CHAPTER 36
FACILITY ASSESSMENTS

Chapter rescission date pursuant to Iowa Code section 17A.7: 6/1/30

441—36.1(249A) Intermediate care facilities for persons with an intellectual disability assessment. Intermediate care facilities for persons with an intellectual disability (ICFs/ID) licensed in Iowa under 481—Chapter 64, including facilities not certified to participate in the Medicaid program, shall pay a quarterly fee to the department. The fee equals 5.5 percent of actual paid claims, from all sources, for the facility's preceding quarter.

[**ARC 9064C**, IAB 4/2/25, effective 6/1/25]

441—36.2(249A) Determination and payment of fee. For all ICFs/ID licensed in Iowa under 481—Chapter 64, including facilities not certified to participate in the Medicaid program, the fee shall be determined and paid as follows:

36.2(1) Each facility shall pay the assessment to the department on a quarterly basis. The facility shall:

a. Use a form prescribed by the department to calculate the quarterly fee due.

b. Submit the form and the quarterly fee no later than 30 days following the end of each calendar quarter.

36.2(2) The facility shall calculate the amount of the quarterly fee due by multiplying 5.5 percent by the facility's total ICF/ID payments for services received from all sources during the preceding quarter, including but not limited to:

a. Medicaid managed care payments.

b. Client participation payments.

c. Medicaid fee-for-service payments.

d. Private pay/insurance payments.

e. Ancillary service payments.

36.2(3) If the department determines that an ICF/ID has underpaid or overpaid the fee, the department will notify the ICF/ID of the amount of the unpaid fee or refund due. Such amount shall be due or refunded within 30 days of the issuance of the notice.

36.2(4) An ICF/ID that fails to pay the fee within 30 days of the issuance of the notice shall pay a penalty in the amount of 1.5 percent of the unpaid fee due for each month or portion of a month that the unpaid fee is overdue.

a. If the ICF/ID substantiates good cause beyond the facility's control for failure to make timely payment of the fee, the department will waive the penalty or a portion of the penalty. For purposes of this subrule, "good cause" means the same as "good cause" for setting aside a default judgment under Iowa Rule of Civil Procedure 1.977.

b. Requests for a good cause waiver must be submitted to the department within 30 days of notice to the facility that the penalty is due.

[**ARC 9064C**, IAB 4/2/25, effective 6/1/25]

441—36.3(249L) Nursing facility assessment.

36.3(1) *Applicability.* All nursing facilities as defined in Iowa Code section 135C.1 that are free-standing facilities or are operated by a hospital licensed pursuant to Iowa Code chapter 135B shall pay a quarterly assessment to the department, as determined under these rules, with the exception of:

a. Nursing facilities operated by the state.

b. Non-state government-owned or government-operated nursing facilities.

c. Distinct-part skilled nursing units and swing-bed units operated by a hospital.

36.3(2) *Assessment level.*

a. Effective April 1, 2023, nursing facilities with 46 or fewer licensed beds are required to pay a quality assurance assessment of $6.51 per non-Medicare patient day. Effective with assessment for the state

fiscal year beginning July 1, 2021, the number of licensed beds on file with the department of inspections, appeals, and licensing as of June 1 of each year shall be used to determine the assessment level for the following state fiscal year.

b. Effective July 1, 2024, nursing facilities designated as continuing care retirement centers (CCRCs) by the insurance division of the department of insurance and financial services are required to pay a quality assurance assessment of $6.51 per non-Medicare patient day. Effective with the assessment for the state fiscal year beginning July 1, 2021, continuing care retirement center designations as of June 1 of each year shall be used to determine the assessment level for the following state fiscal year.

c. Effective April 1, 2023, nursing facilities with annual Iowa Medicaid patient days of 19,000 or more are required to pay a quality assurance assessment of $6.51 per non-Medicare patient day. Effective with assessment for the state fiscal year beginning July 1, 2021, the annual number of Iowa Medicaid patient days reported in the most current cost report submitted to the department as of June 1 of each year shall be used to determine the assessment level for the following state fiscal year.

d. Effective April 1, 2023, all other nursing facilities are required to pay a quality assurance assessment of $33.90 per non-Medicare patient day.

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441—36.4(249L) Determination and payment of assessment. The assessment shall be determined and paid as follows:

36.4(1) Each nursing facility shall pay the quality assurance assessment to the department on a quarterly basis. The facility shall:

a. Use the form prescribed by the department to calculate the quarterly assessment amount due.

b. Submit the form and the quarterly assessment payment no later than 30 days following the end of each calendar quarter.

36.4(2) The facility shall calculate the amount of the quarterly assessment due by multiplying the facility's total non-Medicare patient days for the preceding quarter by the applicable assessment level as determined in subrule 36.6(2).

36.4(3) If the department determines that a nursing facility has underpaid or overpaid the quality assurance assessment, the department will notify the nursing facility of the amount of the unpaid quality assurance assessment or refund due. Such amount shall be due or refunded within 30 days of the issuance of the notice.

36.4(4) A nursing facility that fails to pay the quality assurance assessment within 30 days of the issuance of the notice will pay a penalty in the amount of 1.5 percent of the quality assurance assessment amount owed for each month or portion of a month that the payment is overdue.

a. If the facility substantiates good cause beyond the facility's control for failure to comply with payment of the quality assurance assessment, the department will waive the penalty or a portion of the penalty. For purposes of this subrule, "good cause" means the same as "good cause" for setting aside a default judgment under Iowa Rule of Civil Procedure 1.977.

b. Requests for a good cause waiver must be submitted to the department within 30 days of notice to the facility that the penalty is due.

[**ARC 9064C**, IAB 4/2/25, effective 6/1/25]

441—36.5(249M) Participating hospital assessment.

36.5(1) *Participating hospitals.* For the purpose of the health care access assessment program, a "participating hospital" is defined as a non-state-owned hospital licensed under Iowa Code chapter 135B that is paid on a prospective payment system basis by Medicare and the medical assistance programs for inpatient and outpatient services.

36.5(2) *Assessment.* Participating hospitals are required to pay a quarterly health care access assessment equal to 1.26 percent of net patient revenue as specified in the hospital's fiscal year 2008 Medicare cost report. "Net patient revenue" means all revenue reported for acute patient care and services but does not include:

a. Contractual adjustments,

b. Charity care,

c. Bad debt,

d. Medicare revenue, or

e. Other revenue derived from sources other than hospital operations, including but not limited to:

(1) Nonoperating revenue,

(2) Other operating revenue,

(3) Skilled nursing facility revenue,

(4) Physician revenue, and

(5) Long-term care revenue.

[**ARC 9064C**, IAB 4/2/25, effective 6/1/25]

441—36.6(249M) Determination and payment of assessment. The assessment shall be determined and paid as follows:

36.6(1) The department will calculate the annual amount of the health care access assessment as 1.26 percent of net patient revenue as specified in the participating hospital's fiscal year 2008 Medicare cost report. The annual amount will be divided by four to calculate the quarterly amount.

36.6(2) Each participating hospital shall pay the health care access assessment to the department on a quarterly basis. The hospital shall submit the quarterly assessment payment no later than 30 days following the end of each calendar quarter.

36.6(3) A participating hospital shall retain and preserve the Medicare cost report and financial statements used to prepare the cost report in accordance with Iowa Code section 249M.3.

36.6(4) If the department determines that a participating hospital has underpaid or overpaid the health care access assessment, the department will notify the hospital of the amount of the unpaid health care access assessment or refund due. Such amount shall be due or refunded within 30 days of the issuance of the notice.

36.6(5) A participating hospital that fails to pay the health care access assessment within 30 days of the issuance of the notice will pay a penalty in the amount of 1.5 percent of the health care access assessment amount owed for each month or portion of a month that the payment is overdue.

a. If the department determines that good cause is shown for failure to comply with payment of the health care access assessment, the department will waive the penalty or a portion of the penalty.

b. Requests for a good cause waiver must be submitted to the department within 30 days of notice to the facility that the penalty is due.

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These rules are intended to implement Iowa Code chapters 249A, 249L, and 249M.

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