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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 #06-157

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

From: Joy A. Heim, Staff Attorney

Re: LSA #06-157, Addition of Medicaid Reimbursement Methodology for Reimbursement for Residences for Adults with Extensive Support Needs

Date: January 31, 2007

Cc: Chuck Mayfield, Legislative Services Agency  
John Davis, General Counsel, FSSA  
Jeanne M. LaBrecque, Director of Health Policy and Medicaid (OMPP)

On behalf of the Family and Social Services Administration, Office of Medicaid Policy and Planning (OMPP), I am submitting this memo to the Administrative Rules Oversight Committee in compliance with [IC 4-22-2-25](#), because the agency has determined that the promulgation of the captioned rule may 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 June 1, 2006, (29 IR 3042). This rule provides a new Medicaid reimbursement methodology for nonstate owned community residential facilities for the developmentally disabled (CFRs/DD) to permit reimbursement for extensive support needs (ESN) Homes. As this is a new type of CFRs/DD facility and a new methodology for reimbursement, initial input and discussions prior to drafting the proposed rule took longer than expected. Also, because of the complexity and its interaction with other existing rules, additional research and discussion within the agency took place, which created several intermediate drafts. In order to comply with all of the statutory requirements for rulemaking, the agency will likely need additional time.

Any rule adopted by the agency must 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. For these reasons, it may not be possible for the rule to 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 December 31, 2007.

This notice setting forth the expected date of approval of LSA #06-157 as December 31, 2007, 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: 02/07/2007 by Legislative Services Agency*  
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