



INFORMATIONAL LETTER NO. 2408-MC-FFS

DATE: December 12, 2022

TO: Residential Care Facilities (RCF)

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

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

RE: RCF Maximum Per Diem Rate and Personal Needs Allowance Increase

EFFECTIVE: January 1, 2023

Effective January 1, 2023, the maximum RCF per diem rate will increase from \$33.53 to \$35.89.

There will be no increase in the flat per diem rate at this time. The flat per diem rate remains at \$17.86.

Additionally, the personal needs allowance for RCF assistance recipients will increase from \$111.00 to \$120.00 per month effective January 1, 2023. This increase is based on the average Medicaid copays paid by RCF Medicaid members in State Fiscal Year (SFY) 2022 in conjunction with the cost-of-living adjustment (COLA) increase announced by the Social Security Administration.

Please have your residents contact their income maintenance worker if they have questions about the personal needs allowance or their client participation.