
INFORMATIONAL LETTER NO. 2620-MC-FFS

DATE: September 18, 2024

TO: Home and Community-Based Services (HCBS) Providers, Community-Based Neuro-Rehabilitation, Habilitation Services, Health Home, Home Health Agency (HHA), Hospice, Integrated Health Home (IHH), Other Practitioner – General, Residential Care Facility, Targeted Case Manager (TCM), Waiver

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

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

RE: In Lieu of Services (ILOS) for Medicaid Members Who are on a Waiting List for One of the 1915(c) Home and Community-Based Services (HCBS) Waivers

EFFECTIVE: Upon Receipt

We are pleased to inform you that In Lieu of Services (ILOS) are now available for Medicaid members who are on a waiting list for one of the 1915(c) Home and Community-Based Services (HCBS) Waivers. These services aim to support members at immediate risk of hospitalization or institutionalization, and those needing assistance to return to a community living environment. Please note that Medicaid members receiving services through a limited benefit group, such as the Iowa Health and Wellness Plan (IHAWP) or Hawki (Healthy and Well Kids in Iowa), are not eligible for ILOS, see the [Comparison of Medicaid Basic Benefits Based on Eligibility Determination](#)¹ grid for further information.

ILOS are provided by the managed care organizations (MCOs) in lieu of a service or setting (ILOS) covered under the Medicaid State Plan. ILOS are used, at the option of the managed care plan and the enrollee as an immediate or long-term substitute for state plan covered services and settings. ILOS are used when the services are

¹ <https://hhs.iowa.gov/media/6643/download?inline=>

expected to reduce or avoid the future need to utilize state plan covered services or settings. ILOS require the completion of an In Lieu of Services Needs Assessment (ILOSNA) tool, administered by the MCOs. Needed services are obtained from enrolled HCBS Medicaid providers. ILOS are not available through the Consumer Choice Option (CCO) program.

ILOS services are not available, in whole or part, to a member in the time frame for which they are actively on any HCBS waiver. For example, medically tailored meals via the ILOS benefit could not be used to supplement a member who is currently on an HCBS waiver that does not support home delivered meals.

Below is a list of the ILOS available:

1. Pre-Tenancy and Tenancy Sustaining Services

- **Description:** Tenant rights education and eviction prevention.
- **Exclusions/Limitations:** May not cover room and board, rental assistance and/or deposits.
- **Procedure Code & Modifier:** H0043 SC

2. Housing Transition Navigation Services

- **Description:** Support for securing housing for members experiencing or at risk of homelessness.
- **Exclusions/Limitations:** May not cover room and board, rental assistance and/or deposits.
- **Procedure Code & Modifier:** H0043 SC

3. Case Management

- **Description:** Outreach, education and linkage to community resources and non-Medicaid supports.
- **Exclusions/Limitations:** None.
- **Procedure Code & Modifier:** T1016 SC

4. Respite Care Services

- **Description:** Temporary relief to primary live-in caregivers.
- **Exclusions/Limitations:** Up to 120 hours per year; must have a primary live-in caregiver. Will be offered as B3 respite.

- **Procedure Code & Modifier:**
 - Respite Care 15 minutes: S5150 SC
 - Group Respite Care 15 minutes: T1005 SC
 - B3 Respite: H-0045

5. Personal Care Services

- **Description:** Assistance with activities of daily living (ADLs) and instrumental activities of daily living (IADLs) a member is unable to do independently.
- **Exclusions/Limitations:**
 - Personal care services, per 15 minutes, not for an inpatient or resident of a hospital, nursing facility (NF), Intermediate Care Facility for the Intellectually Disabled (ICF/ID) or an Institution for Mental Disease (IMD), part of the individualized plan of treatment. Only available when no Home Health Agency (HHA) agency or In Home Health Related Care (IHHRC) is available and cannot be combined with HHA services or IHHRC. Documentation of denial of HHA services or IHHRC is required. Must have a need for physical assistance with eating, bathing, personal hygiene and medication administration.
 - These services include up to 52 hours per year for eating, bathing dressing and personal hygiene. Assistance may take the form of hands-on assistance or as cueing so that the person performs the task by him/herself.
- **Procedure Code & Modifier:**
 - Personal care service delivered by an individual: T1019 SC
 - Personal care services delivered by an agency: S5125 SC

6. Medically Tailored Meals (MTM)

- **Description:** Up to two (2) meals per day delivered for up to six (6) months for members with mobility needs, no family support to assist with food access and/or at risk of readmission.
- **Exclusions/Limitations:**
 - Medically Tailored Meals Home delivered including prep; per meal (two ((2)) meals/day delivered to home).

- Standard home delivered meals will not exceed two (2) meals per day for seven days or 60 meals per month.
 - Monthly documentation of member's receipt of meals is to be submitted by vendor and is to be on file with the MCO. State may request this documentation from the MCO at any time during the State ILOS review process.
 - Medically tailored or nutritionally appropriate food prescriptions delivered in various forms such as nutrition vouchers and food boxes, for up to six (6) months.
- **Procedure Code & Modifier:** S5170 SC

7. Assistive Services/Devices

- **Description:** Equipment to assist with ADLs and IADLs.
 - **Exclusions/Limitations:**
 - Must require physician letter specifically stating member's diagnosis (dx) and why their health would require them to be in a NF without the assistive device and how this helps the member to remain in their home. Item must be least costly to meet member's need.
 - Assistive devices shall include medically necessary items for personal use by a member, supporting the member's health and safety, up to \$124.81 per item, not to exceed \$500 per year.
- **Procedure Code & Modifier:** S5199 SC

8. Home Modifications

- **Description:** Physical modifications for health and safety.
- **Exclusions/Limitations:**
 - Must require physician letter specifically stating member's dx and why their health would require them to be in a NF without the modification and how this helps the member to remain in their home. Item must be least costly to meet member's need.
 - Must also have a physical therapy/occupational therapy (PT/OT) evaluation for physical modification.
 - Member must own their own home or have written approval from landlord if renting home.
 - Can also not duplicate or substitute any durable medical equipment (DME) through State Plan Medicaid or any other funding source.
 - Annual limit of \$4,000 for Home Modification.

- Three (3) bids, physician order, follow protocols like home and vehicle modification (HVM) and specialized medical equipment (SME).

- **Procedure Code & Modifier:** S5165 SC

9. Vehicle Modifications

- **Description:** Modifications for safe and secure transport.
- **Exclusions/Limitations:**
 - Must require physician letter specifically stating member's dx and why their health would require them to be in a NF without the modification and how this helps the member to remain in their home.
 - Service must be least costly to meet member's need.
 - Member must own their own vehicle or have written approval from vehicle owner.
 - Annual limit of \$5,000 for vehicle modifications.
 - Three (3) bids, physician order, follow protocols like HVM and SME.
- **Procedure Code & Modifier:** T2039 SC

10. Intermittent Supported Community Living Services (SCL)

- **Description:** Services within the member's home and community.
- **Exclusions/Limitations:**
 - Activities do not include those associated with vocational services, academics, day care, medical services.
 - Monthly limit of \$1,202/mo. (30 hrs./mo. @ \$10.02/15 mins. unit)
- **Procedure Code & Modifier:** H2015 SC

11. Supported Employment Services

- **Description:** Ongoing support for competitive or customized employment.
- **Exclusions/Limitations:**
 - Monthly limit of \$2,200/mo. (45 hrs./mo.) to obtain and maintain employment.

- **Procedure Code & Modifier:**
 - Individual SE T2018 SC
 - Job Coaching H2025 SC

12. Personal Emergency Response System (PERS)

- **Description:** Electronic device for emergency assistance.
- **Exclusions/Limitations:**
 - Cannot duplicate or substitute any other funding mechanism such as Medicare benefits, Veteran's benefits, etc.
 - Must have fall risk or wandering concerns.
 - Cannot be for caregiver convenience and cannot be for members who are not left alone.
- **Procedure Code & Modifier:**
 - Emergency Response system; one time installation S5160 SC
 - Emergency response system: service fee, per month (excludes installation and testing) S5161 SC.

13. Specialized Medical Equipment

- **Description:** Devices to increase ADL performance and environmental control.
- **Exclusions/Limitations:**
 - Specialized medical equipment shall include medically necessary items for personal use by a member, supporting the member's health and safety, up to \$3,000 per year. These items may include:
 1. Electronic aids and organizers
 2. Medicine dispensing devices
 3. Communication devices
 4. Bath aids
 5. Environmental control units
 6. Repair and maintenance of items purchased through the waiver specialized medical equipment can be covered when it is:
 - a) Not available under the state plan.
 - b) Not funded by educational or vocational rehabilitation programs
 - c) Not provided by voluntary means

d) Necessary for the member's health and safety, as documented by a health care professional.

- **Procedure Code & Modifier:** T2029 SC

14. Adult Day Care

- **Description:** Organized supportive care in a group environment.
- **Exclusions/Limitations:**
 - Max 23 days per month if no other services are being utilized.
 - Only allowable when a member has a need to be supervised 24/7 and primary caregiver is required to work.
 - Transportation is allowed to and from the Adult Day Care center as a component of the service.
- **Procedure Code & Modifier:**
 - Day care services, adult; per diem S5102 SC
 - Day care services, adult; per half day S5101 SC
 - Day care services, adult; per 15 minutes S5100 SC

15. Non-Medical Transportation

- **Description:** Assistance with personal business essential to health and welfare.
- **Exclusions/Limitations:**
 - Whenever possible, natural supports (family, neighbors or friends) or community agencies which can provide this service without charge are utilized.
- **Procedure Code & Modifier:** S0215 or T2003 with SC modifier

ILOS billing: In general, the same billing practices that exist for the Iowa Medicaid HCBS waiver program would apply to the ILOS billing, including:

- 1) Claims must be submitted electronically on professional claim form (CMS-1500).
- 2) Claims are to be billed within one calendar month and may not span across multiple months.

- 3) All current procedural terminology (CPT) unique to the services above must have the SC modifier to be uniquely identified as ILOS or will risk denial for billing errors or non-coverage.
- 4) Lesser of Logic will be applied to claims, where in that claims will not be reimbursed higher than they are billed for by the provider.

Unlike traditional HCBS wavier services, there will **NOT be client participation** withheld from the payment of ILOS services, so these dollars should not be sought from members.

To learn more about ILOS or to discuss eligibility and access, please contact your MCO directly at:

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. (formerly Amerigroup Iowa, Inc.):

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