OFFICE OF THE SECRETARY OF FAMILY AND SOCIAL SERVICES

Notice of Significant Changes in Medicaid Methods and Standards for Setting Payment Rates for Services

In accordance with the public notice requirements of 42 CFR 447.205 and Section 1902(a)(13)(A) of the Social Security Act, the Indiana Family and Social Services Administration (FSSA), the Office of Medicaid Policy and Planning (Office) publishes this notice of significant changes in the Medicaid reimbursement methodology for acute care hospitals.

Pursuant to Public Law 218-2007 (HEA 1678), for the state fiscal years beginning after June 30, 2007, the Office shall change the payment methodology of the Medicaid supplemental payments for hospitals that deliver Hospital Care for the Indigent Program service (HCI payments). The new payment methodology will remove the claims system for hospitals and will provide each hospital with the same payment for each fiscal year as the hospital receives for state fiscal year 2007.

The purpose of this change is to remove the inefficient claims procedures and to ensure hospitals continue to receive HCI payments based upon past HCI claims history. The proposed amendments are not expected to increase or decrease aggregate payments to hospitals, with payments made to these facilities on an annual basis. The payment adjustment is subject to the approval of the Centers for Medicare and Medicaid Services, with a proposed effective date of July 1, 2007.

There will be no public hearing.

Copies of the proposed state plan amendments are available and may be inspected by contacting the Director of the local County Division of Family and Children Office, except in Marion County, where public inspection may be made at 402 West Washington Street, Room W382, Indianapolis, Indiana.

Written comments concerning these amendments may be addressed to Pat Nolting, Indiana Family and Social Services Administration, Office of Medicaid Policy and Planning, 402 West Washington Street, Room W382, MS-07, Indianapolis, Indiana 46204-2739. Written comments received will be available for public inspection.

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

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