

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
7500 Security Boulevard, Mail Stop: S2-01-16  
Baltimore, Maryland 21244-1850



Julie Lovelady  
Interim Medicaid Director  
State of Iowa  
Department of Human Services  
100 Army Post Road  
Des Moines, IA 50315

DEC 30 2014

Dear Ms. Lovelady:

The Centers for Medicare & Medicaid Services (CMS) is approving Iowa's request to amend its three-year Medicaid demonstrations, "Iowa Wellness Plan" (Project Number 11-W-00289/5) and "Iowa Marketplace Choice" (Project Number 11-W-00288/5) to allow the following:

- Monthly premiums for beneficiaries who have not completed healthy behaviors not to exceed \$5 per month for nonexempt households with incomes from 50 percent of the Federal Poverty Level (FPL) up to and including 100 percent of the FPL and \$10 per month for nonexempt households with incomes from 101-133 percent of the FPL. Premiums shall be implemented consistent with the Special Terms and Conditions (STCs), including the provision that beneficiaries with income at or below 100 percent of the FPL may not be disenrolled for non-payment of premiums, and all beneficiaries have an opportunity to self-attest to and be granted a hardship exemption on a monthly basis; and,
- An extension of the waiver of the state's responsibility to ensure non-emergency medical transportation (NEMT) through July 31, 2015

As you know, the STCs describing the NEMT waiver sunsets that waiver on December 31, 2014, with an extension possible based on an evaluation of the impact on access to care. Iowa submitted data relating to the impact of the NEMT waiver as required by the STCs, and, as we have discussed, that data raised concerns about beneficiary access; particularly for those with incomes below 100 percent of the FPL. However, because the state considers these data to be preliminary and the state is in the process of collecting additional data as part of the demonstration evaluation, we will extend the NEMT waiver until July 31, 2015. If the state has further data regarding beneficiary access, utilization and overall health impact of the lack of NEMT by May 31, 2015, we will consider that data together with what has already been submitted as part of any requested continuation of the NEMT waiver.

Due to the December 1, 2014 withdrawal of one of the Qualified Health Plans (QHPs) offered to Medicaid beneficiaries, the state will no longer require a beneficiary with income above 100 percent of the FPL to enroll in the remaining QHP as a condition of eligibility. Instead, individuals eligible for the Marketplace Choice demonstration will be allowed to choose between the remaining QHP in the Marketplace Choice plan or coverage under the Wellness alternative benefits plan (ABP). We acknowledge that starting January 1, 2015, the state plans to assign beneficiaries to the Wellness Plan if they do not choose enrollment in the remaining QHP. Beneficiaries will have an opportunity to change their plan within the first 90 days of enrollment or at renewal after that. To effectuate this change in the demonstration for individuals eligible for premium assistance, the state must submit an amendment request to CMS after completing the requisite public notice and comment requirements per STC 7 and 15.

The amendments are approved in accordance with section 1115(a) of the Social Security Act (the Act) as of the date of this letter.

CMS' approval of these demonstration amendments is conditioned upon compliance with the enclosed sets of STCs defining the nature, character, and extent of anticipated federal involvement in the project. The award is subject to our receiving your written acknowledgement of the award and acceptance of these STCs within 30 days of the date of this letter. A copy of the STCs, waivers, and expenditure authorities are enclosed.

Your project officer for these demonstrations is Leila Ashkeboussi. She is available to answer any questions concerning your section 1115 demonstration Ms. Ashkeboussi's contact information is as follows:

Centers for Medicare & Medicaid Services  
Center for Medicaid & CHIP Services  
Mail Stop: S2-01-16  
7500 Security Boulevard  
Baltimore, MD 21244-1850  
Telephone: (410) 786-3135  
Facsimile: (410) 786-5882  
E-mail: [Leila.Ashkeboussi@cms.hhs.gov](mailto:Leila.Ashkeboussi@cms.hhs.gov)

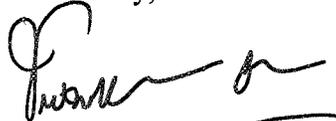
Official communications regarding program matters should be sent simultaneously to Ms. Ashkeboussi and to Mr. James Scott, Associate Regional Administrator, in our Kansas City Regional Office. Mr. Scott's contact information is as follows:

Centers for Medicare & Medicaid Services  
Richard Bolling Federal Building  
601 East 12<sup>th</sup> Street  
Room 355  
Kansas City, MO 64106-2808  
Telephone: (816) 426-6417

Email: [James.Scott1@cms.hhs.gov](mailto:James.Scott1@cms.hhs.gov)

If you have questions regarding this approval, please contact Mr. Eliot Fishman, Director, Children and Adults Health Programs Group, Center for Medicaid & CHIP Services, at (410) 786-5647.

Sincerely,

A handwritten signature in black ink, appearing to read "Cindy Mann", with a long horizontal flourish extending to the right.

Cindy Mann  
Director

Enclosures

cc: James Scott, ARA, Region VI