

INFORMATIONAL LETTER NO. 2286-MC-FFS-CVD

DATE: November 4, 2021

TO: Home- and Community-Based Service (HCBS) Waiver Providers and Habilitation Providers

APPLIES TO: Managed Care (MC), Fee-for-Service (FFS), Coronavirus Disease (CVD)

FROM: Iowa Department of Human Services (DHS), Iowa Medicaid Enterprise (IME)

RE: 2021 Grants for HCBS Waiver Agency Consumer Directed Attendant Care (CDAC), Supported Community Living (SCL) Providers, and Habilitation Home-based Habilitation (HBH) Providers

EFFECTIVE: Upon Receipt

Iowa Medicaid is distributing a new round of grants to certain HCBS waiver and habilitation direct service providers to help mitigate the cost of overtime payments and other workforce concessions that providers have made to continue serving members during the COVID-19 pandemic. HCBS waiver and habilitation providers of the services indicated in the table below, who provided those services in State Fiscal Year 2019 (SFY19) and are still actively participating as providers of those services, are eligible for a share of this funding.

Eligible Services	Procedure Codes and Modifiers
Agency CDAC	S5125 and S5125 U3
Brain Injury (BI) Waiver SCL	H2015 and H2016
Intellectual Disability (ID) Waiver SCL	H2015 HI, H2016 HI, U1-U6, S5136 HI, U1-U6, and S5136 UA
Habilitation HBH	H2016 UA-UD, U7, U8, and U9

Iowa Medicaid will be distributing a total of \$6.4 million to eligible providers in November 2021. The grants come from the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act money that the State received.

Eligible providers under both FFS and MC may apply [online](#)¹ for a grant from the Department. Iowa Medicaid will determine the payment amount each provider receives, splitting the funding proportionally based on respective claims data from SFY19.

¹ <https://www.tfaforms.com/4943290>

Providers must also currently be active with Iowa Medicaid and must have filed a claim for applicable services in SFY20 and SFY21 to be eligible for a grant.

Providers who apply for a grant, but who do not meet the eligibility criteria, will be notified.

By accepting these funds, the Medicaid provider agrees to comply with the requirements of the Coronavirus Relief Fund (CRF) under the CARES Act and other applicable state and federal law, including but not limited to:

- The CARES Act requires that the payments from the Coronavirus Relief Fund only be used to cover expenses that:
 1. Are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19).
 2. Were not accounted for in the provider's budget (FY 2020 and 2021) most recently approved as of March 27, 2020, which is the date of enactment of the CARES Act.
 3. Were incurred during the period that begins on March 1, 2020, and ends on December 30, 2021.
 4. Have not been reimbursed from another source.
- The Medicaid provider shall retain records that support or document all costs claimed and shall make those records available to DHS, Auditor Office of the State, Department of Management, and the Office of the Governor and/or federal authorities upon request. These funds are subject to the single audit requirements of 2 CFR § 200.501 and 45 CFR 75. Records must be kept in accordance with 45 CFR 75.302-75.365 and must be maintained for five years.
- If any funds are deferred and/or disallowed because of any audits or expended in violation of the laws applicable to the expenditure of such funds, the Medicaid provider shall be liable to the Department for the full amount of any claim disallowed and for all related penalties incurred.

Important federal guidance about the Coronavirus Relief Fund can be accessed [here](#)².

Providers who believe they meet the above criteria should fill out the application form found [here](#)³. Iowa Medicaid will review each application to verify eligibility for a grant.

Providers will have until **Friday, November 19, 2021**, to request a grant. Once a provider's eligibility has been verified, a grant payment will be issued via electronic funds transfer (EFT) the week of December 6, 2021.

Per terms of the CARES Act, funds must be used by December 31, 2021. If the Medicaid provider does not expend all the funds for the intended purposes, remaining funds should be returned to DHS by January 7, 2022.

² [Assistance for State, Local, and Tribal Governments | U.S. Department of the Treasury](#)

³ <https://www.tfaforms.com/4943290>

If you have questions, please contact the IME Provider Services Unit at **1-800-338-7909** or by email at imeproviderservices@dhs.state.ia.us.