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**TITLE 407 OFFICE OF THE CHILDREN'S HEALTH INSURANCE PROGRAM**

**Notice of Rule Adoption**

LSA Document #10-420

This notice is published in accordance with [IC 12-8-3-4.4](#). Under [IC 4-22-2-29](#), LSA Document #10-420, posted at [20110209-IR-407100420PRA](#), was adopted by the Director of the Office of the Children's Health Insurance Program on April 18, 2011. This rule amends [407 IAC 1-1-11](#), [407 IAC 1-2-1](#), [407 IAC 1-2-2](#), [407 IAC 1-4-1](#), [407 IAC 1-6-2](#), [407 IAC 2-3-1](#), [407 IAC 2-4-2](#), [407 IAC 3-3-2](#), [407 IAC 3-10-1](#), [407 IAC 3-10-2](#), and [407 IAC 3-13-1](#) to amend the definition of managed care organization; provide that the office or its contractor shall assign a member to a PMP if the member fails to select a PMP within a reasonable time; require claims for payment of services carved out of a CHIP MCO contract to be filed within 12 months; apply the Medicaid reimbursement dispute resolution procedures to providers who do not have a contract with a CHIP MCO; amend the primary care case management fee; delete the identification of specific premium amounts per income level and, as an alternative, indicate that premium amounts will be established by the office in accordance with federal law; apply Medicaid prior authorization procedures to the CHIP program, to require publication of prior authorization policies by CHIP MCOs and to establish other guidelines for the prior authorization procedures of CHIP MCOs; cover nonlegend drugs in certain circumstances; establish prior authorization procedures for brand name drugs; remove over-the-counter drugs from the list of noncovered services; and make various technical changes. The rule that was adopted is a different version than the proposed rule that was posted on the -IR- Database Website on February 9, 2011.

*Posted: 05/11/2011 by Legislative Services Agency*  
An [html](#) version of this document.