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OFFICE OF THE SECRETARY OF FAMILY AND SOCIAL SERVICES

**Notice of Changes in Methods and Standards for Medicaid  
Payments for Nonstate-Owned ICFs/MR and CRFs/DD**

In accordance with 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, Office of Medicaid Policy and Planning publishes this notice of proposed changes to the reimbursement methodology for Medicaid services provided by enrolled privately (nonstate) owned intermediate care facilities for the mentally retarded (ICFs/MR), and community residential facilities for the developmentally disabled (CRFs/DD).

The Office of Medicaid Policy and Planning (OMPP) proposes to extend the 3% reimbursement reduction that is currently in place for rates paid to ICFs/MR and CRFs/DD under the Medicaid state plan and state regulations at [405 IAC 1-12](#). The current expiration date of June 30, 2011, will be extended to June 30, 2013. Beginning July 1, 2013, such Medicaid rates shall have the 3% reduction removed from the rate then in effect.

This change in reimbursement is necessary in order to avoid a budgetary shortfall and to remain within the available Medicaid appropriation. It is estimated that the fiscal impact of these changes will be a savings of state and federal expenditures of approximately \$8.6 million for SFY 2012 and \$9.8 million for SFY 2013.

These changes will be adopted in an emergency rule. A copy of this notice is now on file at the Indiana Government Center South, 402 West Washington Street, Room W451, Indianapolis, Indiana and open for public inspection. Also, a copy of this notice is now available 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 W374, Indianapolis, Indiana.

The proposed changes and proposed rates are available on the Internet at:

<http://in.mslc.com>

Interested parties without Internet access should contact Myers and Stauffer, LC 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: IFSSA, Office of Medicaid Policy and Planning, Attention: Tracy Patterson, 402 West Washington Street, Room W374, P.O. Box 7083, Indianapolis, IN 46207-7083. Correspondence should be identified in the following manner: COMMENT RE: CONTINUED ICF/MR AND CRF/DD MEDICAID RATE REDUCTION. Written comments received will be made available for public display at the address herein of the OMPP.

Michael A. Gargano  
Secretary  
Family and Social Services Administration

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