TITLE 405 OFFICE OF THE SECRETARY OF FAMILY AND SOCIAL SERVICES

Notice of Public Hearing

LSA Document #07-150

Notice of Public Hearing

Under IC 4-22-2-24, notice is hereby given that on May 30, 2007, at 9:00 a.m., at the Indiana Government Center-South, 402 West Washington Street, Conference Center Room 2, Indianapolis, Indiana, the Office of the Secretary of Family and Social Services (FSSA) will hold a public hearing on a proposed rule that amends the Medicaid reimbursement methodology for nursing homes.

In accordance with public notice requirements established at IC 4-22-2-24(d), 42 CFR 447.205, and Section 1902(a)(13)(A) of the Social Security Act, FSSA and the Office of Medicaid Policy and Planning (OMPP) publish this notice of proposed changes to methods and standards governing reimbursement policy for nursing homes. The proposed rule will do the following:

- 1. Change the annual rate effective date to July 1 for all providers.
- 2. Impose a maximum annual rate increase of 5% per annum, before adjusting for case mix.
- 3. Impose a per day rate reduction for SFY 08-09.

The changes described above are intended to hold nursing facility expenditures to an annual growth rate of 5%. Without these changes, nursing home expenditures would be \$88.1 million over the 2008-2009 biennium (federal share \$55.1 million, state share \$33 million). The following information was relied upon for projecting costs: Nursing Facility Rate Analysis prepared by OMPP's actuary, Milliman, Inc.; and cost report databases maintained by Myers and Stauffer, LLC. This information may be inspected or copied by contacting the agency and making arrangements to do so.

Anyone who wishes to comment on the proposed changes may attend the public hearing or submit written comments to: OMPP, Attention: Pat Nolting, 402 West Washington Street, Room W382, P.O. Box 7083, Indianapolis, IN, 46207-7083. Correspondence should be identified in the following manner: COMMENTS RE: LSA DOCUMENT #07-150 PROPOSED CHANGES TO NURSING FACILITY REIMBURSEMENT. All written comments concerning the rule received by OMPP will be available for public inspection at the Office of Medicaid Policy and Planning, 402 West Washington Street, Room W382, Indianapolis, IN 46204. Proposed rates may be reviewed on the Internet at www.mslcindy.com. Interested parties without Internet access should contact Myers and Stauffer, LLC at (800)877-6927 to obtain copies of proposed rates.

Copies of these rules are now on file at the Indiana Government Center-South, 402 West Washington Street, Room W451 and Legislative Services Agency, One North Capitol, Suite 325, Indianapolis, Indiana and are open for public inspection.

E. Mitchell Roob Jr.
Secretary
Office of the Secretary of Family and Social Services

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