

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 2023 certification of compliance with Section 1616(e) of the Social Security Act (the Keys Amendment).

The Iowa Department of Health and 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 Health and 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)**

<p>ARC 6691C</p> <p>441-CH-82.5(17)</p>	<p>ICF/ID Wage Add-On</p> <p>During the 2022 Legislative Session, House File 2578, section 31, appropriated funds to increase reimbursement rates for intermediate care facilities for persons with an intellectual disability (ICFs/ID) over the rates in effect on June 30, 2022. The entire rate increase is to be used for the wages and associated costs specific to wages, benefits and required withholding for direct support professionals and frontline management.</p> <p>The amendments adopt a new wage add-on factor for community based ICFs/ID to be included in the rates effective July 1, 2022, and after. The wage add-on factor is proposed to be added to the maximum allowable base rate.</p> <p>Effective: July 1, 2022</p>
<p>ARC 5956C</p> <p>441-CH-25.14(3)</p>	<p>Allocating MHDS Region Cashflow per County</p> <p>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 the region. This 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.</p> <p>Effective: December 1, 2021</p>
<p>ARC 5889C</p> <p>441-CH-75.25(1) 75.25(8) 75.27(2)</p>	<p>LOCUS and CALOCUS for HCBS Hab Program</p> <p>The purpose of these amendments to the Home- and Community-Based Services(HCBS) 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</p>

<p>75.27(7) 78.27(11)"D"</p>	<p>Utilization System (CALOCUS) for youth ages 16 to 18 for the purposes 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>
<p>ARC 6022C</p> <p>441-CH- 75.5(3)"d" 75.16(1) 75.25 80.3(2)"a"</p>	<p>Remove Exemptions from TPL, Update CS Resource Allowance, and Add Language Around Income for CP</p> <p>The Department is aligning administrative rules with current policy and federal regulations in several areas. The adopted rules:</p> <ul style="list-style-type: none"> <li>● Remove exemptions from third-party liability for prenatal services based on the federal Bipartisan Budget Act of 2018.</li> <li>● Update the minimum community spouse resource allowance to allow for the federal amount and link to the federal references so the amounts do not need to be updated annually.</li> <li>● Add language to better describe the income considered in determining client participation</li> </ul> <p>Effective: January 1, 2022</p>
<p>ARC 6122C</p> <p>441-CH- 78.27(10)"f"(2) 78.34(9)"g" 78.41(2)"i" 78.43(5)"g" 78.43(8)"c" 78.46(2)"g" 78.46(4)"c" 79.1(1)"i" 79.1(2) 83.2(2)"b," 83.42(2)"b" 83.102(2)"b" 83.122(6)"b"</p>	<p>Increase to Provider Reimbursement Rates</p> <p>As part of the 2021 Legislative Session, 2021 Iowa Acts, House File 891, appropriates funds to increase specific provider reimbursement rates. The amendments to Chapters 78, 79 and 83 do the following:</p> <ul style="list-style-type: none"> <li>● 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.</li> <li>● Increase the monthly caps on the total monthly cost of HCBS Waiver and Habilitation services.</li> <li>● Increase the monthly cap on HCBS Supported Employment and the annual cap on Intellectual Disability Waiver Respite services.</li> <li>● Increase annual or lifetime limitations for home and vehicle modifications and specialized medical equipment.</li> <li>● Increase air ambulance rates to \$550 beginning July 1, 2021. In addition, the amendments to Chapter 79: <ul style="list-style-type: none"> <li>● Add the inflation factor limitation.</li> <li>● Implement the fee schedule rate in effect July 1, 2021, for air ambulance providers.</li> </ul> </li> </ul> <p>2021 Iowa Acts, House File 891, appropriates funds to increase air ambulance rates to \$550 per one-way trip.</p>

	<ul style="list-style-type: none"> <li>● 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.</li> <li>● 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.</li> </ul> <p>Effective March 1, 2022</p>
<p>ARC 6222C</p> <p>441-CH-78.31(4)“f”(6)</p>	<p>Diabetic Education for Members</p> <p>This rule making eliminates the “once per lifetime” policy for diabetic education for Medicaid members. This change will allow a Medicaid member to receive additional timely education in order to manage the Medicaid member’s diabetes. In many cases, once-in-a-lifetime education is not adequate for treatment, especially with the prevalence of diabetes in the national population. The Department has already been paying for more than one education series for some members, and this change will allow the rule to match the current practice. Members will continue to need a provider’s referral for the education.</p> <p>Effective May 1, 2022</p>
<p>ARC 6321C</p> <p>441-CH-24.1 (225C) 24.3(2)“b”(2) 24.4(14)“b” 24.5 (225C) 24.5(1) 24.5(2) 24.5(3) 24.5(4) 24.5(5) 24.6(225C) 24.6(1) 24.6(2) 24.6(3) 24.6(4) 24.6(5) 24.6(6) 24.7(225C) 24.7(1) 24.7(2) 24.7(3) 24.7(4)</p>	<p>Establishing Standards for CMHCs</p> <p>The purpose of these amendments is to establish a set of standards to be met by all designated community mental health centers (CMHCs). These amendments also define the process that the Department will use to designate at least one CMHC for addressing the mental health needs of the county or counties comprising a catchment area in accordance with Iowa Code chapter 230A, identify the target populations and core services to be served by CMHCs, and identify a formal accreditation review process for CMHCs. These amendments update language in Division I to reflect current practices and add a new Division III specific to CMHCs.</p> <p>Effective July 1, 2022</p>

<p>24.40(225C)  Chapter 24 Division III  preamble:  24.50(230A)  24.51(230A)  24.51(1)  24.51(2)  24.51(3)  24.51(4)  24.51(5)  24.51(6)  24.51(7)  24.51(8)  24.52(230A)  24.53(230A)  24.53(1)  24.53(2)  24.54(230A)  24.54(1)  24.54(2)  24.54(3)  24.54(4)  24.54(5)  24.54(6)  24.54(7)  24.54(8)  24.55(230A)  24.55(1)  24.55(2)  24.55(3)</p>	
<p>ARC 6390 C   441-CH-  78.57(6)“c”(12)</p>	<p>Medical Child Care Prior Auth Form Changes</p> <p>This rule making changes the forms used in the prior authorization approval process for medical child care. The revised form provides greater detail on the child’s medical and behavioral needs. Medical child care is specialized child care for children with significant medical needs and developmental delays. Medical child care combines traditional child care and nursing care and provides additional services, including on-site therapy such as physical, occupational and speech therapies. Medically necessary services are provided under a plan of care that is developed by licensed professionals within their scope of practice and authorized by the member’s physician. Children who are eligible for Medicaid and who have medically necessary services are eligible for medical care. Hours are determined through a prior authorization process and use of the updated form. Changes</p>

	<p>made to the form better align with and capture the needs of the children, including those on the autism spectrum</p> <p>Effective September 1, 2022</p>
<p>ARC 6388 C</p> <p>441-CH-77.26(10)</p>	<p>Allowing RBTs to deliver ABA Services</p> <p>This rule making allows registered behavior technicians (RBTs) to deliver applied behavior analysis (ABA) services under the direct supervision of behavior analysts or assistant behavior analysts licensed pursuant to Iowa Code chapter 154D. Claims for payment for such services must be submitted by the licensed supervisor. ABA services are covered as a benefit under Medicaid. This rule making recognizes a new level of certification to provide a pathway for staff under the supervision of a board-certified behavior analyst (BCBA) to provide services to enrolled members. BCBAs must directly supervise individuals working in this new provider class. This rule making outlines the qualifications for a registered behavior technician, the treatment limitations, and how claims must be submitted. It will also position providers to expand their organizations by creating positions for registered behavior technicians</p> <p>Effective September 1, 2022</p>
<p>ARC 6563 C</p> <p>441-CH-79.3(2)“c”(3) 79.3(2)“d,”</p>	<p>Service Documentation Requirements</p> <p>The Department is amending the documentation requirements for narrative service documentation for each service encounter and each shift for 24-hour services. This rule making removes this administrative burden related to delivering services. These amendments clarify that Medicaid providers must include all records and documentation to substantiate the services provided to the member and all information necessary to allow accurate adjudication of the claim. In addition, documentation requirements must meet the professional standards pertaining to the service provided. This rule making will positively impact direct service providers by removing the requirement for narrative service documentation for each service encounter or shift and replacing it with the requirement to provide a narrative only when any incident or illness or unusual or atypical event occurs during the service encounter. This rule making will provide immediate relief to providers struggling to recruit and retain direct care staff. Providers have requested the amendments in response to the direct care workforce crisis.</p> <p>Effective September 16, 2022</p>

**Iowa Department of Inspections and Appeals  
ADMINISTRATIVE RULE CHANGES**

During Federal Fiscal Year 2022, October 1, 2021—September 30, 2022, (FFY 2022), the Iowa Department of Inspections and Appeals (DIA) implemented one set of changes to its administrative rules governing health care providers regulated by the Department’s Health Facilities Division. Assisted living programs as defined in Iowa Code section 231C.1 are impacted by these rules.

<p>ARC 6054C</p> <p>IAC 481 CH 69</p>	<p><b><u>Evaluation of Tenants in Assisted Living Programs</u></b></p> <p>The Iowa Board of Nursing revised its rules related to nursing practice for registered nurses/licensed practical nurses effective March 31, 2021 (ARC 5481C, IAB 9/9/21). The Iowa Board of Nursing clarified that an initial assessment of a patient shall only be provided by a registered nurse and shall not be provided by a licensed practical nurse via the delegation process. This amendment to Chapter 69 removes the reference to “a licensed practical nurse via nurse delegation” from the list of professionals who may complete a tenant’s initial assessment to maintain consistency with the approved scope of practice for licensed practical nurses.</p>
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**Residential Care Facilities**

Facility	Type	Capacity	City	Date of Closure	Reason
Stacyville Comm Nursing Home	RCF	15	Stacyville	10/1/21	Lack of residents
Willow Heights	RCF	43	Atlantic	11/1/21	Financial reasons
Village Northwest Unlimited	RCF (ID)	8	Sheldon	01/01/22	Converted to waiver
Azria Health Winterset	RCF	18	Winterset	01/07/22	No residents
Mayflower Home	RCF	23	Grinnell	03/17/22	Converted RCF to AL
Northside Court	RCF (ID)	12	Hull	03/31/22	Converted to waiver
Camelot Square	RCF (ID)	13	Denison	04/15/22	Renovated to duplex for 2 waiver sites
Rock Ridge	RCF	30	Shell Rock	05/17/22	Financial reasons

Heritage Residence	RCF	16	New Hampton	06/03/22	Lack of support by county

New RCF Facilities FY 2022

Facility	Type	Capacity	City	Open Date	Notes
Thunderbird	RCF	8	Marshalltown	4/1/22	Run by Optima
Pinnacle Memory Care 3530	RCF	6	Muscatine	4/12/22	Memory care facility

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 [jmcbri@dhs.state.ia.us](mailto:jmcbri@dhs.state.ia.us)

Sincerely,



Liz Matney  
Medicaid Director

LM/JM

Enclosures: Department of Inspections and Appeals: ARC 6054C  
Department of Health and Human Services: ARC 5889C, 5956C, 6022C, 6122C, 6222C, 6321C, 6388C, 6390C, 6563C, 6691C

Department of Human Services:

cc: Iowa Department of Inspections and Appeals, Linda Kellen and Ashleigh Hackel  
Iowa Department of Human Services, Iowa Medicaid, Jessica McBride