

January 6, 2020

Scott Logan  
Social Security Administration  
Office of Income Security Programs  
Keys Section  
2518 Robert M. Ball Building  
6401 Security Boulevard  
Baltimore, Maryland 21235

Dear Mr. Logan:

I have received your request for Iowa's fiscal year 2020 certification of compliance with Section 1616(e) of the Social Security Act (the Keys Amendment).

The Iowa Department of Human Services has been designated as the state agency responsible for overseeing compliance with Section 1616(e) of the Social Security Act, the Keys Amendment. This letter is for federal fiscal year (FFY) 2020 and certifies that the State of Iowa has established, maintains, and ensures the enforcement of standards for categories of living arrangements in which significant numbers of Supplementary Security Income (SSI) recipients reside or are likely to reside:

- The Department of Human Services has the responsibility for standards for children's foster family home, community supervised apartment living arrangements, adult family life home, and supported community living arrangements under the Medicaid Home- and Community-Based Services (HCBS) Intellectual Disability (ID) and Brain Injury (BI) Waiver programs and home-based habilitation arrangements under the Medicaid State Plan HCBS.
- The Department of Inspections and Appeals (DIA) has responsibility for standards for categories of nursing facilities and residential care facilities (RCF), or elderly family homes and elder group home programs.

Complete copies of the applicable rules, or standards, for each of the departments were submitted to you in 1995. Changes have been submitted yearly since that time. Changes to the rules, that update this packet, are enclosed with this letter. We believe that we are in full compliance with the Section 1616(e) provision.

**Summary of Iowa Administrative Code (IAC) Rule Changes for Medicaid Impacting the Department of Human Services (DHS)**

<p>441- 54.1(1) 51.7(249) 52.1(249) 52.1(1) 52.2(2) 52.1(3)</p>	<p>These amendments strike the specific assistance standard amounts for State Supplementary Assistance and amend the assistance standards definition to include the legal citation to pass along cost-of-living adjustments (COLAs) in accordance with 20 CFR §§416.2095 and 416.2096. COLA changes are effective January 1 each year.</p> <p>These amendments address the assistance standards for the State Supplementary Assistance programs for the Residential Care facility (RCF) and family home life personal needs allowance. They also address the assistance standards for the dependent person program, income from providing room and board, and protective living arrangements in determining financial needs and the amount granted. (See ARC 4336C)</p>
<p>441- 36.2(2) 81.6(21)"b"</p>	<p>These amendments change the assessment levels for nursing facilities effective July 1, 2019. The assessment level cap was removed during the 2018 Legislative Session by 2018 Iowa Acts, Senate File 2418. The Department, in collaboration with stakeholders, developed new assessment levels and requested an effective date of July 1, 2019. (See ARC 4428C)</p>
<p>441- 78.34(13) 78.37(16) 78.38(9) 78.41(15) 78.43(15) 78.46(6) 79.1(2) 79.1(9)</p>	<p>These amendments make several changes to the Consumer Choices Option (CCO) program available within the AIDS/HIV, brain injury, elderly, health and disability, intellectual disability, and physical disability waivers. The amendments consolidate the CCO service description rules into one subrule, 78.34(13). The amendments change the monthly budget billing methodology for the financial management services (FMS) provider from a prepay method to a postpay method. The amendments clarify who may self-direct services. The amendments also clarify the budget and employer authority responsibilities and define how the monthly CCO budget may be used by a member self-directing services. The amendments make technical changes to remove the references to the Department service workers who are no longer involved in the CCO program. Finally, the amendments add new member and employee responsibilities to ensure proper payments for CCO services are made. (See ARC 4430C)</p>
<p>441- 75.1(39)"b"(3)</p>	<p>This amendment adjusts the federal poverty level (FPL) increments used to assess premiums for applicants and recipients for the Medicaid for Employed People with Disabilities (MEPD) Program with income over 150 percent of the FPL. (See ARC 4574C)</p>

## **Summary of Legislation Impacting the Iowa Department of Inspections and Appeals (DIA)**

During federal fiscal year 2019 (FFY 2019), the Iowa Department of Inspections and Appeals (DIA) implemented four sets of changes to its administrative rules governing health care providers and supplies regulated by the department's Health Facilities Division. Facilities and programs impacted by these rules changes include health care facilities as defined in Iowa Code Section 135C.1, hospitals as defined in Iowa Code Section 135B.1, and subacute mental health care facilities as defined in Iowa Code Section 135G.1.

### **ADMINISTRATIVE RULE CHANGES**

#### **Hospital Construction Standards**

##### *Iowa Administrative Code Chapter 481—51*

This rule was initially proposed during FFY 2018, and became effective in FFY 2019. The rule adopted by reference the 2018 Guidelines for Design and Construction of Hospitals published by the Facility Guidelines Institute as the minimum construction standards for hospitals and offsite premises licensed under Iowa Code Chapter 135B. Changes contained in the 2018 guidelines include clarification of the requirements and greater flexibility in some designs to support the development of facilities that will be functional over the long term. Major additions and changes affected the following areas: Functional programs, acoustic designs, sustainable designs, design considerations for patients of size, and guidance for emergency preparedness and management. [See ARC 4070C]

#### **Minimum Physical Standards for Nursing Facilities**

##### *Iowa Administrative Code Chapter 481—61*

This rule adopted the 2018 Guidelines for Design and Construction of Residential Health, Care, and Support Facilities, published by the Facility Guidelines Institute as the minimum design and construction standards for nursing facilities licensed under Iowa Code Chapter 135C. The design requirements and recommendations presented in the guidelines have moved away from institutional models to foster development of facilities offering person-centered living environments that support a variety of care models and add to the quality of life for residents. The guidelines help organizations and designers create homelike physical environments that support positive resident outcomes. Prior to this rulemaking, Chapter 61 referred to the 2010 edition of the guidelines for nursing facilities. Adoption of this rule provided consistency in the design and construction standards of nursing facilities licensed pursuant to Iowa Code Chapter 135C. [See ARC 4264C]

#### **Residential Care Facility—Three- to Five-Bed Specialized License**

##### *Iowa Administrative Code Chapter 481—63*

Iowa Code Section 135C.2 (5) requires the department to include a provision requiring a Residential care facility caring for five or fewer residents to be located in an area zoned for single- or multiple-family housing or in an unincorporated area and to be constructed in compliance with applicable local requirements and the rules adopted for the special classification by the State fire marshal in accordance with the concept of the least restrictive environment for the facility residents. This rule would adopt these provisions. This rule would

also make the following amendments: Require facility personnel to be available and responsive to residents’ needs while on duty; remove the requirement that a person successfully complete an approved residential aide course, nurse aide course, nurse aide training and testing program or nurse aide competency examination prior to taking a department-approved medication aide course, in alignment with current department practice; remove the requirement that facilities within the special classification abide by Chapter 60, “Minimum Physical Standards for Residential Care Facilities” in alignment with current department practice; and update the language used in expressing bedroom requirements to maintain consistency with the department’s rules related to other types of facilities that are substantively identical. [See ARC4577C]

**Subacute Mental Health Care Facilities**

*Iowa Administrative Code Chapter 481—71*

Iowa Code Chapter 135G regarding subacute mental health care facilities provides for the establishment of basic standards for the operation of these facilities to ensure the safe and adequate diagnosis, evaluation and treatment of persons with serious and persistent mental illness so that these persons are able to experience recovery and live successfully in the community. Since the initial adoption of the rules implementing Iowa Code Chapter 135G, the department received questions from subacute mental health care facility licensees seeking clarification of certain rules. These amendments provided clarification by adding definitions, requiring documentation of background checks for personnel, clarifying the time within which a treatment plan must be developed, providing further direction regarding the use of a seclusion room or restraints, clarifying provisions related to medication management, adding requirements related to nutrition and food preparation, and adding requirements related to buildings, furnishings and equipment. In addition, the amendments implemented the changes made to Iowa Code Chapter 135G resulting from 2018 Iowa Acts, House File 2456, which eliminated certain requirements for licensure by the department, including the limit on the number of publicly-funded subacute care facility beds licensed under Iowa Code Chapter 135G. [See ARC 4431C]

**RESIDENTIAL CARE FACILITIES**

**New Facilities** – Six new residential care facilities opened during federal fiscal year 2019, with a total potential capacity of 76. Three of the new facilities are licensed as three- to five-bed specialized facilities catering to individuals with brain injuries; one three- to five-bed facility is for people with intellectual disabilities, one is a senior living community, and the other is for people with mental illness.

***New RCF Facilities***

<b>Facility</b>	<b>Type</b>	<b>Beds</b>	<b>City</b>	<b>Open Date</b>
Pinnacle Group Home	RCF	5	Muscatine	11/15/18
Opportunities Unlimited – Oakshire	3-5	3-5	Sioux City	1/9/19
Community NeuroRehab – Auburn Hills	3-5	3-5	Coralville	2/5/19
The Alverno Senior Living	RCF	41	Clinton	5/1/19

Community				
Kingston Hill	RCF	15	Cedar Rapids	5/16/19
Adeline CLH	3-5	3-5	Dubuque	9/1/19

**Closed Facilities** – During FFY 2019, four residential care facilities ceased operation in the state of Iowa – two residential care facilities, one residential care facility for the intellectually disabled, and one specialized care facility licensed for three- to five-beds. The primary reasons cited for closure were financial and converting to a smaller home. The closure of these facilities represents a loss of 76 licensed beds to serve potential residents throughout Iowa.

***Closed RCF Facilities***

<b>Name of Facility</b>	<b>Type</b>	<b>Beds</b>	<b>City</b>	<b>Closure Date</b>
Valencia House	3-5	5	Dubuque	10/30/18
Legacy House	RCF	15	Indianola	6/22/19
Diamond Life	RCF	50	Montezuma	8/30/19
Adeline Community Living Home	RCF/ID	6	Dubuque	9/1/19

If you need additional information, please contact Jessica McBride, LTSS Policy Specialist, Iowa Medicaid Enterprise, Bureau of Medical and Long Term Care Services, at (515) 256-4639 or [jmcbri@dhs.state.ia.us](mailto:jmcbri@dhs.state.ia.us).

Sincerely,

  
 Michael Randol  
 Medicaid Director

MR/jm

Enclosures: Department of Inspections and Appeals: ARC 4070C, ARC 4264C, ARC 4431C and 4577C

Department of Human Services: ARC 4336C, ARC 4428C, ARC 4430C and ARC 4574C

cc: Stefanie Bond, Iowa Department of Inspections and Appeals  
 Jessica McBride, Iowa Department of Human Services, Iowa Medicaid Enterprise