

January 31, 2026

Legislative Services Agency
State Capitol Building

RE: MEDICAID MANAGED CARE CONTRACTS — NOTIFICATION TO GENERAL ASSEMBLY.

The Department of Health and Human Services recently executed contract amendments, effective January 1, 2026, with Wellpoint, Iowa Total Care, and Molina Healthcare of Iowa to administer the IA Health Link Program. These amendments were executed to include changes to update contract language based on Iowa Legislation and Centers for Medicare and Medicaid Services (CMS) requirements.

These contract amendments are pending approval by CMS and may be subject to change.

RATE CHANGES

The Department implemented rate changes through managed care contracts MED-24-006 (Wellpoint), MEDIOMC26002 (ITC) and MED-24-005 (Molina).

The following rating adjustments are planned:

- SFY26 rates effective July 1, 2026.

CONTRACT CHANGES

The Department made scope of work revisions to the Managed Care Organization (MCO) contracts to update language, outline expectations, and provide clarity on regulations. See details below:

- Clarified coverage and payment policies for Healthy and Well Kids in Iowa (Hawki), Iowa Health and Wellness Plan (IHAWP):
 - Added language changes that clarifies the exclusion of Hawki members from eligibility for maternity case rate payment.
 - Updated the IHAWP Coverage Benefits Grid.
 - Updated the HAWKI Coverage Benefits Grid.
- Updated excluded pharmaceuticals to comply with new legislation related to gender affirming care.
- Service changes:
 - Added and updated language pertaining to the HOME project: changing MCO completion of assessments to service coordination.
 - Removed references and definitions for Integrated Health Homes due to sunseting on 12-31-25.
 - Removed language references and definitions to Consumer Directed Attendant Care (CDAC) to align with State Plan Amendment (SPA) changes.
 - Added language to clarify the expected scope of the Dual Eligible Special Needs (DSNP) program.

Medicaid Managed Care Contracts
January 31, 2026

- Added a new section related to Data Sharing Requirements for the Supplemental Nutrition Assistance Program (SNAP).
- Rules/regulation changes:
 - Updated prior authorization timeframe from 14 to 7 days in alignment with federal regulation.
 - Changed all references of Exceptions to Policy (ETP) to Waiver of Administrative Rule and updated the IAC reference.
- Long Term Services and Supports (LTSS) Changes:
 - Updated language pertaining to Community-Based Case Manager (CBCM) qualifications and training.
 - Added in language to clarify CBCM face-to-face contact for children under 18 receiving residential services outside of the family home.
 - Changed the Pay for Performance section with the removal of the measure pertaining to LTSS Reassessment/Care Plan Update after Inpatient Discharge.
- Terms and Definitions changes:
 - Updated the Terms and Definitions for Certified Community Behavioral Health Clinic (CCBHC), Case Management, and Adult Day Care.
- Clarified hospital payment timelines between HHS and the Iowa Hospital Association for hospital inpatient and outpatient services State Directed Payments.

Please feel free to contact me if you need additional information.

Sincerely,



Carrie L. Malone, J.D.
Director of Policy & Budget Strategy