

HUMAN SERVICES DEPARTMENT [441]

Notice of Intended Action

Pursuant to the authority of Iowa Code section 234.6, the Department of Human Services proposes to amend Chapter 156, "Payments for Foster Care," Iowa Administrative Code.

The proposed amendment:

- Deletes interim provisions used to authorize payment during the transition from rehabilitative treatment services to remedial and child welfare service in state fiscal year 2007.
- Adds provisions for periodic redetermination of the proportion of foster group care costs allocated to maintenance and to services. This allocation is important because maintenance costs are eligible for federal financial participation through the federal Foster Care and Adoption Assistance Program authorized under Title IV-E of the Social Security Act.

Cost report data for foster group care services is available to the Department because most foster group care providers also participate in the Medicaid remedial services program, which requires annual cost reports. Foster group care providers must attach an additional schedule to the cost report allocating the costs between remedial services and child welfare service and maintenance. Based on these reports, the Department will calculate an aggregate allocation percentage which will be applied to all foster group care rates when determining the amount of the payment to claim for federal Title IV-E reimbursement. This calculation will be made at least annually, and providers will be notified of any changes in the allocation. The total combined reimbursement rate paid to the provider will not change.

This amendment does not provide for waivers in specified situations because the Department is required to reconcile claims charged to the IV-E Program and the allocation does not affect provider payments.

Any interested person may make written comments on the proposed amendment on or before February 16, 2010. Comments should be directed to Mary Ellen Imlau, Bureau of Policy Analysis and Appeals, Department of Human Services, Hoover State Office Building, 1305 East Walnut Street, Des Moines, Iowa 50319-0114. Comments may be sent by fax to (515)281-4980 or by E-mail to policyanalysis@dhs.state.ia.us.

This amendment is intended to implement Iowa Code section 234.38.

The following amendment is proposed.

Rescind paragraph **156.9(1)“d”** and adopt the following **new** paragraph in lieu thereof:

d. No less than annually, the department shall redetermine the allocation of the combined child welfare service per diem rate between the maintenance and service portions based on review of verified remedial services cost reports for foster group care services providers. If the new allocation differs from the current allocation, the department shall:

(1) Reallocate the combined child welfare service per diem for foster group care between the maintenance and service portions of the combined rate; and

(2) Notify all providers of any change in the allocation between maintenance and service rates and the effective date.