
OFFICE OF THE SECRETARY OF FAMILY AND SOCIAL SERVICES

Notice of Change in Nursing Facility Reimbursement Methodology

In accordance with public notice requirements established at 42 CFR 447.205, Section 1902(a)(13)(A) of the Social Security Act, and [IC 12-15-14-8](#)(b), 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 nursing facilities. The public comment period will run from December 28, 2022, through January 27, 2023.

The OMPP proposes to implement a hybrid methodology that utilizes a predetermined price for direct care, indirect care, and administrative components; incorporates a direct care floor; and provides updates to the fair rental value methodology.

The proposed change to reimbursement will be implemented beginning January 1, 2024. There will be a transition period from January 1, 2024, through December 31, 2026, which will blend the current reimbursement rates with the new hybrid reimbursement rates. The transition from the current rate methodology to the new rate methodology will be done on an aggregate budget neutral basis and will not have a corresponding fiscal impact.

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. Written comments may be directed to FSSA, Office of Medicaid Policy and Planning, Attention: Madison May-Gruthusen, 402 West Washington Street, Room W382, P.O. Box 7083, Indianapolis, IN 46207-7083 or by email to spacomment@fssa.in.gov. Correspondence should be identified in the following manner: COMMENT RE: NF REIMBURSEMENT METHODOLOGY CHANGES. Written comments will be made available for public inspection at the address herein of the OMPP.

Daniel Rusyniak, MD
Secretary
Family and Social Services Administration

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