

December 14, 2018

W. Charles Smithson
Secretary of Senate
State Capitol
LOCAL

Carmine Boal
Chief Clerk of the House
State Capitol
LOCAL

Dear Ms. Boal and Mr. Smithson

Enclosed please find a copy of the 2018 report to the General Assembly relative to the Non-State Government-Owned Nursing Facility Upper Payment Limit Supplemental Payment Program. This report was prepared pursuant to a directive contained in House File 2460, Section 82(86th G.A.).

In accordance with this legislation, the Department of Human Services was directed to submit a report on or before December 15, regarding the program.

Please feel free to contact me if you need additional information.

Sincerely,



Mikki Stier
Deputy Director

MS:so

Enclosure

cc: Kim Reynolds, Governor



Department of
HUMAN SERVICES

***Non-State Government-Owned Nursing
Facility Upper Payment Limit
Supplemental Payment Program***

December, 2018

Introduction and Background

Provisions of House File (HF) 2460, enacted by the 86th Iowa General Assembly and HF 653 enacted by the 87th Iowa General Assembly, required the Department of Human Services (DHS) to submit to the Centers for Medicare and Medicaid Services (CMS) a Medicaid State Plan Amendment (SPA) to allow qualifying non-state government-owned (NSGO) nursing facilities (NF) to receive a supplemental payment in accordance with upper payment limit (UPL) requirements. The supplemental payment shall be in addition to the greater of the Medicaid Fee-for-Service (FFS) per diem reimbursement rate or the per diem payment established for the NF under a Medicaid managed care contract.

Provisions of both HF 2460 and HF 653 required DHS to submit a report to the governor and the general assembly on or before December 15, annually after approval and implementation of the supplement payment program.

Progress and Status

On June 7, 2017, The Iowa Medicaid Enterprise (IME) received notice from CMS indicating SPA IA-16-018 was denied. SPA IA-16-018 was submitted on September 28, 2016, and was to calculate payments under the program quarterly for Medicaid FFS claims and to include NSGOs in the quality assurance assessment fee program. These provisions were based on HF 2460.

On May 1, 2018, the IME received noticed from CMS indicating SPA IA-17-014 was denied because the SPA was not consistent with sections 1902(a)(2), 1902(a)(4), and 1902(a)(30)(A) of the Social Security Act. SPA IA-17-014 was submitted on September 27, 2017, and was to implement the NSGO UPL based on the changes enacted in HF 653.

As none of the SPAs were approved, there is no information to report.

Recommendation

The Department recommends discontinuation of this report since CMS has denied both SPAs related to the provisions based on HF 2460 and HF 653. If additional legislation is passed by the Iowa General Assembly, signed by the Governor and approved by CMS, the Department can furnish detailed reports as defined by the legislation.