TITLE 405 OFFICE OF THE SECRETARY OF FAMILY AND SOCIAL SERVICES

Notice of Public Hearing

LSA Document #08-186

Notice of Public Hearing

Under <u>IC 4-22-2-24</u>, notice is hereby given that on July 3, 2008, at 9:00 a.m. EDT, 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 will hold a public hearing on a proposed rule to amend <u>405 IAC 1-11.5</u> to set forth Medicaid reimbursement methodology for payment of blood factor products used during inpatient hospital admissions.

In accordance with public notice requirements established at 42 CFR 447.205 and <u>IC 4-22-2-4(</u>(*d*), the Indiana Family and Social Services Administration, Office of Medicaid Policy and Planning publishes this notice of proposed changes to the reimbursement methodology for payment of blood factor products used during inpatient hospital admissions. Under the amendment, blood factor products used during an inpatient hospital stay will be paid based on the state maximum allowable cost (state MAC) rate for the blood factor products. The state MAC rate for blood factor products is equal to the average actual acquisition cost per drug adjusted by a multiplier of at least 1.0. This rule is necessary to address impatient hospital reimbursement when blood factor products are used during inpatient stays. This new methodology is similar to the one used by Medicare and will allow the agency to reimburse these services separately from the inpatient hospital service, with a Medicaid computed allowable that will more closely reflect the provider's cost of blood factor products. It is estimated that the fiscal impact of these changes will result in an annual reduction of expenditures of state and federal dollars of approximately \$2,466,909.

All parties interested in the rule are invited to attend the hearing and offer public comments. In lieu of attendance at the hearing, written comments may be directed to IFSSA, Attention: Scott Linneweber, 402 West Washington Street, Room W451, Indianapolis, Indiana 46204. Correspondence should be identified in the following manner: COMMENT RE: LSA DOCUMENT #08-186 PROPOSED CHANGES TO BLOOD FACTOR PRODUCT REIMBURSEMENT. Written comments received will be made available for public display at the Office of Medicaid Policy and Planning, 402 West Washington Street, Room W382, Indianapolis, IN 46204.

If an accommodation is required to allow an individual with a disability to participate in any of these meetings (public meetings), please contact Scott Linneweber (317) 233-0024 at least 48 hours prior to the meeting.

Copies of proposed amendments to the rule (<u>405 IAC 1-11.5</u>) are now available (along with copies of this public notice) and may be inspected by contacting the local County Division of Family Resources office, except in Marion County, where public inspection may be made at 402 West Washington Street, Room W382, Indianapolis, Indiana.

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.

Jessaca Turner Stults General Counsel

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