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OFFICE OF THE SECRETARY OF FAMILY AND SOCIAL SERVICES

**Notice of Changes in Methods and Standards for Medicaid Payments for  
Outpatient Hospital Services**

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 (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).

The OMPP proposes to allow the three percent (3%) rate reduction for outpatient hospital services to expire as scheduled on June 30, 2021. This change applies to outpatient hospital services (excluding ambulatory surgical center reimbursement) under the Medicaid State Plan and state regulations at [405 IAC 1-8](#). The last extension of this 3% rate reduction was announced in BT202010.

It is estimated that the fiscal impact of ending the three percent (3%) rate reduction will be an annual cost of approximately \$0.2 million for SFY 2021 (federal share of \$0.1 million and state share of \$0.1 million) and \$0.2 million for SFY 2022 (federal share of \$0.1 million and state share of \$0.1 million), as compared to state and federal expenditures with the three percent (3%) reduction.

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: Sara Albertson, 402 West Washington Street, Room W382, P.O. Box 7083, Indianapolis, IN 46207-7083 or by email to [spacomments@fssa.in.gov](mailto:spacomments@fssa.in.gov). Correspondence should be identified in the following manner: COMMENT RE: NOTICE REGARDING CHANGES TO REIMBURSEMENT METHODOLOGY FOR OUTPATIENT HOSPITAL SERVICES. Written comments will be made available for public inspection at the address herein of the OMPP.

Jennifer Sullivan, MD, MPH  
Secretary  
Family and Social Services Administration

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An [html](#) version of this document.