

Public Notice

**State Plan Amendment (SPA) IA-23-0017
Medicaid Payment Rates for Home Health Low Utilization Payment Adjustment
(LUPA) Rates**

Posted: June 20, 2023

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 home health intermittent services provided by enrolled home health providers under the State Plan under Title XIX of the Social Security Act Medical Assistance Program (Medicaid).

Summary of Submission:

Pursuant to the authority of 2023 Iowa Acts, Senate File (SF) 561, Section 30(f), reimbursement rates for home health agencies shall continue to be based on the Medicare low utilization payment adjustment (LUPA) methodology with state geographic wage adjustments. The department shall continue to update the rates every two years to reflect the most recent Medicare LUPA rates. The department shall also continue the reimbursement rate structure that provides incentives to home health care providers located in rural areas and providing home health care to Medicaid members.

Medicaid State Plan Amendment (SPA) IA-23-0017 will amend Attachment 4.19-B, page 8, to change the effective date of the Home Health LUPA rates in effect to July 1, 2023. To calculate budget-neutral Medicaid reimbursement rates effective July 1, 2023, the following adjustment factors were applied to the January 1, 2023, state geographic wage-adjusted Medicare LUPA rates:

1. An Iowa Medicaid budget-neutrality factor of -14.489% was applied to all providers.
2. An increase of 21.004% was then applied to the rates calculated in step 1 for providers located in rural areas.

Estimated Fiscal Impact

The estimated increase in Medicaid fee-for-service (FFS) expenditures for State Fiscal Year (SFY) 2024 related to the budget-neutral home health LUPA rate rebase is:

Total Dollars:	\$ 0
Federal Dollars:	\$ 0
State Dollars:	\$ 0

Public Review and Comments

A copy of the SPA IA 23-0017 and public notice is posted on the HHS website at the following link: <https://hhs.iowa.gov/public-notice>. 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 Rebecca Wedemeier, Department of Health and Human Services, Iowa Medicaid, 1305 E. Walnut Street, Des Moines, IA 50319 or may be emailed to rwedeme@dhs.state.ia.us. Please indicate SPA IA-23-0017 in the subject line of the email.

All written and emailed comments must be received no later than July 20, 2023, by 4:30 p.m.

Submitted by:
Elizabeth Matney, Medicaid Director