Iowa Department of Human Services

Terry E. Branstad
Governor

Kim Reynolds
Lt. Governor

Charles M. Palmer
Director

PC #000101_2

May XX, 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. Home health services must be prescribed by a physician in a home health care plan that is completed and certified by the physician before the care begins. At a minimum, the home health care plan must be reviewed and certified every 60 days after the initial certification.

2. The services must be medically necessary in the individual case and be related to a diagnosed medical impairment or disability.

3. The services must be provided by a qualified provider employed by a Medicare-certified home health agency.

4. The member need not be homebound, but the services must be provided in the member's home except for medically necessary private duty nursing and personal care services for persons aged 20 and under as described in 441 Iowa Administrative Code (IAC) 78.9(10).

5. Iowa Medicaid does not require prior authorization, except as required under 441 IAC 78.9(10(b). However, a managed care organization may require prior authorization.

6. A unit of service is not measured in time increments. Rather, a unit of service is a visit (an encounter) consisting of a period of time during which the home health agency staff provide continuous service to the member.

7. The number of visits shall be reasonable and appropriate to meet an established medical need of the member that cannot be met by a family member, significant other, friend, or neighbor.

8. A member who requires only home health aide services may receive those services under the Medicaid program even if the member does not require skilled care.

9. Iowa Medicaid pays for both restorative and maintenance services.

10. Home health aide services are to be provided on an intermittent basis. The hourly total for weekly home health aide visits cannot exceed 28 hours.

11. 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).

12. 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, the Iowa Code, and the Iowa Administrative Code 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______________