

Public Notice
State Plan Amendment (SPA) IA-24-0006
Medicaid Payment Rates-Legislative Rate Increases

Posted: June 28, 2024

The Iowa Department of Health and Human Services (HHS), pursuant to the requirements outlined in 42 C.F.R. §447.205, hereby gives notice of the following proposed action regarding changes to the reimbursement rates for services under the State Plan under Title XIX of the Social Security Act Medical Assistance Program (Medicaid).

Summary of Submission:

Pursuant to the authority of 2024 Iowa Acts, House File (SF) 2698, Section 14, the following reimbursement rates shall be increased effective July 1, 2024:

- Medical supply provider rates will be increased by 0.438%.
- Physician assistant rates will be increased by 2.138%.
- Physical therapist rates will be increased by 18.213%.
- Occupational therapist rates will be increased by 21.197%.
- Certified nurse midwife rates will be increased by 11.740%.
- Community Mental Health Center rates will be increased by 3.300%.
- Pharmacy dispensing fee will be increased to \$10.63.
- Home health low utilization payment adjustment (LUPA) amounts will be increased by 6.900%, which accounts for \$1.5M state dollars of the appropriation. The remaining \$1.5M state dollars of the appropriation will be reserved to establish at a later effective date an add-on rate for home health agencies serving Medicaid members with higher level acuity.
- Assertive community treatment rates will be increased by 50.291%.
- Applied behavioral analysis rates will be increased by 5.000%.
- Crisis services rates will be increased by 15.000%.

Estimated Fiscal Impact

The estimated increase in Medicaid fee-for-service (FFS) expenditures for State Fiscal Year (SFY) 2025 related to the Medicaid reimbursement rate increases is:

Total Dollars:	\$ 256,693
Federal Dollars:	\$ 168,839
State Dollars:	\$ 87,855

Public Review and Comments

A copy of the SPA-IA-24-0006 and public notice is posted on the HHS website at the following link: <https://hhs.iowa.gov/public-notice/2024-06-28/ia-24-0006>. To reach all stakeholders, non-electronic copies will be made available for review at each local HHS office.

Submission of Comments

Written comments may be sent to Jeanette Brandner, Department of Health and Human Services, Iowa Medicaid, 1305 E. Walnut Street, Des Moines, IA 50319 or may be emailed to jbrandn@dhs.state.ia.us. Please indicate SPA IA-24-0006 in the subject line of the email.

All written and emailed comments must be received no later than Friday, July 29, 2024, by 4:30 p.m.

Submitted by:
Elizabeth Matney, Medicaid Director