

**Comments and Responses on  
ARC 2848C  
Medicaid Employment Services Redesign  
Received December 22, 2016**

The following persons and organizations provided written comments which are included in the summary below:

1. The Iowa Association of Community Providers (IACP)
2. Jason J Velinsky
3. Crest Services a.k.a. American Baptist Homes of the Midwest

Comment 1:

Two respondents commented that ARRC 2848C fails to direct the MCOs to pay for the higher of the increase rate floors or the provider contracted rates. The concern is that without specific language in 441 IAC Chapter 79 directing the MCOs to pay providers the new increased rate floor , that the MCOs will not adjust providers rates and may pay providers less than the rate floor.

Department response 1:

Thank you for your comment, ARRC 2848C is promulgated to implement the legislated 1% increase to the HCBS rates for which the rate floor is based on the average aggregate reimbursement rate for the fiscal year beginning July 1, 2014 and for managed care claims, the reimbursement rate floors shall be increased by 1 percent over the rate floor in effect on April 1, 2016. Under IA Health Link, providers establish negotiated reimbursement rates with the MCOs if the provider negotiated a rate with a MCO that is more than one percent over the initial average aggregate rate, the one percent increase will not automatically be applied. Proposed directives for the MCOs are outside the scope of this legislation and therefore the rule will not be amended at this time.

Comment 2:

Two respondents commented that ARC 2848C fails to direct the MCOS to retroactively pay all claims since July 1, 2016 at the new increased rates. HF 2460 states that the new increased floor rates apply starting July 1, 2016 if higher than the provider's current rates. The concern is that without specific language in 441 IAC Chapter 79 directing the MCOs to pay providers above their contracted rate if the floor rate in place April 1, 2016 plus one percent exceeds the provider's contacted rate will result in the MCOs paying providers less than the establish rate floor.

Department response 2:

Thank you for your comment, please refer to Response number 1 under General Comments.

Comment 3:

Item 9 amends the recoupment provisions for Home and Community Based Services (HCBS), we request that 79.1(15)"f" be stricken in its entirety. This section is punitive to HCBS providers.

Department response 3:

Thank you for your comment. The amendment to this section increases the amount of revenues able to be retained by providers by 1% when determining retrospective rate adjustments for FFS services. The rule will not be amended at this time.

Comment 4:

We request that the calculation be corrected to \$959.50 to accurately reflect the 1% increase.

Department response 4: Thank you for your comments. Item 10 will be amended as follows:

Amend paragraph 83.2(2) "b" as follows:

b. Except as provided below, the total monthly cost of the health and disability waiver services, excluding the cost of home and vehicle modification services, shall not exceed the established aggregate monthly cost for level of care as follows:

Skilled level of care	Nursing level of care	ICF/ID
<del>\$2,765</del> <u>\$2,792.65</u>	<del>\$950</del> <u>\$959.50</u>	<del>\$3,365</del> <u>\$3,742.93</u>