

December 8, 2021

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 2022 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) 2022 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 to oversee standards for the following living arrangements:

- Children's foster family homes
- Community supervised apartment living arrangements
- Adult family life homes
- Supported community living arrangements under the Medicaid Home and Community-Based Services (HCBS) programs, including:
 - Intellectual Disability (ID) waiver
 - Brain Injury (BI) Waiver
 - Home-based habilitation arrangements under the Medicaid State Plan HCBS

The Department of Inspection and Appeals (DIA) has the responsibility to oversee standards for the following living arrangements:

- Nursing facilities
- Residential Care Facilities (RCF)
- Elderly family homes
- 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)**

ARC 5166C 441-CH- 77.25(7) 77.37(27) 78.27(8) 78.41(14)	<p>Day Habilitation Services</p> <p>The purpose of the proposed amendments is to implement guidance provided from the Centers for Medicare and Medicaid Services (CMS), which clarifies that day habilitation services may provide a pathway to employment for the Home- and Community-Based Services (HCBS) day habilitation services provided through the HCBS Intellectual Disabilities (ID) waiver and state plan HCBS Habilitation Program for persons with chronic mental illness. These amendments clarify the activities provided through day habilitation to assist members in participating in the community, developing social roles and responsibilities, and increasing independence and the potential for employment. The Department convened a work group to address the requirements for providers and scope of services.</p> <p>Effective: February 1, 2021</p>
ARC 5889C 441-CH- 77.25(1) 77.25(8)"b"(1)-(5) 78.27(1) 78.27(2) 78.27(7) 78.27(11)"d"	<p>Day Hab LOCUS</p> <p>The purpose of these amendments to the Home and Community Based Services Habilitation program is to adopt the Level of Care Utilization System (LOCUS) for adults ages 19 and older and Child and Adolescent Level of Care Utilization System (CALOCUS) for youth ages 16 to 18 for the purpose of the needs-based eligibility determination, person centered service planning, and HCBS tier authorization. These amendments also add provisions related to intensive residential habilitation services as defined in rule 441-25.1(331), adopt training criteria for direct service staff providing HCBS services, and clarify the scope of services included in Home-based Habilitation (HBH).</p> <p>Effective: November 1, 2021</p>
ARC 5896C and ARC 5903 441-CH-	<p>Provider Reimbursement</p> <p>As part of the 2021 Legislative Session, 2021 Iowa Acts, House File 891, appropriates funds to increase specific provider</p>

<p>78.27(10)“f,” 78.34(9)“g,” 78.41(2)“i,” 78.43, 78.46, 79.1, 83.2(2)“b,” 83.42(2)“b,” 83.102(2)“b,” 83.122(6)“b”</p>	<p>reimbursement rates. The amendments to Chapters 78, 79 and 83 do the following:</p> <ul style="list-style-type: none"> • Increase the reimbursement rates and upper rate limits for providers of Home- and Community-Based Services (HCBS) Waiver and HCBS Habilitation services beginning July 1, 2021, by 3.55 percent over the rates in effect on June 30, 2021. • Increase the monthly caps on the total monthly cost of HCBS Waiver and Habilitation services. • Increase the monthly cap on HCBS Supported Employment and the annual cap on Intellectual Disability Waiver Respite services. • Increase annual or lifetime limitations for home and vehicle modifications and specialized medical equipment. • Increase air ambulance rates to \$550 beginning July 1, 2021. <p>In addition, the amendments to Chapter 79:</p> <ul style="list-style-type: none"> • Add the inflation factor limitation. • Implement the fee schedule rate in effect July 1, 2021, for air ambulance providers. 2021 Iowa Acts, House File 891, appropriates funds to increase air ambulance rates to \$550 per one-way trip. • Implement the home health agency low utilization payment adjustment (LUPA) rate increase. This rate is applied when there are three or fewer visits provided in a 30-day period. • Increase psychiatric medical institutions for children (PMIC) provider-specific fee schedule rate percentages over the rates in effect June 30, 2021. House File 891 appropriates \$3.9 million to increase non-State-owned PMIC provider rates over the rates in effect June 30, 2021. <p>Effective August 17, 2021</p>
<p>ARC 5809C</p> <p>441-CH- 77.25, 78.27, 79.1(2)</p>	<p>Individual Placement and Support (IPS) Supported Employment</p> <p>These amendments implement the Individual Placement and Support (IPS) Supported Employment (SE) evidence-based model within the Home- and Community-Based Services (HCBS) Habilitation Supported Employment services. These amendments establish the provider qualifications and implementation criteria applicable to the IPS SE providers. These amendments also implement the outcome-based reimbursement methodology for IPS SE. IPS is a model of supported employment for people with serious mental illness. IPS SE helps people living with behavioral health conditions work at regular jobs of their choosing. Although variations of supported employment exist, IPS is the only evidence-based practice of supported employment</p>

	Effective: September 1, 2021
ARC 5728C 441-CH- 83.61(4)“d,” 83.82(4)“d,” 83.123(1)“e”	<p>Intellectual Disability and Children’s Mental Health Reserved Capacity Slot Criteria</p> <p>This rule making adds the reserve capacity slot criteria from the home- and community-based services (HCBS) waiver applications to the intellectual disability (ID) waiver and the children’s mental health (CMH) waiver and reduces the minimum amount of time that a member must be in an institutional stay to qualify for a reserved capacity slot under the brain injury (BI) waiver from six months to four months.</p> <p>Effective: September 1, 2021</p>
ARC 5729C Iowa Code CH232 151.22(2)“b”	<p>School for the Deaf and Braille</p> <p>2020 Iowa Acts, Senate File 2284, was enacted by the 88th Session of the Iowa General Assembly and signed by Governor Reynolds on June 17, 2020. This Act relates to matters involving the State Board of Regents and the institutions it governs. Iowa Code section 270.4 was amended to eliminate obligations to counties and institutions for transportation costs of students enrolled in the School for the Deaf and the Braille and Sight Saving School. Chapter 151 is being amended to remove an exclusion for transportation, effectively allowing payment for transportation. Clothing and medical expenses remain the responsibility of counties and institutions, so those will remain in the rule as an exclusion. For reference, the excluded costs in subparagraph 151.22(2)“b”(6) are as follows:</p> <ul style="list-style-type: none"> • Payment by counties: Iowa Code section 263.12, • Braille and Sight Saving School expenses: Iowa Code section 269.2, and • Clothing and prescriptions for the School for the Deaf: Iowa Code section 270.4. <p>Effective September 1, 2021</p>
ARC 5680C 204.1 to 204.10	<p>Subsidy Payments</p> <p>Current rules are amended to lower the age for subsidized guardianship payments from 14 to 10 years of age. Rules are also amended to provide for the extension of guardianship subsidies until the youth reaches age 21 under certain limited circumstances. A child who has a diagnosis of intellectual, mental or medical disability or who has not graduated from high school will be able to continue the subsidy until age 21. Under these amendments, there will no longer be an age distinction for younger siblings to be eligible for</p>

	<p>subsidized guardianship payments when those siblings reside in the same home as a child who meets eligibility requirements. These amendments will also allow Department staff to suspend subsidized guardianship payments under certain conditions. These amendments specify when and how such suspensions would occur. Additionally, minor changes have been made to improve the clarity of the rules.</p> <p>Effective: August 1, 2021</p>
<p>ARC 5808C</p> <p>House File 2585</p> <p>441-Ch-73, 78, 81, 82, 113</p>	<p>Terminology used in relation to Deaf or Hard of hearing</p> <p>The proposed rulemaking replaces the term “deaf” with “deaf or hard of hearing” or “deaf and hard of hearing” and replaces the term “hearing-impaired” with “deaf or hard of hearing” throughout the Department’s rules as a result of 2020 Iowa Acts, House File 2585. This rule making covers the Department chapters affected by the legislation.</p> <p>Effective: July 8, 2021</p>
<p>ARC 5597C</p> <p>441-CH-73, 78, 83</p>	<p>Electronic Visit Verification</p> <p>Electronic visit verification (EVV) is a federal requirement for states to implement. In December 2016, the 21st Century Cures Act was signed into law. Section 12006 of the Act requires EVV for personal care services beginning January 1, 2020, and for home health services beginning January 1, 2023. Iowa was granted a one-year good-faith exemption, so the requirement for Iowa is January 1, 2021, for personal care services and January 1, 2023, for home health services. The Department is using a managed care implementation model for EVV.</p> <p>EVV uses technology to electronically record when attendants begin and end providing services to Medicaid members. EVV will be used to ensure members are receiving the care they need that is outlined in the members’ service plan. EVV will be used to monitor the delivery and utilization of personal care and home health services in nontraditional settings and will provide verification of the visit with location information and a time stamp. EVV will be used to ensure quality and program integrity. It also streamlines billing for providers. Once a visit is complete, the claim is sent to the managed care organization (MCO) for payment.</p>

	<p>EVV was implemented January 1, 2021, in accordance with federal regulations. Payments were made outside of the system in January to allow providers to start using the system and become familiar with its applications. Providers began fully using the system February 1, 2021. These amendments provide additional guidance for providers.</p> <p>Beginning January 1, 2021, personal care service providers including consumer-directed attendant care (CDAC) providers, homemaker providers, and consumer choice option employees that provide personal care services are required to use EVV. The Department has extended the deadline for assisted living and residential care facilities to July 1, 2021. The EVV implementation for the fee-for-service (FFS) population will be deployed in a second phase for compliance.</p> <p>Effective: July 1, 2021</p>
<p>ARC 5487C</p> <p>441-CH-78.9, 79.3(2)“d”(27), 83.2(1)“e,” 83.61(1)“k,” 83.82(1)“j”</p>	<p>Treatment Plans</p> <p>These amendments allow physician assistants, nurse practitioners, and clinical nurse specialists to order and sign treatment plans for home health agency services provided to Iowa Medicaid members.</p> <p>These rules are being implemented based on Section 3708 of the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act (Public Law 116-136), which is applicable to services provided on or after March 1, 2020.</p> <p>Effective: April 14, 2021</p>
<p>ARC 5167</p> <p>9.12(1)“a,” 441-CH-78.12, 78.19(1)“a,” 78.27, 78.34, 78.41(9), 78.43(14), 78.52(4)“b,” 79.1, 81.13(14)“b,” 153.55(2)“d”</p>	<p>Technical Corrections</p> <p>These amendments make technical corrections to administrative rules by removing references to outdated programs. In addition, corrections are made to the units of service for intermittent supported community living to bring the language into alignment with current terminology and practice. These amendments also change the number of days, from 30 to 120, a member may be in a medical institution and resume services under the state plan Home- and Community-Based Services (HCBS) Habilitation Program without having to reapply. This change aligns policy implemented in 2018 for all other waiver programs. These amendments clarify what is considered a member’s home for purposes of receiving occupational, physical and speech therapy.</p>

	Effective: February 1, 2021
ARC 5779	MHDS Regions
441-CH 25	2020 Iowa Acts, House File 2643, amended Iowa Code section 331.392 to require mental health and disability services (MHDS) regions to include in their regional governing agreement the method for allocating their cash flow amount if a county leaves a region. This proposal rule making requires a region's cash flow amount to be divided by the percentage of each county's population and allocated to the counties.
	Effective: December 1, 2021

Iowa Department of Inspections and Appeals ADMINISTRATIVE RULE CHANGES

During Federal Fiscal Year 2022 (FFY 2022), the Iowa Department of Inspections and Appeals (DIA) implemented two sets of changes to its administrative rules governing health care providers. Facilities and programs impacted by these rule changes include health care facilities as defined in Iowa Code section 135C.1, hospitals as defined in Iowa Code section 135B.1, elder group homes as defined in Iowa Code 231B, assisted living programs as defined in Iowa Code section 231C, and adult day services as defined in Iowa Code section 231D.

ARC 5719C	Amendment to change "Variance" to "Waiver"
481-CH-6.2 10A, 17A, ExcecOrd11	These amendments update rules in accordance with changes included in 2020 Iowa Acts, House File 2389. The legislation called for removal of the word "variance" when the word is used in relation to "waiver". The rule making also removes a reference to granting a waiver upon the Department's own motion, updates an outdated term for administrative rules, and updates references to the Departments attached units.
	Effective: May 26, 2021
ARC 5335C	The proposed amendments implement changes made to Iowa Code chapters 135B and 135C resulting from the enactment of 2020 Iowa Acts, Senate File 2299. The legislation establishes a process for provisional employment of employees and students of hospitals, health care facilities, assisted living programs, elder group homes, and adult day services upon the completion of a comprehensive criminal background check; defines "comprehensive criminal background check", and sets forth the conditions under which such employment is permitted.
481- Ch 50, CH 51, CH 58, Ch 67 Iowa Code Sections: 10A.104,	Effective: December 1, 2020.

135B.34, 135C.33, 231B.2(8), 213C.3(9), 231D.14. Iowa Acts Senate File 2299	
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RESIDENTIAL CARE FACILITIES

New Facilities – There were no new licensed residential care facilities (RCF) for FFY 2020

Closed Facilities – During FFY 2021, three residential care facilities ceased operation in the state of Iowa – two residential care facilities and one residential care facility for the intellectually disabled. The primary reasons cited for closures were financial reasons and one provider converting to independent living. The closure of these facilities represents a loss of 77 licensed beds to serve potential residents throughout Iowa.

Closed RCF Facilities

Name of Facility	Type	Beds	City	Closure Date	Reason
Kathleen's Care	RCF	15	Emmetsburg	02/23/21	Financial reasons
Higley Mansion	RCF	50	Cedar rapids	04/08/21	Transitioned to IL
Eagle Grove GH	RCF/ID	12	Eagle Grove	09/19/21	Financial reasons

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) 201-4157 or jmcbrid@dhs.state.ia.us

Sincerely,



Liz Matney
Medicaid Director

LM/JM

Enclosures: Department of Inspections and Appeals: ARC 5719C, ARC 5335C

Department of Human Services: ARC 5166C, ARC 5167, ARC 5889C, ARC 5896C, AC 5903C,
ARC 5809C, ARC 5728C, ARC 5729C, ARC 5680C, ARC 5808C, ARC 5597C, ARC 5487C, and g ARC 5305C

cc: Iowa Department of Inspections and Appeals, Dawn Fisk and Ashleigh Hackel
Iowa Department of Human Services, Iowa Medicaid Enterprise, Jessica McBride