



INFORMATIONAL LETTER NO. 2372-MC-FFS

DATE: October 5, 2022

TO: All Iowa Medicaid Providers

APPLIES TO: Managed Care (MC), Fee-for-Service (FFS)

FROM: Iowa Department of Health and Human Services (HHS), Iowa Medicaid

RE: Eligibility Recovery Claim Submission Guidance

EFFECTIVE: July 1, 2022

The purpose of this informational letter is to give guidance to providers for submitting claims to Medicaid following a payment recovery from a managed care plan (MCP), including managed care organizations (MCO) and dental plans.

During the 2022 legislative session, House File (HF) 736 directed HHS to use state funds to reimburse providers for rendering services to members who have been determined ineligible for medical assistance, and following the delivery of services when a provider verified eligibility at the time of service. HF 736 specifically applies when members are retroactively determined ineligible for Medicaid medical assistance. It does not apply when a member loses long-term services and supports (LTSS) but maintains Medicaid medical assistance eligibility. Iowa Medicaid is aware that due to the public health emergency (PHE) members may be determined ineligible for LTSS services and continue being eligible for Medicaid medical assistance. The department is actively working to provide future guidance for providers impacted by retroactive changes in LTSS service eligibility.

Billing for non-eligible members that showed Medicaid eligibility on date of service
Providers are required to verify that they checked eligibility at the time services were delivered. When a member is determined ineligible after the date of service, the MCO will recoup the claim(s) and issue a recoupment letter to the provider, indicating the member was not eligible on the date of service.

Providers may resubmit claims directly to Iowa Medicaid via [Provider Inquiry Form 470-3744](#)¹. Claim submissions must include:

- Claim form.
- Provider inquiry form.
- MCO recoupment letter.
- Medicaid Eligibility and Verification Information System (ELVS) or web portal verification of eligibility on the date services were provided.
- Any other required claim documentation for each date of service.

The claim submission and required documentation should be sent to Iowa Medicaid Provider Services at imeproviderservices@dhs.state.ia.us.

Normal processing guidelines will apply, allowing providers 365 days from the date of the MCP recoupment letter. To simplify reconciliations, these claims will process as lump sums on the remittance advice, reimbursing at the Medicaid FFS rate. For B3 services only, reimbursement will be at the MCO contracted rate as these services are not a covered benefit under the FFS program and do not have an FFS rate established.

If you have questions, please contact Iowa Medicaid Provider Services at 1-800-338-7909 or by email at imeproviderservices@dhs.state.ia.us.

¹ http://dhs.iowa.gov/sites/default/files/470-3744_Fillable.pdf