

Notice of Intent to Adopt a Rule

LSA Document #13-422

Under [IC 4-22-2-23](#), the Office of the Secretary of Family and Social Services intends to adopt a rule concerning the following:

OVERVIEW: Amends [405 IAC 1-4.2](#) to modify Medicaid reimbursement formulas by reducing reimbursement for all covered home health services through June 30, 2015. Amends [405 IAC 1-8-3](#) to modify Medicaid reimbursement formulas by reducing reimbursement for all covered outpatient hospital services through June 30, 2015, and adding nonpayment provisions for provider-preventable conditions as noncovered Medicaid services. Amends [405 IAC 1-10.5](#) to modify the out-of-state hospital payment methodology, to add nonpayment provisions for health care-acquired and provider-preventable conditions, and to modify Medicaid reimbursement formulas by reducing reimbursement for all covered inpatient hospital services through June 30, 2015. Amends [405 IAC 1-11.5](#) to add nonpayment provisions for provider-preventable conditions. Adds [405 IAC 1-12-27](#) to modify Medicaid reimbursement formulas by reducing reimbursement for all services provided by privately (nonstate) owned intermediate care facilities for the mentally retarded (ICFs/MR) and community residential facilities for the developmentally disabled (CRFs/DD) through June, 30, 2015. Adds [405 IAC 1-14.6-26](#) to modify Medicaid reimbursement formulas by reducing reimbursement for all nursing facility services through June 30, 2015. Amends [405 IAC 5-19](#) to modify the Medicaid rate setting methodology for medical supplies, medical equipment, and hearing aids, clarifying the prior authorization process for hearing aids and ear molds, and clarifying that hearing aids may be replaced more frequently in certain circumstances. Amends [405 IAC 5-24-6](#) to increase the Medicaid dispensing fee maximum to three dollars and ninety cents (\$3.90) beginning on January 1, 2013, and continuing through June 30, 2015. Statutory authority: [IC 12-15-1-10](#); [IC 12-15-21-1](#); [IC 12-15-21-2](#); [IC 12-15-21-3](#).

For purposes of [IC 4-22-2-28.1](#), the Small Business Regulatory Coordinator for this rule is:

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Indiana Family and Social Services Administration
Office of Medicaid Policy and Planning
Indiana Government Center South
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For purposes of [IC 4-22-2-28.1](#), the Small Business Ombudsman designated by [IC 5-28-17-5](#) is:

Eric P. Shields
Indiana Economic Development Corporation
One North Capitol, Suite 700
Indianapolis, IN 46204
(317) 234-3997
smallbizombudsman@iedc.in.gov

Resources available to regulated entities through the small business ombudsman include the ombudsman's duties stated in [IC 5-28-17-5](#), specifically [IC 5-28-17-5\(9\)](#), investigating and attempting to resolve any matter regarding compliance by a small business with a law, rule, or policy administered by a state agency, either as a party to a proceeding or as a mediator.

Posted: 09/11/2013 by Legislative Services Agency
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