## OFFICE OF THE SECRETARY OF FAMILY AND SOCIAL SERVICES

## Notice of Changes in Methods and Standards for Medicaid Payments for Outpatient Hospital Services and Freestanding Renal Dialysis Clinics

In accordance with public notice requirements of 42 CFR 447.205, the Indiana Family and Social Services Administration (FSSA) Office of Medicaid Policy and Planning (OMPP) publishes this notice of proposed changes to the reimbursement methodology for Medicaid payments for outpatient hospital services (excluding ambulatory surgical center reimbursement) and freestanding renal dialysis clinics.

The OMPP proposes to continue the five percent (5%) reduction that is currently set to expire on June 30, 2013, for outpatient hospital services (excluding ambulatory surgical center reimbursement), under the Medicaid state plan and state regulations at 405 IAC 1-8, as amended by LSA Document #11-381(E), posted at 20110629-IR-405110381ERA. This five percent (5%) reduction will remain in effect until December 31, 2013. Beginning January 1, 2014, through June 30, 2015, the OMPP proposes to reduce rates paid for outpatient hospital services (excluding ambulatory surgical center reimbursement) by three percent (3%).

The OMPP also proposes to continue the five percent (5%) reduction that is currently set to expire on June 30, 2013, for freestanding renal dialysis clinic services, under the Medicaid state plan and state regulations at 405 IAC 5-16, as amended by LSA Document #11-379(E), posted at 20110629-IR-405110379ERA. This five percent (5%) reduction will remain in effect until December 31, 2013.

The reductions in reimbursement are necessary in order to remain within the available Medicaid appropriation. It is estimated that the fiscal impact of these changes will be annual savings of state and federal expenditures of approximately \$8.5 million for FFY 2014 (federal share of \$5.7 million and state share of \$2.8 million) and \$4.6 million for FFY 2015 (federal share of \$3.1 million and state share of \$1.5 million).

A copy of this notice is now on file at the Indiana Government Center South, 402 West Washington Street, Room W451, Indianapolis, Indiana and is open for public inspection. Also, a copy of this notice is now available and may be inspected by contacting the local county office of the division of family resources, except in Marion County, where public inspection may be made at the Indiana Government Center South, 402 West Washington Street, Room W374, Indianapolis, Indiana.

There will be no public hearing. Written comments may be directed to FSSA, Office of Medicaid Policy and Planning, Attention: Yvonne Burke, 402 West Washington Street, Room W374, MS07, Indianapolis, IN 46207-7083. Correspondence should be identified in the following manner: COMMENT RE: OUTPATIENT HOSPITAL AND FREESTANDING DIALYSIS REIMBURSEMENT CHANGES. Written comments will be made available for public inspection at the address herein of the OMPP.

Debra F. Minott Secretary Family and Social Services Administration

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