

**HUMAN SERVICES DEPARTMENT[441]**

**Notice of Intended Action**

**Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)“b.”**

**Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.**

Pursuant to the authority of Iowa Code section 249A.4 and 2015 Iowa Acts, Senate File 505, the Department of Human Services proposes to amend Chapter 79, “Other Policies Relating to Providers of Medical and Remedial Care” and Chapter 83, “Medicaid Waiver Services,” Iowa Administrative Code.

These amendments implement a cost-savings initiative that is part of the basis for the Department’s budgets for state fiscal years 2016 and 2017, as appropriated by the Iowa Legislature in 2015. As appropriated, the Department’s budgets assume savings from this initiative beginning July 1, 2015. The amendments would cap the monthly cost of all intellectual disability (ID) waiver services provided to a member (other than home and vehicle modifications) at the maximum monthly cost of services in an intermediate care facility for persons with intellectual disabilities (ICF/ID).

These amendments are a cost-savings initiative that was proposed by the Iowa Medicaid Enterprise (IME), incorporated into the Governor’s budget as proposed to the Legislature, and used by the Legislature’s Conference Committee in estimating the needs to be met by the Medicaid budget. At all stages of development, these amendments were assumed to become effective for dates of service on or after July 1, 2015. These amendments will require an amendment to the ID waiver approved application from the Centers for Medicare and Medicaid Services (CMS). The projected November 4, 2015, effective date for the amendments is based on the time line to receive CMS approval on the waiver amendment.

Any interested person may make written comments on the proposed amendments on or before August 25, 2015. Comments should be directed to Harry Rossander, Bureau of Policy Coordination, Department of Human Services, Hoover State Office Building, Fifth Floor, 1305 East Walnut Street, Des Moines, Iowa 50319-0114. Comments may be sent by fax to (515)281-4980 or by e-mail to [policyanalysis@dhs.state.ia.us](mailto:policyanalysis@dhs.state.ia.us).

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 and 2015 Iowa Acts, Senate File 505.

The following amendments are proposed.

ITEM 1. Amend subrule **79.1(2)**, provider category “HCBS waiver service providers,” paragraphs “18,” “24” and “25,” as follows:

Provider category	Basis of reimbursement	Upper limit
18. Supported community living	Retrospectively limited prospective rates. See 79.1(15)	For <del>intellectual disability and</del> brain injury waiver effective 7/1/13: \$9.19 per 15-minute unit, not to exceed the maximum daily ICF/ID rate per day plus 3%.

Provider category	Basis of reimbursement	Upper limit
24. Interim medical monitoring and treatment:		<u>For the intellectual disability waiver effective 7/1/15: \$9.19 per 15-minute unit, not to exceed the maximum daily ICF/ID rate per day.</u>
Home health agency (provided by home health aide)	Cost-based rate for home health aide services provided by a home health agency	Effective 7/1/13: Lesser of maximum Medicare rate in effect 6/30/13 plus 3%, converted to a 15-minute rate, or maximum Medicaid rate in effect 6/30/13 plus 3%, converted to a 15-minute rate.
Home health agency (provided by nurse)	Cost-based rate for nursing services provided by a home health agency	Effective 7/1/13: Lesser of maximum Medicare rate in effect 6/30/13 plus 3%, converted to a 15-minute rate, or maximum Medicaid rate in effect 6/30/13 plus 3%, converted to a 15-minute rate.
Child development home or center	Fee schedule	Effective 7/1/13, provider's rate in effect 6/30/13 plus 3%, converted to a 15-minute rate. If no 6/30/13 rate: \$3.45 per 15-minute unit.

Provider category	Basis of reimbursement	Upper limit
Supported community living provider	Retrospectively limited prospective rate. See 79.1(15)	<del>Effective</del> For the brain injury waiver and health and disability waiver, effective 7/1/13, provider's rate in effect 6/30/13 plus 3%, converted to a 15-minute rate. If no 6/30/13 rate: \$9.19 per 15-minute unit, not to exceed the maximum ICF/ID rate per day plus 3%.  For the intellectual disability waiver effective 7/1/15: \$9.19 per 15-minute unit, not to exceed the maximum daily ICF/ID rate per day.
25. Residential-based supported community living	Retrospectively limited prospective rates. See 79.1(15)	Effective 7/1/15: Not to exceed the maximum ICF/ID rate per day plus 3%.

ITEM 2. Rescind rule 441—83.66(249A) and adopt the following new rule in lieu thereof:

**441—83.66(249A) Allowable services and aggregate cap.**

**83.66(1) Allowable services.** Services allowable under the HCBS intellectual disability waiver are supported community living, respite, personal emergency response system, nursing, home health aide, home and vehicle modification, supported employment, consumer-directed attendant care, interim medical monitoring and treatment, transportation, adult day care, day habilitation, prevocational services, financial management, independent support brokerage, self-directed personal care, self-directed community supports and employment, and individual-directed goods and services as set forth in rule 441—78.41(249A).

**83.66(2) Aggregate cap.** The aggregate monthly cost for all intellectual disability waiver services authorized in a member's service plan, excluding the cost of home and vehicle modifications, shall not exceed the maximum daily ICF/ID per diem rate in effect on July 1 of the fiscal year during which the services are rendered, converted to a monthly amount.