Iowa Medicaid
Iowa HHS

Policy Clarification #PC000300

Telehealth Services – Place of Service Codes Reimbursement

November 14, 2025

To: Iowa Medicaid Managed Care Plans

This letter is a formal notification of the Department's expectations related to the operations and implementation of Iowa Medicaid under the managed care program.

Purpose of this communication (check all that apply):

☒ Provide formal guidance
☐ Clarification of existing Iowa Medicaid policy
    Federal mandate: [cite CFR]
    Iowa Code: [cite section]
    Iowa Administrative Code: [cite IAC]
    Managed Care Contract (if applicable): [cite contract section and if MCO or PAHP]
☐ Guidance on new process or policy
☐ Replacement of prior PC: [PC #]

The purpose of this letter is to provide detailed clarification to be published:

Effective for the dates of service on or after 12/01/2025 there will be a payment reduction for services rendered (site of service differential) with the place of service 02 and 10. As indicated in Iowa Administrative Code: 441-79.1(7)a. the fee schedule amount paid shall be reduced by an adjustment factor, as determined by the Iowa

Medicaid, to reflect the lower cost of providing services via telehealth opposed to a face to face visit.

To clarify, all services delivered via telehealth audio or video **must** be included on the Iowa Medicaid approved and posted telehealth list, AND billed with one of the following POS codes:

- 02 – telehealth provided other than in the patient's home
  - The location where health services and health-related services are provided or received, through telecommunication technology. The patient is not located in their home when receiving health services or health-related services through telecommunication technology.
- 10 – telehealth provided in the patient's home
  - The location where health services and health-related services are provided or received through telecommunication technology. The patient is in their home (which is a location other than a hospital or other facility where the patient receives care) when receiving health services or health related services through telecommunication technology.

Please refer to the Iowa Medicaid website to access the current approved telehealth service code list and the Telecommunication Technology Guide.

Related to this Policy Clarification:

- Effective date of this Policy Clarification: Dates of service on or after 12/01/2025
- Claims processing requirement:
  - ☐ Prospective
  - ☐ Retroactive
  - ☐ Not applicable

Attestation:

I hereby acknowledge receipt and understanding of this policy clarification, including all specified requirements and deadlines.

Name_____ Date_____

The department will monitor progress towards implementation and may impose remedies for failure to implement.

Sincerely,

Contract Manager
Managed Care Contract Manager