

Revised Submission 6.4.14

State Plan Under Title XIX of the Social Security Act

State: IOWA

METHODOLOGY FOR IDENTIFICATION OF APPLICABLE FMAP RATES

The State will determine the appropriate FMAP rate for expenditures for individuals enrolled in the adult group described in 42 CFR 435.119 and receiving benefits in accordance with 42 CFR Part 440 Subpart C. The adult group FMAP methodology consists of two parts: an individual-based determination related to enrolled individuals, and as applicable, appropriate population-based adjustments.

Part 1 – Adult Group Individual Income-Based Determinations

For individuals eligible in the adult group, the state will make an individual income-based determination for purposes of the adult group FMAP methodology by comparing individual income to the relevant converted income eligibility standards in effect on December 1, 2009, and included in the MAGI Conversion Plan (Part 2) approved by CMS on 04/08/2014. In general, and subject to any adjustments described in this SPA, under the adult group FMAP methodology, the expenditures of individuals with incomes below the relevant converted income standards for the applicable subgroup are considered as those for which the newly eligible FMAP is not available. The relevant MAGI-converted standards for each population group in the new adult group are described in Table 1.

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Table 1: Adult Group Eligibility Standards and FMAP Methodology Features

Covered Populations Within New Adult Group		Applicable Population Adjustment			
Population Group	Relevant Population Group income Standard	Resource Proxy	Enrollment Cap	Special Circumstances	Other Adjustments
	For each population group, indicate the lower of: <ul style="list-style-type: none"> The reference in the MAGI Conversion Plan (Part 2) to the relevant income standard and the appropriate cross-reference, or 133% FPL. If a population group was not covered as of 12/1/09, enter "Not covered".	Enter "Y" (Yes), "N" (No), or "NA" in the appropriate column to indicate if the population adjustment will apply to each population group. Provide additional information in corresponding attachments.			
A	B	C	D	E	F
Parents/Caretaker Relatives	Attachment A, Column C, Line 1 of Part 2 of the CMS approved MAGI Conversion Plan, including any subsequent CMS approved modifications to the MAGI Conversion Plan	No	No	No	No
Disabled Persons, non-institutionalized	Attachment A, Column C, Line 2 of Part 2 of the CMS approved MAGI Conversion Plan, including any subsequent CMS approved modifications to the MAGI Conversion Plan	No	No	No	No
Disabled Persons, institutionalized	Attachment A, Column C, Line 3 of Part 2 of the CMS approved MAGI Conversion Plan, including any subsequent CMS approved modifications to the MAGI Conversion Plan	No	No	No	No
Children Age 19 or 20	Attachment A, Column C, Line 4 of Part 2 of the CMS approved MAGI Conversion Plan, including any subsequent CMS approved modifications to the MAGI Conversion Plan	No	No	No	No
Childless Adults	Not Covered	N/A	N/A	N/A	N/A

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Part 2 – Population-based Adjustments to the Newly Eligible Population Based on Resource Test, Enrollment Cap or Special Circumstances

A. Optional Resource Criteria Proxy Adjustment (42 CFR 433.206(d))

1. The state:

- Applies a resource proxy adjustment to a population group(s) that was subject to a resource test that was applicable on December 1, 2009.
- Does NOT apply a resource proxy adjustment (Skip items 2 through 3 and go to Section B).

Table 1 indicates the group or groups for which the state applies a resource proxy adjustment to the expenditures applicable for individuals eligible and enrolled under 42 CFR 435.119. A resource proxy adjustment is only permitted for a population group(s) that was subject to a resource test that was applicable on December 1, 2009.

The effective date(s) for application of the resource proxy adjustment is specified and described in Attachment B.

2. Data source used for resource proxy adjustments:

The state:

- Applies existing state data from periods before January 1, 2014.
- Applies data obtained through a post-eligibility statistically valid sample of individuals.

Data used in resource proxy adjustments is described in Attachment B.

3. Resource Proxy Methodology: Attachment B describes the sampling approach or other methodology used for calculating the adjustment.

B. Enrollment Cap Adjustment (42 CFR 433.206(e))

1. An enrollment cap adjustment is applied by the state (complete items 2 through 4).
- An enrollment cap adjustment is not applied by the state (skip items 2 through 4 and go to Section C).

2. Attachment C describes any enrollment caps authorized in section 1115 demonstrations as of December 1, 2009 that are applicable to populations that the state covers in the eligibility group described at 42 CFR 435.119 and received full benefits, benchmark benefits, or benchmark equivalent benefits as determined by CMS. The enrollment cap or caps are as specified in the applicable section 1115 demonstration special terms and conditions as confirmed by CMS, or in alternative authorized cap or caps as confirmed by CMS. Attach CMS correspondence confirming the applicable enrollment cap(s).
3. The state applies a combined enrollment cap adjustment for purposes of claiming FMAP in the adult group:
 - Yes. The combined enrollment cap adjustment is described in Attachment C
 - No.
4. Enrollment Cap Methodology: Attachment C describes the methodology for calculating the enrollment cap adjustment, including the use of combined enrollment caps, if applicable.

C. Special Circumstances (42 CFR 433.206(g)) and Other Adjustments to the Adult Group FMAP Methodology

1. The state:
 - Applies a special circumstances adjustment(s).
 - Does not apply a special circumstances adjustment.
2. The state:
 - Applies additional adjustment(s) to the adult group FMAP methodology (complete item 3).
 - Does not apply any additional adjustment(s) to the adult group FMAP methodology (skip item 3 and go to Part 3).
3. Attachment D describes the special circumstances and other proxy adjustment(s) that are applied, including the population groups to which the adjustments apply and the methodology for calculating the adjustments.

Part 3 – One-Time Transitions of Previously Covered Populations into the New Adult Group

A. Transitioning Previous Section 1115 and State Plan Populations to the New Adult Group

- Individuals previously eligible for Medicaid coverage through a section 1115 demonstration program or a mandatory or optional state plan eligibility category will be transitioned to the new adult group described in 42 CFR 435.119 in accordance with a CMS-approved transition plan and/or a section 1902(e)(14)(A) waiver. For purposes of claiming federal funding at the appropriate FMAP for the populations transitioned to new adult group, the adult group FMAP methodology is applied pursuant to and as described in Attachment E, and where applicable, is subject to any special circumstances or other adjustments described in Attachment D.
- The state does not have any relevant populations requiring such transitions.

Part 4 - Applicability of Special FMAP Rates

A. Expansion State Designation

The state:

- Does NOT meet the definition of expansion state in 42 CFR 433.204(b). (Skip section B and go to Part 5)
- Meets the definition of expansion state as defined in 42 CFR 433.204(b), determined in accordance with the CMS letter confirming expansion state status, dated _____.

B. Qualification for Temporary 2.2 Percentage Point Increase in FMAP.

The state:

- Does NOT qualify for temporary 2.2 percentage point increase in FMAP under 42 CFR 433.10(c)(7).
- Qualifies for temporary 2.2 percentage point increase in FMAP under 42 CFR 433.10(c)(7), determined in accordance with the CMS letter confirming eligibility for the temporary FMAP increase, dated _____. The state will not claim any federal funding for individuals determined eligible under 42 CFR 435.119 at the FMAP rate described in 42 CFR 433.10(c)(6).

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Part 5 - State Attestations

The State attests to the following:

- A. The application of the adult group FMAP methodology will not affect the timing or approval of any individual's eligibility for Medicaid.
- B. The application of the adult group FMAP methodology will not be biased in such a manner as to inappropriately establish the numbers of, or medical assistance expenditures for, individuals determined to be newly or not newly eligible.

ATTACHMENTS

Not all of the attachments indicated below will apply to all states; some attachments may describe methodologies for multiple population groups within the new adult group. Indicate those of the following attachments which are included with this SPA:

- Attachment A – Conversion Plan Standards Referenced in Table 1
- Attachment B – Resource Criteria Proxy Methodology
- Attachment C – Enrollment Cap Methodology
- Attachment D – Special Circumstances Adjustment and Other Adjustments to the Adult Group FMAP Methodology
- Attachment E – Transition Methodologies

PRA Disclosure Statement

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-1148. The time required to complete this information collection is estimated to average 4 hours per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: CMS, 7500 Security Boulevard, Attn: PRA Reports Clearance Officer, Mail Stop C4-26-05, Baltimore, Maryland 21244-1850.

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Supplement 18 to Attachment 2.6-A, Attachment A

Most Recent Updated Summary Information for Part 2 of the Modified Adjusted Gross Income (MAGI) Conversion Plan*

IOWA

01/09/2014

	Population Group	Net standard as of 12/1/09	Converted standard for FMAP claiming	Same as converted eligibility standard? (yes, no, or n/a)	Source of information in Column C (New SIPP conversion or Part 1 of approved state MAGI conversion plan)	Data source for Conversion (SIPP or state data)
	A	B	C	D	E	F
Conversions for FMAP Claiming Purposes						
1	Parents/Caretaker Relatives				Part 1 of approved state MAGI conversion plan	SIPP
	Dollar standards by family size					
	1	\$183	\$447	yes		
	2	\$361	\$716			
	3	\$426	\$872			
	4	\$495	\$1,033			
	5	\$548	\$1,177			
	6	\$610	\$1,330			
	7	\$670	\$1,481			
	8	\$731	\$1,633			
	9	\$791	\$1,784			
10	\$865	\$1,950				
add-on	\$87	\$178				
2	Noninstitutionalized Disabled Persons	100%	103%	n/a	new SIPP conversion	SIPP
	SSI FBR%					
3	Institutionalized Disabled Persons	300%	300%	n/a	ABD conversion template	n/a
	SSI FBR%					
4	Children Age 19-20				Part 1 of approved state MAGI conversion plan	SIPP
	Dollar standards by family size					
	1	\$183	\$219	yes		
	2	\$361	\$409			
	3	\$426	\$487			
	4	\$495	\$568			
	5	\$548	\$633			
	6	\$610	\$708			
	7	\$670	\$780			
	8	\$731	\$854			
	9	\$791	\$926			
10	\$865	\$1,012				
add-on	\$87	\$100				
5	Childless Adults	n/a	n/a	n/a	n/a	n/a
	FPL %					

n/a: Not applicable.

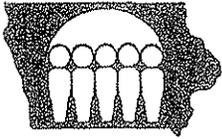
*The contents of this table will be updated automatically in case of modifications to the CMS approved MAGI Conversion Plan

TN - IA-14-001

Superseded TN - None

Approval Date - June 5, 2014

Effective Date-
January 1, 2014



Iowa Department of Human Services

Terry E. Branstad
Governor

Kim Reynolds
Lt. Governor

Charles M. Palmer
Director

Attachment E - 1

IowaCare Member Transition to the Iowa Health and Wellness Plan

Currently, there are over 64,000 IowaCare members who will lose eligibility for medical assistance effective December 31, 2013 when IowaCare ends. We suggest that requiring all current IowaCare members to re-apply for a new Medicaid coverage group before January 1, 2014, is unduly burdensome to those IowaCare members who will meet the income guidelines for the Iowa Health and Wellness Plan.

Current IowaCare eligibility determination:

- Determined from self-attested income that is no more than 200% of the Federal Poverty Level (FPL) for their household size.
- At the most recent application or renewal, all current members have had their income checked against Iowa Workforce Development wage records.
- In 2011, a year-long Medicaid Eligibility Quality Control review resulted in findings that only 2.2% of the reviewed cases were found to be ineligible due to incorrect self-attested income.
- All IowaCare members are verified U.S citizens or qualified aliens.

Proposal:

- Use other available sources of verified income to support eligibility for the Iowa Health and Wellness Plan.
- Result will simplify and streamline enrollment of current IowaCare members.
- Better use of staff time that would be spent processing thousands of applications.
- Department to maximize early eligibility processing of IowaCare members within the existing eligibility system.
- Allows ELIAS to initially focus on receiving and processing applications from the Health Insurance Marketplace and as well as directly from individuals who are new to Medicaid.

Income Data:

- Evaluated income eligibility for the Iowa Health and Wellness Plan for all IowaCare members by matching income from various reliable sources.
- Comprehensive search for individual income records in a methodical manner.
- Income sources:
 - Food Assistance income
 - IABC income for Medicaid cases associated with the IowaCare member, (including cases where their children are eligible for Medicaid),
 - Iowa Workforce Development (IWD) wage data,
 - IWD Unemployment Insurance Benefit data, and
 - Federal income data, Income and Eligibility Verification System (IEVS).

The results of the income matching with the above sources are shown in the chart below.

Sources for Income Verification	
Total Members	63,942
Members on Food Assistance (FA) cases (53%)	33,859
Members with family members on other Medicaid cases (4%)	2,502
Members with unemployment, wage records, other income sources (3%)	18,161
Members not matched in the above income records (15%)	9,440
Members with income above 133% FPL for their household size (16%)	10,257

The IowaCare members who are not matched with the above comprehensive income sources include self-employed individuals with income under the threshold for income tax filing, and those who have been unemployed beyond the time limit for receipt of unemployment insurance benefits. DHS used self-attested income as the best available income for IowaCare members who are not matched.

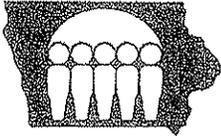
Cases* notified by a formal Notice of Decision of the IowaCare cancellation and those transitioned:

Batch 1 (cancellations, over 138% FPL)	=	9,474
Batch 2 Iowa Marketplace Choice Place	=	7,782
Batch 3 Iowa Wellness Plan	=	39,895

*Some cases have more than one member

IowaCare members were issued an NOD, depending on their verified household income:

1. IowaCare will end 12/31/13, and you will need to apply for a new type of medical assistance. A flyer was included to explain ways to apply.
2. IowaCare will end 12/31/13, and you will be eligible for the Iowa Marketplace Choice Plan. A flyer was included to tell more about the plan.
3. IowaCare will end 12/31/13, and you will be eligible for the Iowa Wellness Plan. A flyer was included to tell more about the plan.



Iowa Department of Human Services

Terry E. Branstad
Governor

Kim Reynolds
Lt. Governor

Charles M. Palmer
Director

Attachment E - 2

Child Medical Assistance Program Transition to the Iowa Health and Wellness Plan

In the past, Iowa has provided Medicaid coverage under the Child Medical Assistance Program (CMAP) coverage group to the population at 42 CFR 435.222. With the addition of the new mandatory group at 435.119, known in Iowa as the Iowa Health and Wellness Plan (IHAWP) coverage group, the optional coverage group at 435.222 is now obsolete. We are currently in the process of developing a plan to transition 435.222 optional group individuals to the new mandatory group at 435.119 or another appropriate eligibility group. These individuals are being transitioned during 2014. More details will be made available when the transition plan is fully developed.