

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

Iowa Medicaid  
Home and Community Based Services  
Elderly Waiver SFY23  
Expenditure Report

December 2023

## 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 October 1.

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.

Iowa Department of Health and Human Services implemented the IA Health Link managed care program for most of the Iowa Medicaid population on April 1, 2016. During SFY23 most Iowa Medicaid members were 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 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 PHE, which is reflected in the expenditure data.

July 1, 2020, Iowa Medicaid implemented the removal of the HCBS Elderly waiver monthly cap on the total costs of service funded through the waiver. Informational Letter 2152-MC-FFS notified HCBS waiver providers, case managers and the MCOs of the removal of the Elderly waiver monthly funding cap. Iowa Medicaid 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 27, 2023. It is understood that there are a percentage of claims that may have not yet been submitted for payment for dates of service in SFY23 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. Providers must submit first time medical claims and encounters within 180 calendar days of service.

## Observations

Table I presented below represents the HCBS Elderly waiver population's annual report of expenditures. The data represents all Elderly waiver claims paid during each state fiscal year

(SFY) for both FFS and MCO claims. Year to date comparison shows total Elderly waiver expenditures increased \$5,324,105.93 in SFY23 compared to SFY22. This equates to a \$1,662,185.87 increase in the state share of cost for SFY23 compared to SFY22.

The average annual cost per HCBS Elderly waiver recipient increased slightly from \$2,206.73 per member during SFY22 to \$2,317.98 per member during SFY23, an increase of \$111.25 per waiver member per year. The procedure code descriptions for the codes listed in Table I are in Appendix A.

<b>Procedure Code</b>	<b>Total # Unique SIDs SFY22</b>	<b>Total # claims paid SFY22</b>	<b>Total # Units Paid SFY22</b>	<b>Total Amount paid SFY22</b>	<b>Total # Unique SIDs SFY23</b>	<b>Total # Claims Paid SFY23</b>	<b>Total # Units Paid SFY23</b>	<b>Total Amount paid SFY23</b>
<b>A0130</b>								
<b>A0130 U3</b>	37	464	493	\$14,921.78	29	344	352	\$14,393.67
<b>H0036</b>	1	8	62	\$1,569.22	26	272	1,152	\$28,638.71
<b>S0215</b>								
<b>S0215 U3</b>	230	7,716	12,122	\$216,901.27	335	13,598	22,313	\$473,405.88
<b>S5101</b>	42	638	661	\$21,931.31	41	691	680	\$24,485.80
<b>S5102</b>	86	4,487	6,196	\$351,367.32	89	4,358	5,847	\$341,394.24
<b>S5105</b>	0	0	0	\$0.00	4	52	235	\$17,901.20
<b>S5120</b>	201	2,092	41,187	\$161,013.31	171	2,063	235	\$163,895.32
<b>S5125</b>								
<b>S5125 U3</b>	3,403	201,025	2,735,208	\$14,838,583.07	3,572	203,398	40,099	\$16,928,765.62
<b>S5130</b>	1,910	76,827	482,751	\$2,525,767.96	1,741	67,301	2,989,182	\$2,295,768.41
<b>S5135</b>	74	354	21,543	\$38,207.70	54	427	421,885	\$48,960.44
<b>S5150</b>								
<b>S5150 U3</b>	121	4,186	79,234	\$398,099.56	91	5,453	23,049	\$661,337.87
<b>S5160</b>	391	392	388	\$17,865.97	377	380	119,487	\$17,299.60
<b>S5161</b>	6,137	53,656	55,123	\$2,029,625.14	6,340	55,475	391	\$2,157,633.19
<b>S5165</b>	23	23	22	\$32,357.81	30	31	58,253	\$38,303.12
<b>S5170</b>								
<b>(UF, UH, UG, UJ)</b>	10,556	130,841	2,022,162	\$15,564,214.84	11,059	148,864	30	\$16,961,410.06
<b>S5199</b>	9	11	26	\$373.67	16	25	2,075,103	\$923.34
<b>T1005</b>	0	0	0	\$0.00	2	2	612	\$1920.96
<b>T1016</b>	14	212	1,705	\$84,736.78	19	209	56	\$203,034.88
<b>T1019</b>								
<b>T1019 U3</b>	1,794	89,606	4,046,885	\$14,163,282.75	1,795	209	3,044	\$14,851,750.60

<b>TI021</b>	0	0	0	\$0.00	0	0	0	\$0.00
<b>TI030</b>	0	0	0	\$0.00	1	91,723	4,012,406	\$200.00
<b>T2003</b>	194	8,040	8,041	\$189,967.34	254	1	4	\$212,217.25
<b>T2025</b>	7	57	67	\$36,204.09	12	285	4,402	\$85,341.09
<b>T2025 UC</b>	203	215	215	\$94,501.00	210	262	262	\$73,352.74
<b>T2031</b>	1,365	11,832	328,756	\$8,274,098.81	1,504	11,942	336,902	\$8,775,787.64
<b>T2039</b>	0	0	0	\$0.00	2	2	2	\$1,575.00
<b>Grand Total</b>	26,798	592,682	9,842,847	\$59,055,590.70	27,774	607,367	10,115,983	\$64,379,696.63

Table 2 presented below represents the services that experienced an increase in expenditures during SFY23 compared to SFY22. The largest increase in SFY23 expenditures continued to be Agency Consumer Directed Attendant Care (CDAC). The second and third largest increase in expenditures occurred the Home Delivered Meals and Individual Consumer Directed Attendant Care (CDAC).

The increase in expenditures for specific services during SFY23 may be due in part to the 4.25 percent provider rate increase effective July 1, 2022, 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, SFY21 and SFY22 loosening during SFY23. In SFY23 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. The PHE was ended and therefore expanded flexibilities were ended November 11, 2023. It is also likely that sustained funds from legislature also had a positive impact on the number of units of service that HCBS providers delivered during SFY23.

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	\$2,090,182.55	-2,695,109	2,373	169
S5170 (UF, UH, UG, UJ)	Home Delivered Meals	\$1,397,195.22	-2,022,132	18,023	503
TI019 TI019U3	CDAC Individual 15 min	\$688,467.85	-4,043,841	-89,397	1
T2031	Assisted Living	\$501,688.83	8,146	110	139

S5150 S5150U3	Respite 15 min	\$263,238.31	-56,185	1,267	-30
S0215 S0215 U3	Transportation per mile	\$256,504.61	10,191	5,882	105
S5161	Personal Emergency Response System	\$128,008.05	-54,732	1,819	203
T1016	Case Management	\$118,298.10	-1,649	-3	5
T2025	Financial management	\$49,137.00	4,335	228	5
H0036	Mental health outreach; 15 minute unit	\$27,069.49	1,090	264	25
T2003 T2003U3	Transportation per trip	\$22,249.91	-8,037	-8,039	60
S5105	Adult Day Care extended days	\$17,901.20	235	52	4
S5135	Senior Companion 15 min	\$10,752.74	400,342	73	-20
S5165	Home Modification	\$5,945.31	58,231	8	7
S5120	Chore; 15 minute unit	\$2,882.01	-40,952	-29	-30
S5101	Adult day care; half day	\$2,554.49	19	53	-1
T1005	Respite (HH agency group); 15 minute unit	\$1,920.96	612	2	2
T2039	Vehicle Modification	\$1,575.00	2	2	2
S5199	Assistive devices	\$549.67	2,075,077	14	7
T1030	Nursing (RN); per visit	\$200.00	4,012,406	91,723	1

Table 3 presented below represents the services that experienced a decrease in expenditures during SFY23 compared to SFY22. The largest decrease in expenditures occurred with Homemaker services. The second and third largest decrease in expenditures occurred with Home Delivered Meals followed by Financial Management Services – Workman’s Comp.

The reduction in expenditures for specific services during SFY23 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.

The reduction in Homemaker in these expenditures in SFY23 likely occurred because of members gaining access to alternative sources for 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	-\$229,999.55	2,506,431	-9,526	-169
T2025 UC	FMS- Workman's Comp	-\$21,148.26	47	47	7
S5102	Adult day care; full day	-\$9,973.08	-349	-129	3
S5160	Personal Emergency Response Monthly	-\$566.37	119,099	-12	-14
A0130 A0130 U3	Transportation; non-emergent wheelchair van; individual; trip group; trip	-\$528.11	-141	-120	-8

## 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.

SFY22	7/21	08/21	09/21	10/21	11/21	12/21	1/22	2/22	3/22	4/22	5/22	6/22
Amerigroup	4,659	4,635	4,615	4,599	4,558	4,509	4,462	4,414	4,376	4,349	4,353	4,363
ITC	3,299	3,258	3,264	3,309	3,297	3,305	3,318	3,282	3,276	3,303	3,292	3,309
FFS	29	27	17	27	30	23	25	25	23	29	27	6
Total Members	7,987	7,920	7,904	7,935	7,885	7,837	7,805	7,721	7,675	7,691	7,697	7,697

SFY23	7/22	08/22	09/22	10/22	11/22	12/22	1/23	2/23	3/23	4/23	5/23	6/23
Amerigroup	4,337	4,274	4,212	4,143	4,106	4,047	3,977	3,940	3,955	3,986	3,991	3,986
ITC	3,317	3,400	3,456	3,530	3,581	3,618	3,647	3,690	3,710	3,713	3,707	3,687
FFS	20	27	20	29	35	36	35	31	33	35	37	35
Total Members	7,674	7,701	7,696	7,702	7,722	7,701	7,659	7,661	7,698	7,734	7,735	7,708

**Recommendation:**

No changes to the service scope, amount or duration guidelines are recommended currently. There was a rate increase during the SFY23 which likely had an impact on the costs of HCBS Elderly waiver services. It is recommended that the department continue to monitor service utilization for any gaps in care or unexpected service patterns.

Appendix A

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

