Iowa Department of Human Services

Terry E. Branstad
Governor

Kim Reynolds
Lt. Governor

Charles M. Palmer
Director

PC #000101

May 6, 2016

MCO CEO Name
MCO
Address Line 1
Address Line 2
Des Moines, Iowa XX

Dear Ms/Mr.:

This letter is a formal notification of the state's expectations related to the operations and implementation of Iowa Medicaid under the managed care program. This purpose of this letter is to do following:

☒Provide formal guidance
☐Request for information

Content
In order for Iowa Medicaid to pay for Home Health Services the following requirements must be met:

1. The member must have a plan of care that is certified by a physician that there is clinical justification for the provision of service. This certification form is required no less than every 60 days.

2. The services must be medically necessary, provided in the member's home and be provided by qualified provider employed by the home health agency.

3. Iowa Medicaid does not require prior authorization. However, a managed care organization may require prior authorization.

4. A unit of service is a visit and is not based on time increments.

5. Medically necessary means number of visits shall be reasonable and appropriate to meet an established Medicaid need of the member that cannot be met by a family member, significant other, friend or neighbor.

6. A member does not need to be homebound to receive services.

7. A member who requires only home health aide services may receive those services under the Medicaid program without respect to the need for skilled services.

8. Iowa Medicaid pays for both restorative and maintenance services. Maintenance services are defined as those services to a member whose condition is stabilized and who requires observation by a nurse for conditions defined by the physician as indicating a possible deterioration of health status. This included members with long-term illnesses whose condition is stable rather than post-hospital.

9. Guidelines for home health aide services are typically two to three visits/times a week for two to three hours per visit. The hourly total for weekly home health aide visits cannot exceed 28 hours.

10. Reimbursement for services under the HHS program is based on the low utilization payment amount (LUPA), with state geographic adjustments. The LUPA visit rates are adjusted every two years (beginning July 1, 2015).

11. Services included in the LUPA rate are:
    - Skilled nursing
    - Home health aide
    - Occupational therapy
    - Physical therapy
    - Speech pathology
    - Medical social services.

Please see the Home Health Services Provider Manual for more information.

Please sign and return the attached receipt and attestation of understanding by XX XX, 20XX.

Sincerely,

Anna Ruggle
Medicaid Services Specialist

Attestation:

I hereby attest to understanding this communication including all requirements and due dates.

Name_____ Date_____