

Home and Community-Based Services (HCBS) Waiver Rate Change Implementation Guide

SFY27 October 1, 2026

Provisions of the 2026 House File 2782, Division VI. Section 15. appropriated \$3.0 M to implement an increase to specific Home and Community-Based Services (HCBS) Waiver service reimbursement rates for services most used by Elderly Waiver participants.

Beginning October 1, 2026, Iowa Medicaid will set the fee schedule rates for Attendant Care, Skilled Attendant Care, Assisted Living and Home Maintenance services. The service, billing code and the fee schedule rate are noted in Table A. below. The monthly caps on the total cost of services for impacted waivers will be increased by 12.2% to accommodate the rate increase within current service authorizations. This increase has been accounted for in the calculation of October 1, 2026, capitation cells.

Beginning January 1, 2027, Iowa Medicaid will implement the uniform fee schedule setting the rates for all HCBS Waiver and Habilitation services. The rates provided in Table A. and monthly caps in Table B. will remain the same with the implementation of the uniform fee schedule.

Table A.

Service	Waiver	Billing Code	Unit of service	Rate Effective 10/01/2026
Assisted Living	Elderly	T2031	Per diem	\$31.43
Attendant Care – Unskilled	AIDS/HIV, BI, Elderly, HD, ID, PD	S5125	15 Minutes	\$6.69
Attendant Care – Skilled	AIDS/HIV, BI, Elderly, HD, ID, PD	S5125 U3	15 Minutes	\$7.23
Home Maintenance Support	AIDS/HIV, Elderly, HD	S5130	15 Minutes	\$6.55

Table B.

Monthly Caps on the Total Cost of Waiver Services	Level of Care	Cap Effective 08/01/2025	Cap Effective 10/01/2026
Health and Disability Waiver - 83.2(2)"b"	SNF	\$3,166.53	\$3,552.85
	NF	\$1,087.96	\$1,220.69
	ICFID	\$4,244.04	\$4,761.81
ADIS/HIV - 83.42(2)"b"	Hospital	\$2,128.08	\$2,387.71
Physical Disability Waiver - 83.102(2)"b"	NF	\$793.20	\$889.97

Notices of Decision (NODs)

For the service rate increase effective October 1, 2026, a notice of decision (NOD) issuance is not necessary; the Case Manager (CM), or community-based case manager (CBCM), and the service provider, should place a copy of the informational letter (IL) in the member's file to support the rate increase over those rates approved in the service plan on or before September 30, 2026. If a provider wishes to receive a new NOD from the CM/CBCM, they may request one from the CM/CBCM.

Consumer Choice Option (CCO) Rates – HCBS FFS

There is no impact to CCO rates with this appropriation.

Waiver Of Administrative Rules (Formerly called Exceptions to Policy (ETP)) Approved Rates

- Waiver of Administrative Rules that are currently approved to exceed the upper rate limit **cannot** be increased. The provider is already being reimbursed at a rate that exceeds the upper rate limit and will not receive an increase over the rate granted through a Waiver of Administrative Rules.
- Members with Waivers of the Administrative Rules to exceed the monthly cap on the total cost of services, which include services listed in the table above, may have the fee schedule rates increased to the rate listed. This applies only to those service rates in place on or before September 30, 2026. The CM/MCO do not need to request a reconsideration of a previously approved Waiver of the Administrative Rules to increase the fee schedule but should follow the directions for fee schedule rates above.

The fee schedule will be updated to reflect the increased rates and posted to the [Iowa Medicaid Fee Schedules webpage](#)¹ [on the HHS website](#)².

Iowa Medicaid is aware that there are individual situations that do not fall into one of the categories mentioned above. Providers, CMs, CBCMs and Iowa Medicaid staff will coordinate efforts to address these situations as they arise.

Iowa Medicaid appreciates your partnership as we work together to serve the needs of Iowa Medicaid members. If you have any questions, please contact the Iowa Medicaid Provider Services Unit at 1-800-338-7909, locally in Des Moines at 515-256-4609, or by email: imeproviderservices@hhs.iowa.gov.

¹ <https://hhs.iowa.gov/programs/welcome-iowa-medicaid/policies-rules-and-regulations/covered-services-rates-and-payments/fee-schedules>

² <https://hhs.iowa.gov/>