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Quality Assurance Assessment Fee

What is it?

- Program that allows states to draw down additional federal monies
- Utilized in 32 other states
 - Therefore, Iowa has one of the lowest Medicaid reimbursement rates in the Nation

Why is it needed?

Medicaid Losses:

- SNF providers' average loss per Medicaid resident, per day: **\$(6.03)** in 2002, **\$(12.57)** in 2007.
- 2008 estimated loss **\$(14.32)** per day
- Difference between 2007 Medicaid total revenue and allowable costs: **\$(57.7M)**
- State's share = **\$(21.5M)**
- Iowa's Medicaid Reimbursement rate is \$41.37 less than the national average.
 - National average > \$161.50
 - **Iowa's Rate: \$120.13** per day (SFY 2008)
 - State share = \$36.06 per Medicaid patient day
 - State share = \$1.50 per hour

Even with the Quality Assurance Assessment Fee, Medicaid losses will only be reduced by approximately 45%.

States' Average Medicaid reimbursement rates – lowest to highest

Source: BDO Seidman, August 2007

STATE	RATE	STATE	RATE
TX	\$108.63	NM	\$154.78
IL	\$112.07	WA	\$159.85
IOWA	\$120.13	OH	\$164.89
MO	\$120.38	ND	\$165.45
SD	\$122.09	CO	\$167.33
OK	\$124.24	NV	\$170.02
KS	\$127.09	ME	\$170.07
GA	\$133.27	ID	\$172.67
WI	\$134.70	FL	\$174.26
AK	\$137.96	RI	\$181.74
TN	\$139.59	MI	\$184.49
NE	\$139.75	NH	\$186.97
VA	\$141.91	MA	\$189.23
IN	\$145.53	OR	\$194.39
AZ	\$149.42	PA	\$194.94
NC	\$150.33	NJ	\$200.21
WY	\$151.81	MD	\$202.92
CA	\$153.81	HI	\$214.47
MN	\$153.61	CT	\$214.99
MT	\$153.73	NY	\$215.62
UT	\$154.62	DE	\$225.53

States that have implemented Quality Assurance Fees:

Alabama	Nevada
Arkansas	New Hampshire
California	New York
Colorado	New Mexico
Florida	North Dakota
Georgia	Ohio
Illinois	Oklahoma
Indiana	Oregon
Kentucky	Pennsylvania
Louisiana	Rhode Island
Maine	Tennessee
Massachusetts	Utah
Michigan	Vermont
Minnesota	Washington
Mississippi	West Virginia
Missouri	Wisconsin
Montana	