

IHCA Guidance: SCL and Home Health Aide Billing Changes



The Iowa Department of Health and Human Services (DHHS) has clarified that billing for 24-hour Supported Community Living (SCL) and Home Health Aide (HHA) services during the same time period is not allowed under the applicable Home- and Community-Based Services (HCBS) waiver requirements.

According to guidance provided to IHCA by DHHS, discontinuation of reimbursement for these concurrent services will be implemented for fee-for-service (FFS) and by managed care organizations (MCOs) on June 1, 2026.

- Application for 1915(c) HCBS Brain Injury (BI) Waiver: IA.0299.R06.02 – Jan 20, 2026 (as of Jan 22, 2026): <https://hhs.iowa.gov/media/18031/download?inline> (see p. 195)
- Application for 1915(c) HCBS Intellectual Disabilities (ID) Waiver: IA.0242.R07.02 – Jan 01, 2026 (as of Jan 01, 2026): <https://hhs.iowa.gov/media/17834/download?inline> (see p. 182)

In many of the situations brought forward to IHCA by members, home health agencies were billing for HHA services while group home providers were billing for SCL services. Under the interpretation outlined by Iowa DHHS, home health agencies will need to discontinue billing for HHA services that overlap with 24-hour/daily SCL services. The group home provider may continue billing for SCL but will be expected to provide the related support services previously completed by the home health aide.

These changes, however, do not impact the utilization of skilled nursing services for individuals with those needs in the group home setting who are receiving 24-hour/daily SCL. Nursing service procedures that are medically necessary, ordered by a physician and are on the service plan should be provided and funded through the state plan, not the waiver. We encourage provider staff to work with the case managers for clarity.

IHCA advocated for a different interpretation, using evidence based on member examples and operational realities in group home settings, particularly in situations where providers did not view the services as duplicative. However, Iowa DHHS has confirmed that concurrent reimbursement for these services during the same timeframe will not be permitted moving forward.

Home health agencies currently providing these services should begin reviewing affected clients and coordinating with case managers immediately. Continuing to bill for overlapping services beyond the June 1, 2026, implementation date could create reimbursement issues, denied claims or recoupment risk.

According to Iowa Medicaid, MCO and FFS teams are expected to:

- Review claims and identify members receiving concurrent services
- Notify providers and case managers of the requirements
- Update Person-Centered Service Plans (PCSPs) as needed
- Implement processes to prevent future billing conflicts

IHCA anticipates that Medicaid MCOs have already or will soon be communicating this information to their case managers and impacted members and assisting with any necessary service plan updates or transitions prior to implementation.

Providers with questions about how this guidance may affect their operations, billing practices or clients are encouraged to contact IHCA's [Brandon Hagen](#), SVP, Reimbursement and Policy Advisor, at 515-978-2204.

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