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**TITLE 405 OFFICE OF THE SECRETARY OF FAMILY AND SOCIAL SERVICES**

**Administrative Rules Oversight Committee Notice  
1 Year Requirement ([IC 4-22-2-25](#))  
LSA Document #06-158**

CORRECTED VERSION

January 12, 2007

To: Honorable R. Michael Young, Chairperson  
Administrative Rules Oversight Committee  
c/o Sarah Burkman  
Indiana Legislative Services Agency  
200 W. Washington Street, Suite 301  
Indianapolis, IN 46204-2789

Fr: Catherine Rudd, Deputy General Counsel

Re: LSA Document #06-158

Cc: Chuck Mayfield, Legislative Services Agency  
John Davis, General Counsel, FSSA  
Jeanne LaBrecque, Director of Health Policy & Medicaid, FSSA

On behalf of the Family and Social Services Administration, Office of Medicaid Policy and Planning, I am submitting this memo to the Administrative Rules and Oversight Committee in compliance with [IC 4-22-2-25](#), because the agency has determined that the promulgation of the captioned rule will not be completed within one year after publication of the notice of intent to adopt a rule.

The agency published its notice of intent to adopt a rule for the captioned document on June 1, 2006 (29 IR 3043). The proposed rule has not yet been published. The rule will permit Medicaid to pay a state-owned nursing facility using a cost-based reimbursement methodology. There is only one state-owned nursing facility operating in Indiana – the Indiana Veteran's Home. Once the rule is published, a public hearing held and adopted by the agency, it must, like all rules adopted by the agency, be approved by the Family and Social Services Committee (see [IC 12-8-3](#)), a committee that meets only once per month. It is possible a monthly meeting could occur without a quorum and therefore without any action being taken on an adopted rule. This would mean delayed approval until the next monthly meeting of the committee and presence of a quorum. Following approval by the FSSA committee, the rule must be submitted to the Attorney General's office. Pursuant to [IC 4-22-2-32](#), the Attorney General has forty-five days to complete his review of a rule. Whether a quorum is present at a monthly meeting of the FSSA committee and the Attorney General's time frame for rule review are outside of the agency's control. Because the agency has additional work to complete and there are aspects of the promulgation process that are outside of its control, it is unlikely that the rule will be approved by the Governor within one year of the date of publication of the notice of intent. The agency expects that the rule can be approved by the Governor by February 1, 2008.

This notice setting forth the expected date of approval of LSA #06-158 as February 1, 2008, is being submitted in a timely manner. February 6, 2007, is the two hundred fiftieth day after publication of the notice of intent to adopt a rule.

*Posted: 01/31/2007 by Legislative Services Agency*  
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