

INFORMATIONAL LETTER NO. 2201-MC-FFS-D

DATE: December 18, 2020

TO: Federally Qualified Health Centers (FQHC) and 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, 2021

[Informational Letter 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 2021 is 1.4 percent. Updated provider specific BIPA PPS rates have been calculated and were provided to the MCOs on December 15, 2020. The updated rates are effective for services on or after January 1, 2021.

If you have any questions, please contact the IME Provider Cost Audit Unit at 1-866-863-8610, locally in Des Moines at 515-256-4610, or by email at costaudit@dhs.state.ia.us.

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https://dhs.iowa.gov/sites/default/files/1562_ManagedCareOrganizationProviderReimbursementRateFloors.pdf