

Public Notice

Public Comment Period for State Plan Amendment (SPA) 21-013: Medicaid Home Health Low Utilization Payment Adjustment (LUPA) Rates

Posted: June 24, 2021

The Iowa Department of Human Services (DHS), 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).

Pursuant to the authority of 2021 Iowa Acts, House File (HF) 891, Section 29, 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 and shall be adjusted to increase the rates to the extent possible within the state funding, including the \$2,000,000 appropriated for this purpose. The department shall continue to update the rates every two years to reflect the most recent Medicare LUPA rates.

The Medicaid State Plan Amendment (SPA) IA-21-0013 will amend Attachment 4.19-B to change the effective date of the Home Health LUPA rates in effect July 1, 2021. The Medicaid reimbursement rates in effect July 1, 2021, will be established at 91.71% of the January 1, 2021, state geographic wage-adjusted Medicare LUPA rates. This represents a Medicaid budget-neutrality factor of -8.29%.

Fiscal Impact

The estimated increase in Medicaid Fee-for-Service (FFS) expenditures for State Fiscal Year (SFY) 2022 related to the home health LUPA rate change is:

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|------------------|------------|
| Total Dollars: | \$ 155,762 |
| Federal Dollars: | \$ 98,970 |
| State Dollars: | \$ 56,791 |

Public Review and Comments:

This notice and a copy of SPA-21-013 is posted on the Department website at the following link <https://dhs.iowa.gov/public-notices/LUPA-rates-2021>. To reach all stakeholders, non-electronic copies will be available for public review at each local DHS office.

Written comments may be sent to Anna Ruggle, Department of Human Services, Iowa Medicaid Enterprise, 1305 East Walnut Street, Des Moines, IA 50319 or via email to aruggle@dhs.state.ia.us. Please indicate SPA 21-013 in the subject line of the email.

All comments must be received by: July 26, 2021, at 4:30 p.m.

Submitted by:

Liz Matney, Medicaid Director
Iowa Medicaid Enterprise
Iowa Department of Human Services