



## INFORMATIONAL LETTER NO. 2468-MC-FFS

**DATE:** May 30, 2023

**TO:** Iowa Medicaid Home- and Community-Based Services (HCBS), Case Managers, Integrated Health Home (IHH) Providers

**APPLIES TO:** Managed Care (MC), Fee-for-Service (FFS)

**FROM:** Iowa Department of Health and Human Services (HHS), Iowa Medicaid

**RE:** HCBS Waiver Expanded Services – Medical Day Care for Children and Adult Day Care

**EFFECTIVE:** Immediately

Effective Date	Jan 20, 2020 – up to six months post-PHE* <ul style="list-style-type: none"><li>Iowa Medicaid intends to permanently adopt this service in the waivers and amend the waivers before Nov 11, 2023.</li></ul>
HCBS Waivers	Brain Injury (BI), Children’s Mental Health (CMH), Intellectual Disability (ID), and Health and Disability (HD) Waivers
Service Title	<b>Medical Day Care for Children</b>
Procedure Code	T2027 – specialized childcare, waiver per 15 minutes; Rate is the provider’s rate for specialized respite not to exceed \$9.67 per minute unit.
Provider Type	99 – waiver 09 – home health agency
POS	12 – member’s home 99 – other unlisted facility
Reimbursement Rate	The rate is the provider’s 15-minute unit rate for specialized respite not to exceed \$9.67 per 15-minute unit, and not to exceed the daily limit of \$340.15 per day or the current upper rate limit for specialized respite in <a href="#">441 IAC 79.1(2)</a> <sup>1</sup> at the time the service is delivered.

<sup>1</sup> <https://www.legis.iowa.gov/docs/iac/rule/03-08-2023.441.79.1.pdf>

Service Description	<p>This service provides supervision and support of children (aged 0-18) residing in their family home who, because of their complex medical or complex behavioral needs, require specialized exceptional care that cannot be served in traditional childcare settings. The need for the service must be medically necessary and verified in writing by the child's healthcare professional and documented in the child's service plan.</p> <p>Specialized exceptional care means that the child has complex medical or behavioral health needs that require intensive assistance for monitoring and intervention including, but not limited to:</p> <ul style="list-style-type: none"> <li>• The child has emotional or behavioral needs such as hyperactivity; chronic depression or withdrawal; bizarre or severely disturbed behavior; significant acting out behaviors; or the child otherwise demonstrates the need for intense supervision or care to ensure the safety of the child and those around him/her.</li> <li>• The child has medical needs, such as ostomy care or catheterization; tube feeding or supervision during feeding to prevent complications such as choking, aspiration or excess intake; monitoring of seizure activity, frequent care to prevent or remedy serious conditions such as pressure sores; suctioning; assistance in transferring and positioning throughout the day; assistance with multiple personal care needs including dressing, bathing, and toileting; complex medical treatment throughout the day. OR</li> <li>• The child has a complex and unstable medical condition that requires constant and direct supervision.</li> <li>• The child has care needs exceeding the range of activities that a legally responsible individual would ordinarily perform in the household on behalf of a person without a disability or chronic illness of the same age, and which are necessary to assure the health and welfare of the child and avoid institutionalization.</li> </ul>
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Service Limits	<p>The service shall be identified in the member's individual comprehensive plan.</p> <p>This service is limited to medically fragile children and children with complex behavioral health needs and may not be used to provide services that are the responsibility of the parent or guardian.</p> <p>The services are provided outside periods when the child is in school.</p> <p>Medical Day Care for Children when provided outside the member's home must be approved by the parent, guardian or primary caregiver, and the interdisciplinary team, and must be consistent with the way the location is used by the public.</p> <p>Specialized childcare services shall not be simultaneously reimbursed with other residential or respite services, HCBS BI or ID Waiver Supported Community Living (SCL) services, Early and Periodic Screening, Diagnostic, and Treatment (EPSDT), HCBS nursing, or Medicaid or HCBS home health aide services.</p> <p>The services under Medical Day Care for Children are limited to additional services not otherwise covered under the state plan, including childcare medical services and EPSDT, but consistent with waiver objectives of avoiding institutionalization.</p>
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Eligible Providers	<p>Providers must be qualified by training and experience to deliver Medical Day Care for Children and may be one of the following Medicaid-enrolled HCBS Waiver providers currently enrolled to deliver specialized respite under waivers serving children including BI, CMH, ID, and HD Waivers, and are:</p> <ul style="list-style-type: none"> <li>• agencies certified by Iowa Medicaid to provide respite services in the consumer's home that meet the requirements of 441 IAC 77.37(1), and 77.37(3) through 77.37(9).</li> <li>• respite providers certified under the BI or ID Waivers.</li> <li>• home health agencies certified to provide respite.</li> <li>• home care agencies certified to provide respite.</li> <li>• SCL providers certified under the BI or ID Waivers certified to provide respite.</li> </ul> <p>Direct support professionals delivering this service must be:</p> <ul style="list-style-type: none"> <li>• at least 18 years of age.</li> <li>• qualified by training and/or experience to deliver the service.</li> <li>• not the spouse or guardian of the member, or a parent or stepparent of a member aged 17 or under.</li> <li>• not the recipient of respite services paid through HCBS on behalf of a member who receives HCBS.</li> </ul> <p>This service may be delivered under the Consumer Choices Option (CCO).</p> <p>CCO employees must be:</p> <ul style="list-style-type: none"> <li>• at least 18 years of age.</li> <li>• qualified by training and/or experience to provide the level of care required.</li> <li>• not the guardian or a parent or stepparent of a member aged 17 or under.</li> <li>• not the recipient of respite services paid through HCBS on behalf of a member who receives HCBS.</li> </ul> <p>The Medical Day Care for Children service agency is responsible for ensuring that criminal background and abuse registry checks are conducted prior to hire.</p>
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Other Standards	<p>Medical Day Care for Children providers shall meet the following conditions:</p> <p>Providers shall maintain the following information that shall be updated at least annually:</p> <ul style="list-style-type: none"> <li>• The member's name, birth date, age, and address and the telephone number of the guardian or primary caregiver.</li> <li>• An emergency medical care release.</li> <li>• Emergency contact telephone numbers such as the number of the member's physician and the guardian, or primary caregiver.</li> <li>• The member's medical issues, including allergies.</li> <li>• The member's daily schedule which includes the member's preferences in activities or foods or any other special concerns.</li> <li>• Procedures shall be developed for the dispensing, storage, authorization, and recording of all prescription and nonprescription medications administered.</li> <li>• Home health agencies must follow Medicare regulations for medication dispensing. All medications shall be stored in their original containers, with the accompanying physician's or pharmacist's directions and label intact.</li> </ul> <p>Policies shall be developed for:</p> <ul style="list-style-type: none"> <li>• Notifying the parent, guardian, or primary caregiver of any injuries or illnesses that occur during service provision.</li> <li>• A guardian's or primary caregiver's signature is required to verify receipt of notification.</li> <li>• Requiring the parent, guardian, or primary caregiver to notify the service provider of any injuries or illnesses that occurred prior to service provision.</li> <li>• Documenting of service provision. This documentation shall be made available to the parent, guardian, or primary caregiver upon request.</li> <li>• Ensuring the safety and privacy of the individual.</li> <li>• Policies shall at a minimum address threat of fire, tornado, or flood, and bomb threats.</li> </ul>
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Service Authorization	<p>Service authorization is based on the member's assessed needs. Requirements for authorization includes:</p> <ul style="list-style-type: none"> <li>• documentation in the service plan that the service is medically necessary based on the child's complex medical or behavioral need to avoid institutionalization.</li> <li>• documentation in the service plan that confirms that State Plan Medical Child Care services and EPSDT services have been exhausted or are not available to the child.</li> <li>• documentation in the service plan that there is no other State Plan or HCBS Waiver services available to meet the need.</li> <li>• documentation that that service has been recommended by the child's medical or behavioral health service provider.</li> </ul>
Services Provided as Respite while the Primary Caregiver was Working Outside the Home:	<p>The Centers for Medicare and Medicaid Services (CMS) did not approve the state's request to allow respite while the parents or primary caregiver worked outside the home.</p> <p>Respite providers who billed for respite services provided to a child while the parent or primary caregiver was working outside the home will need to follow the managed care organization (MCO) process for resubmission of claims to replace the units of respite (S5150 U3, S5150 UC) that were provided while the parent or primary caregiver was working outside the home with Medical Day Care for Children (T2027) for dates of service between July 1, 2022, through April 30, 2023. Services previously delivered to a child as respite must be authorized in the child's service plan as Medical Day Care for Children going forward.</p> <p>The member's case manager along with the member's interdisciplinary team (IDT) should carefully review the continuing need for respite which provides the parent, spouse, or primary caregiver a break from care to determine the amount of service that will be needed going forward.</p>

Effective Date	Jan 20, 2020 – up to six months post-PHE* <ul style="list-style-type: none"> <li>Iowa Medicaid intends to permanently adopt this service in the waivers and amend the waivers before Nov 11, 2023.</li> </ul>					
HCBS Waivers	AIDS/HIV, BI, Elderly, HD, and ID Waivers					
Service Title	<b>Adult Day Care</b>					
Procedure Code	<b>Service</b>	<b>AIDS/HIV</b>	<b>BI</b>	<b>Elderly</b>	<b>HD</b>	<b>ID</b>
	Adult Day Care; 15 minutes	S5100	S5100	S5100	S5100	S5100
Provider Type	99 – waiver 09 – home health agency					
POS	12 – member's home 99 – other unlisted facility					
Rate	When Adult Day Care services are provided to an individual member within their home, the unit of service is a 15-minute unit and the reimbursement rate is the Adult Day Care provider's Adult Day Care rate for the 15-minute unit of service or the provider's specialized respite rate not to exceed \$9.67 per 15-minute unit, whichever applies. The total cost of Adult Day Care provided in the member's home may not exceed \$340.15 per day, or the current upper rate limit for specialized respite in 441 IAC 79.1(2) at the time the service is delivered.					
Service Description	<p>Adult Day Care services provide an organized program of supportive care in a group or individual environment to persons aged 18 and above, who need a degree of supervision and assistance on regular or intermittent basis in a day care center or in the home due to the absence of the primary caregiver.</p> <p>Supports provided during day care include protective oversight, supervision, activities of daily living (ADL) and instrumental activities of daily living (IADL). Included are personal cares (e.g., ambulation, toileting, feeding, medications), behavioral support, or intermittent health-related cares, not otherwise paid under other waiver or state plan programs.</p>					

Service Limits	<p>For services delivered in the Adult Day Care setting outside of the home, a unit of service is 15 minutes (up to 4 units per day), a half day (1.25 to 4 hours per day), a full day (4.25 to 8 hours per day), or an extended day (8.25 to 12 hours per day).</p> <p>For services delivered in the member's home, a unit for service is 15 minutes up to 8.75 hours per day.</p> <p>The member's plan of care will address how member healthcare needs are being met. The HHS targeted case manager (TCM) or MCO community-based care manager (CBCM) will monitor the plan. Overlapping of services is avoided using an HHS TCM or a MCO CBCM who manages all services and the entry into the IoWANS or MCO case management system.</p> <p>The HHS TCM or a MCO CBCM must ensure that EPSDT is used whenever possible for individuals under the age of 21 before using waiver services. Where there is a potential for overlap, services must first be exhausted under Individuals with Disabilities Education Act (IDEA) or the Rehabilitation Act of 1973.</p>
Eligible Providers	<p>For Adult Day Care provided in the licensed Adult Day Care center:</p> <ul style="list-style-type: none"> <li>• Adult Day Care agencies that are certified by the department of inspections and appeals as being in compliance with the standards for adult day services programs in 48I IAC 70.</li> </ul> <p>For Adult Day Care provided in the member's home, qualified providers include:</p> <ul style="list-style-type: none"> <li>• Adult Day Care agencies that are certified by the Department of Inspections and Appeals as being in compliance with the standards for adult day services programs in 48I IAC 70.</li> <li>• providers currently enrolled to deliver specialized respite under waivers serving children, including BI, CMH, ID, and HD Waivers, and are: <ul style="list-style-type: none"> <li>○ agencies certified by Iowa Medicaid to provide respite services in the member's home that meet the requirements in 44I IAC 77.37(1), and 77.37(3) through 77.37(9).</li> <li>○ respite providers certified under the BI or ID Waivers.</li> <li>○ home health agencies certified to provide respite.</li> </ul> </li> </ul>



	<ul style="list-style-type: none"> <li>○ home care agencies certified to provide respite.</li> <li>○ SCL providers certified under the BI or ID Waivers certified to provide respite.</li> </ul> <p>Direct support professionals delivering this service must be:</p> <ul style="list-style-type: none"> <li>• at least 18 years of age.</li> <li>• qualified by training and/or experience to deliver the service.</li> <li>• not the spouse or guardian of the member, or a parent or stepparent of a member aged 17 or under.</li> <li>• not the recipient of respite services paid through HCBS on behalf of a member who receives HCBS.</li> </ul> <p>This service may be delivered under the CCO.</p> <p>CCO employees must be:</p> <ul style="list-style-type: none"> <li>• at least 18 years of age.</li> <li>• qualified by training and/or experience to provide the level of care required.</li> <li>• not the guardian or a parent or stepparent of a member aged 17 or under.</li> <li>• not the recipient of respite services paid through HCBS on behalf of a member who receives HCBS.</li> </ul>
Other Standards	<p>The Adult Day Care service agency or the financial management service (FMS) is responsible for ensuring that criminal background and abuse registry checks are conducted prior to hire.</p>

<p>Services Provided as Respite while the Primary Caregiver was Working Outside the Home</p>	<p>CMS did not approve the state’s request to allow respite while the spouse or primary caregiver worked outside the home.</p> <p>Respite providers who billed for respite services provided to an adult while the spouse or primary caregiver was working outside the home will need to follow the MCOs process for resubmission of claims to replace the units of respite (S5150 U3, S5150 UC) that were provided while the parent or primary caregiver was working outside the home with Adult Day Care (S5100) for dates of service between July 1, 2022, through April 30, 2023. Services previously delivered to an adult as respite must be authorized in the adult’s service plan as Adult Day Care 15-minute unit going forward.</p> <p>The member’s case manager along with the member’s interdisciplinary team (IDT) should carefully review the continuing need for respite that provides the parent, spouse, or primary caregiver a break from care, in order to determine the amount of service that will be needed going forward.</p>
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If you have questions, please contact Iowa Medicaid Provider Services or the appropriate MCO:

**Iowa Medicaid Provider Services for FFS members:**

- Provider services: 1-800-338-7909
- Provider email: [imeproviderservices@dhs.state.ia.us](mailto:imeproviderservices@dhs.state.ia.us)

**Amerigroup Iowa, Inc.:**

- Provider services: 1-800-454-3730
- Provider email: [iowamedicaid@amerigroup.com](mailto:iowamedicaid@amerigroup.com)
- Website: <https://providers.amerigroup.com/ia>

**Iowa Total Care:**

- Provider services: 1-833-404-1061
- Provider email: Providers may send email using their account on the ITC website.
- Website: <https://www.iowatotalcare.com>