

Communication to Members for 2025 Rate Increase

Good afternoon,

We're reaching out to share information about the CCO program rate increase that is effective August 1, 2025. This change comes from Iowa Medicaid and applies to some, but not all, CCO services. You can read more about it in the official Iowa Medicaid Informational Letter 2699.

We're here to partner with you to make this process as smooth as possible for you. Below are common situations you may come across, along with clear steps to follow.

What happens if I didn't submit an August budget?

If you did not have a need to submit an August budget, Veridian will use the rates and services already recorded and automatically apply the new rates to eligible services and pay rates on file as of July 31st, 2025. This is very similar to how the 2024 rate increase worked.

To make things easier, **you do not need to submit a new August budget** for the increase to take place. The rate increase will be applied automatically to applicable services based on the services and provider pay rates on file with Veridian as of July 31st, 2025.

What if I submitted an August budget to Veridian before being notified of the rate increase?

If an August budget was submitted before the rate increase was announced, there are a few paths you can take.

Scenario 1: You Want the Automatic Rate Increase

The Plan: You want the rate increase to apply automatically to the eligible services and pay rates.

What to Do: Nothing! The increase will be applied automatically based on the most recent budget on file before August. The August budget will not be processed.

Scenario 2: Use My August Budget Exactly as Submitted

The Plan: You want your August budget processed exactly as it was submitted – no rate increase will be added.

What to Do: Submit the Rate Increase Acknowledgement Form by August 15th to confirm this choice.

Scenario 3: You Want to Change Your August Budget

The Plan: You want to update your August budget to:

- Control how the new rates are allocated

- Add a new employee
- Have a change in services

What to Do:

- Connect with your Case Manager to get the new total budget amount.
- Work with your ISB to create a revised August budget that includes your chosen changes.
- Submit both the revised August budget and the Rate Increase Acknowledgement Form through the standard budget submission process.
- These forms must be received by Veridian no later than August 15th.

Scenario 4: Forms Received After August 15th.

Budgets and Rate Increase Acknowledgement Forms received after August 15th will not be processed.

What if my services are not included in the rate increase?

If an August budget was already submitted, it will be processed as usual. If not, we'll continue to use the most recent budget on file.

What if I need to submit an August budget?

In the event a new August budget is needed (new employee, change in services, etc.):

- You must send both the **August budget** and the **RIA Form** through the standard budget submission process by **August 15th**. A copy of this form can be located [here](#).
- It is recommended to work with your ISB and Case Manager to base the budget on the updated 2025 rates.

What if I have already submitted a future month budget to Veridian?

You'll need to revise the budget to include the new 2025 rates. Please work with your ISB and Case Manager to get the updated funding totals and determine how you want to use the extra funds. Once updated, submit the revised budget through the regular process.

Will there be a new budget template?

No, the current budget template will stay the same for this rate increase.

Thank you for taking time to review this information. If you have any questions, please let us know and we will be happy to help.

Sincerely,
The Veridian Fiscal Solutions Team