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**INFORMATIONAL LETTER NO. 2642-MC-FFS**

**DATE:** November 18, 2024

**TO:** Home and Community-Based Services (HCBS) Waiver Services Providers, HCBS Habilitation Services Providers, Integrated Health Homes (IHH), Targeted Case Managers, Health and Human Services (HHS) Workers

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

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

**RE:** Five-Person Homes Serving HCBS Waiver and Habilitation Participants

**EFFECTIVE:** Immediately

The purpose of this Informational Letter (IL) is to provide an update regarding the status of the five-person homes currently approved pursuant to Iowa Code 135.C by the Iowa Department of Health and Human Services (HHS) to serve Home and Community-Based Services (HCBS) waiver and HCBS Habilitation participants across the state.

In recent years, the department has seen a rapid growth of settings with five-persons living together receiving HCBS. This is a change and largely due to the rising costs of housing, limited housing supply and the shortage of workforce. We understand that this has been necessary during extraordinary times.

Congregate settings have been defined as settings with five people (or more) living together and our oversight partners consider congregate care to be segregating in nature. Together, we need to begin planning for transitioning these living arrangements with fewer people per setting so that, as a system, we can meet expectations related to community integration.

We understand that providers are anxious about these conversations and are emphasizing that this transition is not expected to happen soon but, rather, over the next couple of years. To achieve the expectations of community integration, we will be working closely with providers to understand and solution for the barriers that will need to be overcome to achieve these goals.

Initially providers seeking to operate five-person homes were advised that the deadline to downsize from a five-person home to four or less persons was December 31, 2024. Currently, the deadline is being extended to June 30, 2025. Providers with approvals that end December 31, 2024, will have those approvals automatically extended through June 30, 2025, with no further action required on behalf of the provider. New requests to operate five-person homes will continue to be approved through June 30, 2025. During the next few months, HHS will begin working with individual providers to develop transition plans to reduce the number of people residing in the homes to four or less persons. While there is no set deadline for transition at this time, providers will need to work cooperatively with HHS and their HCBS Specialist to develop a transition plan that is time limited. Additional information will be provided as it becomes available.

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](mailto:imeproviderservices@hhs.iowa.gov)

**Managed Care Organizations (MCOs):**

**Iowa Total Care:**

- Phone: 1-833-404-1061
- Email: [providerrelations@iowatotalcare.com](mailto:providerrelations@iowatotalcare.com)
- Website: <https://www.iowatotalcare.com>

**Molina Healthcare of Iowa:**

- Phone: 1-844-236-1464
- Email: [iaproviderrelations@molinahealthcare.com](mailto:iaproviderrelations@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](mailto:ProviderSolutionsIA@wellpoint.com)
- Website: <https://www.provider.wellpoint.com/iowa-provider/home>