

INFORMATIONAL LETTER NO. 2699-MC-FFS

DATE: AUGUST 01, 2025

TO: Home and Community-Based Services (HCBS) Waiver Providers, HCBS Habilitation Providers, Targeted Case Managers (TCM), Service Workers, Supervisors, Service Area Administrators, Case Managers (CM), Integrated Health Homes (IHH)

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

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

RE: SFY26 Home and Community-Based Services (HCBS) Waiver and Habilitation Rate Changes

EFFECTIVE: August 01, 2025

Provisions of the 2025 House File 1049, Division VI Section 9. appropriated \$3.05M to implement an increase to specific Home and Community-Based Services (HCBS) Waiver and Habilitation reimbursement rates.

For the HCBS Habilitation and Waiver services listed in the table below, the upper rate limits will be increased by the percentage listed over the rate in effect July 31, 2025, and provider's rates in effect July 31, 2025, shall be increased by the same percentage for dates of service beginning August 1, 2025.

Service	% Increase
Intermittent SCL	6.1%
Employment services	7.4%
Day Habilitation	0.9%
Respite	0.8%

The fee schedules for the applicable services, the Consumer Choices Option Budget and Cap Rate schedule and the upper rate limit schedules have been updated and posted to the [Iowa Medicaid Fee Schedules webpage](#)¹ under the HCBS heading.

For guidance on implementing the rate changes please review the Home and Community-Based Services (HCBS) Waiver and Habilitation SFY26 Rate Change Implementation Guide posted under the HCBS heading on the [Iowa Medicaid Fee Schedules webpage](#)²

Iowa Medicaid appreciates your partnership as we work together to serve the needs of Iowa Medicaid members.

If you have questions, please contact Iowa Medicaid Provider Services or the appropriate MCO:

Iowa Medicaid Provider Services:

- Phone: 1-800-338-7909
- Email: imeproviderservices@hhs.iowa.gov

Managed Care Organizations (MCOs):

Iowa Total Care:

- Phone: 1-833-404-1061
- Email: providerrelations@iowatotalcare.com
- Website: <https://www.iowatotalcare.com>

Molina Healthcare of Iowa:

- Phone: 1-844-236-1464
- Email: aproviderrelations@molinahealthcare.com
- Website: <https://www.molinahealthcare.com/providers/ia/medicaid/home.aspx>
- Provider Portal: <https://www.availity.com/molinahealthcare>

Wellpoint Iowa, Inc.:

- Phone: 1-833-731-2143
- Email: ProviderSolutionsIA@wellpoint.com
- Website: <https://www.provider.wellpoint.com/iowa-provider/home>

¹ <https://hhs.iowa.gov/programs/welcome-iowa-medicaid/policies-rules-and-regulations/covered-services-rates-and-payments/fee-schedules>

² <https://hhs.iowa.gov/programs/welcome-iowa-medicaid/policies-rules-and-regulations/covered-services-rates-and-payments/fee-schedules>