
OFFICE OF THE SECRETARY OF FAMILY AND SOCIAL SERVICES

Notice of Changes in Methods and Standards for Medicaid Payments for Hospitals

In accordance with public notice requirements established at 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 (OMPP) publishes this notice of proposed changes to methods and standards governing reimbursement policy for Medicaid-enrolled hospitals.

OMPP proposes to modify the reimbursement methodology for inpatient and outpatient services rendered by in-state, acute care hospitals and private psychiatric hospitals by revising the payment rates that result in aggregate payments that are equivalent, to the extent possible and in compliance with applicable state plan provisions and federal law, to the level of reimbursement that would be paid under Medicare payment principles. This change shall be effective August 1, 2014.

OMPP is making this change in accordance with P.L.205-2013, which authorizes these payments. This change is also being made in order to comply with Medicare upper payment limit requirements of 42 CFR 447.272 and 42 CFR 447.321. It is estimated that the fiscal impact of this change will be a reduction in annual state and federal expenditures of approximately \$260 million (federal share of \$173 million and state share of \$87 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 Division of Family Resources office, except in Marion County, where public inspection may be made at 402 West Washington Street, Room W374, Indianapolis, Indiana.

There will be no public hearing. Anyone who wishes to comment on the proposed changes may submit written comments to: FSSA, Office of Medicaid Policy and Planning, Attention: Jennifer Rankin, 402 West Washington Street, Room W382, P.O. Box 7083, Indianapolis, IN 46207-7083. Correspondence should be identified in the following manner: COMMENT RE: CHANGES TO HOSPITAL REIMBURSEMENT. All written comments concerning this change received by OMPP will be available for public inspection at the OMPP, 402 West Washington Street, Room W382, Indianapolis, Indiana.

Debra F. Minott
Secretary
Family and Social Services Administration

Posted: 06/25/2014 by Legislative Services Agency
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