

STATE OF IOWA DEPARTMENT OF  
**Health** AND **Human**  
SERVICES

Iowa Medicaid  
Home and Community Based Services  
Elderly Waiver SFY22  
Expenditure Report

December 2022

## Introduction and Background

In 2020 the Iowa Legislature enacted House File (HF) 2269, which directed the Iowa Department of Health and Human Services (HHS) to eliminate the monthly budget maximum or cap for individuals eligible for the Medicaid home and community-based services (HCBS) Elderly waiver. This legislation also directs the department to track the average amount expended per waiver recipient each fiscal year beginning July 1, 2020, and to report the information annually to the Governor and General Assembly by December 30.

As a result of this legislation, Elderly waiver recipients no longer need to request an exception to policy (ETP) to exceed the monthly cap allowed under the Elderly waiver. Elderly waiver members may access the medically necessary services and supports identified in their comprehensive person-centered service plan and as authorized in the Institutional and Waiver Authorization and Narrative System (IoWANS) by Iowa Medicaid for Fee-For-Service (FFS) members or the member's managed care organization (MCO) for IA Health Link members.

The Department implemented the IA Health Link managed care program for most of the Medicaid population on April 1, 2016. Most Medicaid members are now being served by two managed care organizations (MCOs); Amerigroup Iowa and Iowa Total Care. Iowa Medicaid continues to operate a limited Fee-For-Service (FSS) program for the Medicaid members not enrolled in managed care.

March 9, 2020, a Proclamation of Disaster Emergency was issued to coordinate the State of Iowa's response to Novel Coronavirus 2019 (COVID-19) outbreak. The State Public Health Emergency (PHE) Declaration impacted the typical pattern of service utilization for all HCBS Elderly Waiver services during the last four months of SFY2020 and all SFY2021, which is reflected in the expenditure data. All HCBS Elderly waiver service recipients and service providers are impacted by COVID-19. However, the impact of the PHE is particularly evident with those service typically rendered in a group or congregate setting as noted in the data provided.

July 1, 2020, the IME implemented the removal of the HCBS Elderly waiver monthly cap on the total costs of service funded through the waiver. The Department published Informational Letter 2152-MC-FFS notifying HCBS Waiver providers, case managers and the MCOs of the removal of the Elderly waiver monthly funding cap. HHS, Iowa Medicaid has implemented administrative rules and amended the 1915(C) HCBS Elderly Waiver application to remove the monthly funding cap.

The expenditure data provided represents all claims paid for dates of service during each state fiscal year as of November 15, 2022. It is understood that there are a percentage of claims that may have not yet been submitted for payment for dates of service in SFY22 and therefore not represented in the expenditure data provided. In accordance with 441 IAC 80.4(1) providers billing FFS services have 365 days from the date of service to submit a claim for payment. Effective with dates of service beginning April 1, 2020, providers have an additional 90 calendar days to submit first time medical claims and encounters for managed care claims. Specifically, providers must submit first time medical claims and encounters within 270 calendar days of service.

## Observations

**Table I** presented below represents the Elderly Waiver population’s annual report of expenditures. The data represents all EW claims paid during each state fiscal year (SFY) for both FFS and MCO claims. Year to date comparison shows total Elderly Waiver expenditures increased \$1,935,052.68 in SFY22 compared to SFY21. This equates to a \$614,572.73 increase in the state share of cost for SFY22 compared to SFY21.

The average annual cost per HCBS EW recipient increased slightly from \$6,293.58 per member during SFY21 to \$6,610.95 per member during SFY22, an increase of \$317.37 per waiver member per year.

The procedure code descriptions for the codes listed in Table I are in Appendix A.

<b>Table I. SFY21 and SFY22 Elderly Waiver Annual Expenditures</b>								
<b>Procedure Code</b>	<b>Total # Unique SIDs SFY21</b>	<b>Total # claims paid SFY21</b>	<b>Total # Units Paid SFY21</b>	<b>Total Amount paid SFY21</b>	<b>Total Amount paid SFY22</b>	<b>Total # Units Paid SFY22</b>	<b>Total # Claims Paid SFY22</b>	<b>Total # Unique SIDs SFY22</b>
A0130 A0130 U3	14	467	493	\$11,699.00	\$14,921.78	493	464	37
H0036	11	101	548	\$13,270.92	\$1,569.22	62	8	1
S0215 S0215 U3	49	1,191	3,945	\$34,925.66	\$216,901.27	12,122	7,716	230
S5101	27	286	495	\$16,899.25	\$21,931.31	661	638	42
S5102	71	3,071	4,195	\$244,953.85	\$351,367.32	6,196	4,487	86
S5120	251	2,822	50,044	\$201,771.94	\$161,013.31	41,187	2,092	201
S5125 S5125 U3	3419	145,191	2,341,847	\$12,336,788.10	\$14,838,583.07	2,735,208	201,025	3,403
S5130	2168	76,163	570,840	\$3,096,757.89	\$2,525,767.96	482,751	76,827	1,910
S5135	48	231	6,102	\$10,630.31	\$38,207.70	21,543	354	74
S5150 S5150 U3	153	3,411	58,432	\$276,995.90	\$398,099.56	79,234	4,186	121
S5160	567	578	558	\$25,605.47	\$17,865.97	388	392	391
S5161	6027	55,589	57,203	\$2,072,662.73	\$2,029,625.14	55,123	53,656	6,137
S5165	39	41	314	\$33,877.75	\$32,357.81	22	23	23
S5170 (UF, UH, UG, UJ)	10,864	126,062	2,143,467	\$16,052,419.54	\$15,564,214.84	2,022,162	130,841	10,556
S5199	20	20	258	\$1,468.78	\$373.67	26	11	9
T1016	23	196	2,705	\$174,604.60	\$84,736.78	1,705	212	14
T1019 T1019 U3	1,999	99,542	4,002,764	\$14,102,241.95	\$14,163,282.75	4,046,885	89,606	1,794

T1021	1	1	11	\$506.00	\$0.00	0	0	0
T1030	2	2	5	\$375.00	\$0.00	0	0	0
T2003	156	5,885	5,878	\$125,212.00	\$189,967.34	8,041	8,040	194
T2025	5	47	47	\$27,713.10	\$36,204.09	67	57	7
T2025 UC	211	221	218	\$88,475.00	\$94,501.00	215	215	203
T2031	1378	12,148	334,713	\$8,167,873.66	\$8,274,098.81	328,756	11,832	1,365
T2039	3	3	3	\$2,809.62	\$0.00	0	0	0
<b>Grand Total</b>	<b>9076</b>	<b>533,269</b>	<b>9,585,085</b>	<b>\$57,120,538.02</b>	<b>\$59,055,590.70</b>	<b>9,842,847</b>	<b>592,682</b>	<b>8,933</b>

**Table 2** presented below represents the services that experienced an increase in expenditures during SFY22 compared to SFY21. The largest increase in SFY22 expenditures occurred with Agency Consumer Directed Attendant Care (CDAC). The second and third largest increase in expenditures occurred the Transportation and Respite.

The increase in expenditures for specific services during SFY22 may be due in part to the 3.55 percent provider rate increase effective July 1, 2021, and members gaining access to all the medically necessary services identified in their comprehensive service plans without being limited by a monthly cap on the total cost of services. In addition, it is assumed that providers' service delivery patterns and members' service utilization behavior changed in direct response to the COVID-19 PHE restrictions that were in place during SFY20 and SFY21 loosening during SFY22. In SFY22 more individuals were willing to have staff come into their homes, actively participate in community activities, and participate in services in a group or congregate setting. It is also likely that the American Rescue Plan Act (ARPA) Section 9817 funds allocated to HCBS Recruitment and Retention grants also had a positive impact on the number of units of service that HCBS providers delivered during the last half of SFY22.

**Table 2. Elderly Waiver Increase in Annual Expenditures by Procedure Code for SFY22**

Procedure Code	Service	Difference in amount paid	Difference in units	Difference in Claims Paid	Difference In # Unique SIDS
S5125 & S5125 U3	CDAC Agency 15 min	\$2,501,794.97	393,361	55,834	-16
S0215 S0215 U3	Transportation per mile	\$181,975.61	8,177	6,525	181
S5150 S5150U3	Respite 15 min	\$121,103.66	20,802	775	-32
S5102	Adult Day Care full day	\$106,413.47	2,001	1,416	15
T2031	Assisted Living	\$106,225.15	-5,957	(316)	-13

T2003 T2003U3	Transportation per trip	\$64,755.34	2,163	2,155	38
T1019 T1019U3	CDAC Individual 15 min	\$61,040.80	44,121	(9,936)	-205
S5135	Senior Companion 15 min	\$27,577.39	15,441	123	26
T2025	Financial Management	\$8,490.99	20	10	2
T2025UC	FMS workman's comp	\$6,026.00	-3	(6)	-8
S5150	Adult Day Care extended days	\$5,032.06	166	352	15
A0130 A0130U3	Transportation group	\$3,222.78	0	(3)	23

**Table 3** presented below represents the services that experienced a decrease in expenditures during SFY21 compared to SFY20. The largest decrease in expenditures occurred with Homemaker services. The second and third largest decrease in expenditures occurred with Home Delivered Meals followed by Case Management services.

The reduction in expenditures for specific services during SFY22 may be due in part to unrepresented claims that have yet to be submitted as well as the change in provider's service delivery patterns and members' service utilization behavior due to the Covid-19 PHE and PHE flexibilities unwinding.

Homemaker and Home Delivered Meals utilization increased during the PHE when members were unable to access congregate meal sites and limited who came into their homes. The reduction in these expenditures in SFY22 likely occurred because of members gaining access to alternative sources for meals and other direct care services such as CDAC, because of the loosening of COVID-19 restrictions that were in place during SFY20 and SFY21.

Procedure Code	Service	Difference in amount paid	Difference in units	Difference in Claims Paid	Difference In # Unique SIDS
S5130	Homemaker	-\$570,989.93	-88,089	664	-258
S5170 (UF, UH, UG UJ)	Home Delivered Meals	-\$488,204.70	-121,305	4,779	-308
T1016	Case Management	-\$89,867.82	-1,000	16	-9
S5161	Personal Emergency Response Monthly	-\$43,037.59	-2,080	(1,933)	110
S5120	Chore 15 min	-\$40,758.63	-8,857	(730)	-50

H0036	Mental Health outreach	-\$11,701.70	-486	(93)	-10
S5160	Personal Emergency Response install	-\$7,739.50	-170	(186)	-176
T2039	Home and Vehicle mod, vehicle	-\$2,809.62	-3	(3)	-3
S5165	Home and Vehicle mod, home only	-\$1,519.94	-292	(18)	-16
S5199	Assisted Device	-\$1,095.11	-232	(9)	-11
T1021	Home Health Aide, per visit	-\$506.00	-11	(1)	-1
T1030	Nursing RN per visit	-\$375.00	-5	(2)	-2

## Enrollment

**Table 3** presented below represents the Elderly waiver members enrollment in managed care or FFS for each SFY. Overall Elderly waiver enrollment has remained consistent during the two-year period. As the PHE flexibilities related to Medicaid eligibility unwinds, and members who are no longer eligible for the Elderly Waiver are transitioned to other coverage groups, overall enrollment will decline.

Enrollment at any point in time during the waiver year is contingent upon the number of Elderly waivers funding slots approved by the Centers for Medicaid and Medicare Services (CMS) and those funding slots that can be managed within the funding budget allocated for the Elderly waiver each SFY. The Elderly Waiver does not have a waitlist as enrollment is historically below the Point-In-Time limit approved for the waiver and expenditures can be funded within the Medicaid budget allocated for the Elderly Waiver.

<b>Table 3. HCBS Elderly Waiver MCO and FFS Enrollment for SFY21 and SFY22</b>												
<b>SFY21</b>	<b>07/20</b>	<b>08/20</b>	<b>09/20</b>	<b>10/20</b>	<b>11/20</b>	<b>12/20</b>	<b>01/21</b>	<b>02/21</b>	<b>03/21</b>	<b>04/21</b>	<b>05/21</b>	<b>06/21</b>
Amerigroup	4933	4920	4908	4980	4856	4820	4763	4726	4719	4711	4705	4676
ITC	3353	3374	3367	3362	3346	3329	3310	3287	3303	3319	3321	3312
FFS	25	23	27	25	24	26	23	24	26	27	23	31
<b>Total Members</b>	<b>8311</b>	<b>8317</b>	<b>8302</b>	<b>8295</b>	<b>8226</b>	<b>8175</b>	<b>8096</b>	<b>8037</b>	<b>8048</b>	<b>8057</b>	<b>8049</b>	<b>8019</b>
<b>SFY22</b>	<b>7/21</b>	<b>08/21</b>	<b>09/21</b>	<b>10/21</b>	<b>11/21</b>	<b>12/21</b>	<b>1/22</b>	<b>2/22</b>	<b>3/22</b>	<b>4/22</b>	<b>5/22</b>	<b>6/22</b>
Amerigroup	4659	4635	4615	4599	4558	4509	4462	4414	4376	4349	4353	4363
ITC	3299	3258	3264	3309	3297	3305	3318	3282	3276	3303	3292	3309
FFS	29	27	17	27	30	23	25	25	23	29	27	6

<b>Total Members</b>	<b>7987</b>	<b>7920</b>	<b>7904</b>	<b>7935</b>	<b>7885</b>	<b>7837</b>	<b>7805</b>	<b>7721</b>	<b>7675</b>	<b>7691</b>	<b>7697</b>	<b>7697</b>
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**Recommendation:**

Due to the COVID-19 PHE impact on Elderly waiver service utilization during SFY21 and the continued impact that is anticipated during SFY22, and the ARPA Section 9817 Maintenance of Effort (MOE) requirements, no changes to the service scope, amount or duration guidelines are recommended at this time. It is recommended that the department continue to monitor service utilization for any gaps in care or unexpected service patterns.

## HCBS Elderly Waiver Service Code Chart

Procedure Code/ Modifier	Service Description
S5101	Adult day care; half day
S5102	Adult day care; full day
S5105	Adult day care; extended day
T2031	Assisted living services
S5199	Assistive devices per item Personal Care Item- adaptive device & therapeutic resources
T1016	Case management (targeted or waiver); 15-minute unit
S5125 & S5125 U3	CDAC (agency); 15-minute unit
T1019 & T1019 U3	CDAC (individual); 15-minute unit
S5120	Chore; 15-minute unit
T2025	Financial management services; per month
T2025 UC	FMS- Workman's Comp
T1021	Home health aide; Per Visit
S5170 UF, UH, UG, UJ	Home-delivered meals; per meal
S5130	Homemaker; 15-minute unit
S5165	Home and vehicle modification (home modifications only); per service
T2039	Home and vehicle modification (vehicle modifications only); per service
H0036	Mental health outreach; 15-minute unit
T1030	Nursing (RN); per visit
T1031	Nursing (LPN); per visit
97802	Nutritional counseling (initial); 15-minute unit
97803	Nutritional counseling (subsequent); 15-minute unit
S5160	Personal emergency response (initial fee for install)



S5161	Personal emergency response (monthly)
S5150 & S5150 U3	Respite (Home Health agency, specialized). Respite (Home Health agency, basic individual). Respite (Home Care agency, basic individual). Respite (home/non-facility, specialized). Respite (home/non-facility basic individual). 15 min unit
T1005	Respite (Home Health agency group). Respite (home non-facility, group). Respite (hospital or NF) <ul style="list-style-type: none"> <li>· RCF</li> <li>· Adult day care</li> <li>· Childcare facility</li> <li>· ICF/ID</li> <li>· Foster group care 15-minute unit</li> </ul>
T2036	Respite (resident camp); 15-minute unit
T2037	Respite (group day camp)
S5135	Senior companion; 15-minute unit
S0215 & S0215 U3	Transportation; per mile; individual
T2003 & T2003 U3	Transportation. 1-way trip; individual, 1 way trip group
A0130 & A0130 U3	Transportation; non-emergent wheelchair van; individual; trip group; trip
T2001	Transportation; non-emergent; escort; trip