
OFFICE OF THE SECRETARY OF FAMILY AND SOCIAL SERVICES**Notice of Proposed Changes in Methods and Standards
of Medicaid Reimbursement for Nursing Facilities**

In accordance with public notice requirements established at 42 CFR 447.205 and Section 1902(a)(13)(A) of the Social Security Act, the Indiana Family and Social Services Administration, Office of Medicaid Policy and Planning (OMPP) publishes this notice of proposed changes to methods and standards governing reimbursement policy for Medicaid-enrolled nonstate owned intermediate care facilities for the mentally retarded (ICFs/MR) and community residential facilities for the developmentally disabled (CRFs/DD).

OMPP proposes to modify the existing reimbursement methodology at [405 IAC 12](#) to reduce the provider assessment percentage from six percent (6%) to five and one-half percent (5 1/2%). In addition, a fixed rate reduction factor will be deducted from each provider's Medicaid reimbursement rate, by licensure level, to reflect the corresponding reduction of federal match dollars. This change is necessary in order to conform to a change in federal law that temporarily reduces the allowable amount that can be collected from a health care-related tax. See the Tax Relief and Health Care Act of 2006, Public Law 109-432, Section 403 and 72 FR 13726 (March 23, 2007). This reduction will be in effect from January 1, 2008, through September 30, 2011. An emergency rule enacting these changes will be adopted and take effect on January 1, 2008. This change is expected to result in an estimated total reduction in payments to providers of \$3.5 million (\$1.3 million from assessments that will not be collected that would have constituted the state share and \$2.2 million in corresponding federal match). Without an emergency rule, expenditures would exceed available appropriations by approximately \$400,000.

The proposed changes and proposed rates are available on the Internet at www.mslicindy.com. Interested parties without Internet access should contact Myers and Stauffer, LLC at (800) 877-6927 to obtain copies of the proposed changes and proposed rates.

Anyone who wishes to comment on the proposed changes may 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: PROPOSED CHANGES TO GROUP HOME REIMBURSEMENT SYSTEM.

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

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