retrospective adjustments.

(1) Retrospective adjustments shall be made based on reconciliation of provider's reasonable and proper actual service costs with the revenues received for those services as reported on Form 470-3449, Supplemental Schedule, accompanying Form SS-1703-0, Financial and Statistical Report for Purchase of Service.

- (2) Revenues exceeding adjusted actual costs by more than 2.5 4.5 percent shall be remitted to the department. Payment will be due upon notice of the new rates and retrospective rate adjustment.
- (3) Providers who do not reimburse revenues exceeding  $\frac{102.5}{104.5}$  percent of actual costs 30 days after notice is given by the department will have the revenues over  $\frac{102.5}{104.5}$  percent of the actual costs deducted from future payments.

### ITEM 4. Amend paragraph 83.2(2)"b" as follows:

b. Except as provided below, the total monthly cost of the ill and handicapped waiver services shall not exceed the established aggregate monthly cost for level of care as follows:

Skilled level of care	Nursing level of care	ICF/ID
<del>\$2,631</del> <u>\$2,684</u>	<del>\$904</del> \$922	<del>\$3,203</del> \$3,267

- (1) For <u>consumers members</u> eligible for SSI who remain eligible for ill and handicapped waiver services until the age of 25 because they are receiving ill and handicapped waiver services upon reaching the age of 21, these amounts shall be increased by the cost of services for which the <del>consumer member</del> would be eligible under 441—subrule 78.9(10) if still under 21 years of age.
  - (2) No change.

#### ITEM 5. Amend subparagraph 83.22(2)"c"(2) as follows:

(2) Services must be the least costly available to meet the service needs of the member. The total monthly cost of the elderly waiver services exclusive of case management services shall not exceed the established monthly cost of the level of care. Aggregate monthly costs are limited as follows:

Skilled level of care	Nursing level of care
<del>\$2,631</del> \$2,684	\$1,300

#### ITEM 6. Amend paragraph **83.42(2)"b"** as follows:

b. The total monthly cost of the AIDS/HIV waiver services shall not exceed the established aggregate monthly cost for level of care. The monthly cost of AIDS/HIV waiver services cannot exceed the established limit of \$1,751 \$1,786.

### ITEM 7. Amend paragraph 83.82(2)"d" as follows:

d. The total cost of brain injury waiver services shall not exceed \$2,812 \$2,868 per month. If more than \$505 is paid for home and vehicle modification services, the service worker shall encumber up to \$505 per month within the monthly dollar cap allowed for the consumer until the total amount of the modification is reached within a 12-month period.

#### ITEM 8. Amend paragraph 83.102(2)"b" as follows:

b. The total cost of physical disability waiver services shall not exceed \$659 \$672 per month. If more than \$505 is paid for home and vehicle modification services, the service worker shall encumber up to \$505 per month within the monthly dollar cap allowed for the consumer until the total amount of the modification is reached within a 12-month period.

#### ITEM 9. Amend paragraph **83.122(6)"b"** as follows:

b. The total cost of children's mental health waiver services needed to meet the eonsumer's member's needs may not exceed \$1,873 \$1,910 per month.

[Filed Emergency 12/12/12, effective 1/1/13] [Published 1/9/13]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 1/9/13.