

INFORMATIONAL LETTER NO. 2294-MC-FFS-D

DATE: December 10, 2021

TO: Federally Qualified Health Centers (FQHC), Rural Health Clinics (RHC)

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

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

RE: FQHC/RHC Rate Floor Update

EFFECTIVE: January 1, 2022

[Informational Letter \(IL\) 1562](#)¹, issued October 27, 2015, set the rate floor for Managed Care Organization (MCO) payments to FQHCs and RHCs at the provider-specific Benefits Improvement and Protection Act (BIPA) Prospective Payment System (PPS) rate. The BIPA PPS rates are updated annually using the Medicare Economic Index (MEI) factor.

The MEI factor for 2022 is 2.1 percent. Updated provider-specific BIPA PPS rates have been calculated and were provided to the MCOs on November 23, 2021. The updated rates are effective for services on or after January 1, 2022.

If you have any questions, please contact the IME Provider Cost Audit Unit at costaudit@dhs.state.ia.us.

¹ <https://secureapp.dhs.state.ia.us/IMPA/Information/ViewDocument.aspx?viewdocument=490ab587-8b4d-421a-b66a-b519f44a0455>