



INDIANA COMMISSION
for
HIGHER EDUCATION

June 21, 2010

Senator Vi Simpson
Senate Democrat Leader
4965 West Woodland Drive
Bloomington, IN 47404
Re: Indiana Commission for Higher Education budget actions

Senator Simpson,

In response to your letter dated June 1, 2010, I am happy to supply you with the budget information you requested.

1. A list of your agency's implemented and proposed cuts and withheld distributions for FY 2010 and 2011 by program:

	<u>FY 2009</u>	<u>FY 2010</u>	<u>%Δ</u>	<u>FY 2011</u>	<u>%Δ</u>
CHE Operating					
appropriation	\$1,538,266	\$1,476,735	-4.0%	\$1,476,735	0.0%
actual/planned reversion	<u>\$153,829</u>	<u>\$147,674</u>		<u>\$295,347</u>	
actual/planned distribution	\$1,384,437	\$1,329,062	-4.0%	\$1,181,388	-11.1%
Statewide Transfer System					
appropriation	\$671,139	\$644,293	-4.0%	\$644,293	0.0%
actual/planned reversion	<u>\$0</u>	<u>\$96,744</u>		<u>\$128,859</u>	
actual/planned distribution	\$671,139	\$547,549	-18.4%	\$515,434	-5.9%

2. The methodology used to determine how cuts are made:

As a small office, our cuts were allocated against our general operating budget through leaving vacant positions unfilled, freezing staff salaries, and reducing administrative expenses. The Statewide Transfer System cuts have been made by delaying implementation of vendor contracts and by finding temporary sources of funds to fill gaps.

3. Implementation dates of all budget cuts and personnel layoffs

All budget cuts were implemented, or begun on the first day of each fiscal year. No lay-offs have been required. However, vacant positions remain vacant.

4. Expected reversions to date by program

See above table

5. Estimated impact of cuts on people served by each program.

As a coordinating board, cuts to our budget have not had a direct effect on the people served by the state's public higher education system.

Please feel free to contact me with questions.

Sincerely,

A handwritten signature in black ink that reads "Teresa Lubbers". The signature is written in a cursive, flowing style.

Teresa Lubbers
Commissioner, Indiana Commission for Higher Education



STATE PERSONNEL DEPARTMENT
402 W. Washington St., Rm. W161
Indianapolis, Indiana 46204-2261
Telephone: (317) 232-0200

Mitchell E. Daniels, Jr.
Governor

Daniel L. Hackler
State Personnel Director

June 23, 2010

Senator Vi Simpson
4965 West Woodland Drive
Bloomington, IN 47404-8935

Dear Senator Simpson:

The State Personnel Department's (SPD) strategy for saving taxpayers' money is to significantly reduce human resource staff throughout the various state agencies and provide top-notch service to our constituencies through the efficiencies of centralizing all human resource functions in one agency.

State Personnel began the centralization efforts in 2005. In August 2009, a financial management circular (FCM) was signed to make the process more formal (see attached letter and FCM).

It is SPD's goal to complete centralization of agency human resources departments by December 31, 2010. The centralized model transforms agency support to a shared services model, which reduces the redundancy of maintaining separate HR departments across state government. This integration of HR services ensures more consistent application of State Personnel policy and state and federal employment laws while reducing costs and improving efficiency. Through centralization, we have been able to streamline processes and our goal is to reduce the statewide HR footprint to a staffing level of 199 by the end of 2010.

- SPD has partnered with 68 merit, non-merit and quasi-agency business units for centralized HR services. This involves 94% of state agencies.
- Currently our services are provided by 157 HR professionals and staff through the State Personnel Department.
- A total of 301 HR positions have been deactivated across state government as of June 11, 2010, with salaries and fringes totaling \$14.9 million.
- SPD will partner with the remaining agencies over the course of 2010 to complete our shared services goal. This will result in deactivation of 33 additional positions for an additional \$1.8 million in savings to the taxpayers.

Of the 301 eliminated HR positions, six incumbents retired, eight resigned, 10 were terminated, 56 positions were vacant, 61 were hired by SPD, 18 were laid off and the balance accepted other approved positions in the same or a different state agency.

While there has been growth within State Personnel to support the HR Centralization objective, other strategic decisions and actions have occurred simultaneously that have enabled the State Personnel Department to meet the 10% reversion target of our general fund appropriation as well as reduce the HR Service Fee for our internal service dedicated fund in year 2 by nearly 22%.

In January 2010, SPD restructured the Employment Division, resulting in a reduction of the number of individuals necessary for recruiting and evaluating applications from 17 to six. Existing technology within the PeopleSoft HR System was utilized to streamline the initial screening and review of employment applications. The impacted employees were reallocated to other divisions and field operations to support newly centralized agencies, resulting in no layoffs and fewer new positions being created. No other SPD programs or positions were reduced or eliminated.

The majority of the costs associated with SPD operations are salaries and fringe benefits. SPD has also taken the following actions to meet the reversion target:

- Significantly limited both in and out-of-state travel
- Limited the number of professional organization memberships to one for the agency
- Limited participation in training
- Made no major equipment purchases
- Had 21% of SPD employees participate in the Temporary Voluntary Unpaid Leave Program (see attached TVUL policy)
- No general salary adjustments (See attached press release from Governor Daniels notifying employees that they will not receive a pay increase in 2010, the same action as 2009.)

As an internal service organization, SPD does not make distributions to any groups or organizations, nor does SPD administer any programs that would directly impact the public.

In addition to all of the above, SPD implemented a consumer-driven health plan (CDHP) in 2006 to get consumers more engaged in their healthcare decisions. This program is on the cutting edge of modern health care plans and has provided savings for both the taxpayers and our employees. Mercer conducted an independent analysis of our consumer-driven plans and found that the two CDHPs had combined savings of 10.7% per year, with projections to save \$17-23 million for the state in 2010. Mercer also projected that state employees and their families enrolled in the CDHPs will save \$7-8 million in 2010. We currently have more than 70% of our employees in one of two CDHPs, which are also the plan of choice for the school corporations, voluntarily joining our state health care programs.

Thank you for the opportunity to share with you what we consider to be a success story in the reduction of the costs associated with the operations of Indiana state government.

Respectfully,



Daniel L. Hackler
State Personnel Director

Cc: Governor Mitch Daniels
Chris Ruhl, State Budget Director



STATE PERSONNEL DEPARTMENT
402 W. Washington St., Rm. W161
Indianapolis, Indiana 46204-2261
Telephone: (317) 232-0200

Daniel L. Hackler, Director

TO: ALL STATE AGENCIES

FROM: DANIEL L. HACKLER, STATE PERSONNEL DIRECTOR
CHRISTOPHER A. RUHL, STATE BUDGET DIRECTOR

DATE: AUGUST 6, 2009

RE: APPROVED FY2010 FEES FOR CENTRALIZED HR SERVICES

Governor Daniels has requested the centralization of human resource services. Much the same as the centralization of IT services, by sharing resources and eliminating duplicative processes, significant statewide savings and efficiencies can be achieved. The attached Financial Management Circular specific to the HR Centralization Project has been posted to the State Budget Agency website. For additional information, please refer to the following pertaining to the FY2010 approved fees for centralized HR services.

FY 2010 ANNUAL FEE

\$350 per authorized fulltime position

\$150 per authorized non-fulltime position (part-time, intermittent, temporary)

POSITION COUNT INFORMATION

Monthly fees will be based on the total number of authorized positions of the final Staffing Report of the previous month.

BILLING SCHEDULE

Centralized agencies should expect the first HR administration fee to be posted to their agency default fund center in the first week of October for the first four months of FY2010 (July, August, September, and October). From that point on, the charges will post monthly.

BILLING INFORMATION NEEDED

Please provide to the State Personnel Department Finance Division your agency's default chart of accounts information in the Encompass format. This information can be sent to the attention of Allen Aitken at aitken@spd.in.gov.

On behalf of both the State Personnel Department and the State Budget Agency, we appreciate your continued support and cooperation in the efforts to streamline state government. State Personnel will gladly respond to any questions you may have regarding the centralization efforts. Please contact your Budget Analyst to discuss any fiscal concerns.

Cc: Agency Finance Directors
Agency HRDs

Financial Management Circular: 2009-1
Effective Date: July 1, 2009
General Subject: Human Resources
Specific Subject: State Personnel Department
Authority: IC 4-12-1-13(h)
IC 4-15-1.8-7
Application: This circular applies to all state agencies, as that term is defined herein.

Section 1. Miscellaneous Provisions

Human Resources (HR) Defined. The term "Human Resources" includes the development and administration of the HR system, rules, policies, and compensation plans for the executive branch of state government. This includes providing all strategic, transactional, and advisory human resources services required by State Agencies to achieve statewide and State Agency goals in the areas of (1) benefits, (2) compensation and organizational design, (3) employee relations, (4) HR related training, (5) Onboarding/New Employee Orientation, (6) employment and recruiting, (7) IT Support to the Peoplesoft HR application, (8) communication to all employees on HR related topics, (9) administration of the strategic hiring process, (10) maintenance of employee data and transactions, and (11) performance management .

State Agency Defined. The term "State Agency" shall mean an authority, a board, a branch, a commission, a committee, a department, a division, or another instrumentality of the executive, including the administrative department of state government. The term shall include bodies separate corporate and politic. The term does not include: the judicial or legislative departments of state government or a state educational institution (as defined in IC 21-7-13-32).

Section 2. Centralized HR Services

Centralized HR Services. State agencies shall use the HR services provided by the Indiana State Personnel Department. The legislative and judicial departments and other instrumentalities of state government are encouraged to take full advantage of the centralized human resources services provided by the State Personnel Department (SPD).

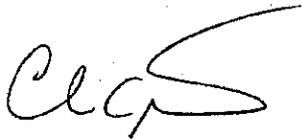
Section 3. SPD Rate Setting & Billing

The SPD shall strive to provide its services at the lowest practical cost and manage state human resource needs in the most efficient and cost-effective manner.

The SPD shall create a schedule of rates for its services, which shall be available on SPD's website. SPD's rates for its services shall be directly attributable to the costs associated with providing these services. SPD's rates may change from time to time in order to ensure that SPD recovers no more than the costs associated with providing its services. SPD may charge additional surcharges to cover the costs of overhead and the SPD's statewide cost allocation plan allotment; such surcharges, however, shall not include the costs of special projects or other functions that should more properly be included in the cost of the SPD's services.

On October 1, 2009, agencies shall be billed for the months of July, August, September, and October, after which agencies will be billed on a monthly basis.

SPD's annual budget shall be subject to the review and approval of the State Budget Agency.



Christopher A. Ruhl
Director, State Budget Agency

6 Aug 2009

Date



Daniel L. Hackler
Director, State Personnel Department

8-6-09

Date



STATE OF INDIANA

Mitch Daniels, Governor



Dr. T. Neil Moore, Executive Director
INDIANA CRIMINAL JUSTICE INSTITUTE
101 W. Washington St., Suite 1170
Indianapolis, Indiana 46204-2038
Telephone: (317) 232-1233
Fax: (317) 232-4979

June 21, 2010

State Senator Vi Simpson
Minority Leader
4965 West Woodland Drive
Bloomington, Indiana 47404-8935

Re: Program Cuts

Dear Senator Simpson:

Please find the information requested in your letter of June 1, 2010 outlined below:

Administrative Action

As a starting point, the Indiana Criminal Justice Institute (ICJI) has engaged in several administrative actions to control agency costs. No agency personnel have received pay increases for the previous fiscal year, nor are raises planned for the current fiscal year. In cooperation with the Strategic Hiring Committee, some positions have been eliminated and other hiring has been deferred. ICJI and the State Budget Agency are currently experimenting with a consolidated accounting arrangement to explore potential efficiencies that may be gained by combining this function with the same work required in other smaller agencies. Finally, in cooperation with the Out-of-State Travel Committee, agency travel has been reduced to the point of only sending essential personnel to federally mandated conferences and trainings.

Status of Reversion Plan:

1. Revert 100% of Drug Match Appropriation (Fund 16870). Money de-allocated and in reserve. Target achieved.
2. Implemented a 5% reserve on the General Fund portions of the Indiana Safe Schools (Fund 14870), the Domestic Violence and Prevention Fund (Fund 11590), and the Child Restraint System Fund (Fund 16950). Money de-allocated and in reserve. Target achieved.
3. Appropriation of dedicated fund Alcohol and Drug Countermeasures (Fund 32610) and the Drug Free Communities (Fund 34510). Money de-allocated. Target achieved.
4. Sweep remaining cash balances of Legal Funds 2540 Drug Free Communities and 2240 Alcohol and Drug Countermeasures. This action will be undertaken at closeout.

Methodology Used to Determine Cuts

As a state administering agency, the Indiana Criminal Justice Institute (ICJI) receives and disburses a large amount of federal grant funding to various criminal justice agencies throughout Indiana. The funds identified to aid in meeting the state's reversion targets were only state appropriations and several state dedicated funds overseen by ICJI. Where 5 percent reserves were taken, the decisions were made based on meeting the reversion target while trying to sustain programmatic operations using federal funding. The Drug Match Appropriation, Drug Free Communities, Alcohol and Drug Countermeasures funds were cuts based upon unobligated balances carried forward in state level funding available that would be the least detrimental to available programming.

Implementation Dates

All funding to meet reversion targets were officially committed to in response to statewide budget actions on reserve targets and dedicated funds publicly communicated last year. Funding sweeps become effective June 30, 2010. There were no personnel layoffs in ICJI.

Expected Reversions by Program

See above response.

Estimated Impact of Cuts on People Served

Due to the amount of federal funding overseen and disbursed by ICJI, there were no cuts to the people served by our agency.

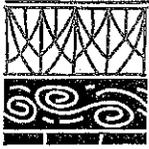
On behalf of the Indiana Criminal Justice Institute, thank you for allowing us to address your requests. If you have additional questions, please feel free to contact me at nmoore@cji.in.gov.

Sincerely,



T. Neil Moore, Ed.D.

cc: Christopher Ruhl
Betsy Burdick
Sebastian Smelko



WHITE RIVER STATE PARK

MORE TO DO THAN YOU EVER KNEW™

801 WEST WASHINGTON STREET
INDIANAPOLIS, INDIANA 46204
317.233.2434
FAX 634.4508

June 21, 2010

Senator Vi Simpson
4965 West Woodland Drive
Bloomington, IN 47404

Dear Senator Simpson:

White River State Park is a quasi-State agency which participated in the FY 10 reserve request of 10%. We were able to achieve budgetary efficiencies through general reductions in our operating expenses (described below). We did not cut any programs or projects. We were able to meet reserves by:

1. Enlisting only unpaid interns;
2. Leaving vacant positions unfilled;
3. Delaying the replacement of staff members;
4. Freezing pay raises;
5. Hiring DOC work release offenders instead of seasonal grounds maintenance employees;
6. Integrating into the Capitol Police downtown patrol circuit instead of dedicated, overtime officers;
7. Imposing a moratorium on miscellaneous services;
8. Instituting a contract optimization process for all external contracts;
9. Eliminating outside counsel payments by utilizing the Attorney General's staff;
10. Reducing the purchase of supplies, materials and parts;
11. Restricting the purchase of new equipment;
12. Limiting in-state travel and requiring pre-approval for such by me;
13. Basically eliminating out-of-state travel; and
14. Exercising voluntary unpaid leave.

We expect to make our 10% reversion target for FY 10 but will not know the final number of this until the close out. Note that this has been achieved without staff layoffs or decreases in customer satisfaction. For future reversion targets, we plan to continue and further hone these initiatives.

Sincerely,

Robert Whitt, Executive Director

Cc: Governor Mitch Daniels
Chris Rühl, State Budget Director



INDIANA
OFFICE OF INSPECTOR GENERAL

315 WEST OHIO STREET, ROOM 104, INDIANAPOLIS, IN 46202 317.232.3850

June 18, 2010

The Honorable Vi Simpson
4965 West Woodland Dr.
Bloomington, IN 47404-8935

Dear Senator Simpson,

This letter serves to provide the information requested in your June 1 letter regarding agency budget reductions. Thank you for your inquiry regarding our agency budget.

The Indiana Office of Inspector General (OIG) is appropriated an annual operating budget of \$1.4M for state fiscal years 2010 and 2011. This reflects a 11% decrease from the OIG annual operating budget of \$1.6M for state fiscal years 2008 and 2009.

The OIG operates two programs, per se: the State Ethics Commission and the Inspector General functions. Neither program makes distributions other than for agency operations. *i.e.* no grant or entitlement funds are distributed by OIG.

OIG operating expenditures for FY 2010 are expected to be \$1.3M, or about 10% less than SFY 2010 appropriation. A pay freeze has been in effect since 2008. The decrease in expenditures from FY 2009 to FY 2010 is primarily attributable to recent structural changes at the OIG:

Personal services

- Decreased \$93k or 7% from FY 2009 to FY 2010 due to voluntary retirement of two OIG employees

Lease expenses

- Decreased \$60k or 47% from FY 2009 to FY 2010 due to relocation from ISTA to Indiana State Library
- Will decrease another \$68k in FY 2011

In addition to the FY 2010 reversion target of \$130k, the OIG will revert \$50k in revenue to the General Fund at the close of FY 2010, mainly comprised of restitution payments made by criminal defendants.

The 15% reversion target for FY 2011 will result in the OIG reverting \$217k at the close of FY 2011. The OIG will rely on eliminated lease expenses and reduced out-of-state travel to meet the 15% target in FY 2011. No personnel layoffs have occurred at the OIG and none are planned.

Please contact me with any questions or concerns you may have regarding the information contained herein.

Regards,



David O. Thomas
Inspector General



Cynthia V. Carrasco
State Ethics Commission Director



ssaci
state student assistance
commission of indiana

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150 W. Market Street, Suite 500
Indianapolis, Indiana 46204
317.232.2350 ph 317.232.3260 fax
www.ssaci.in.gov

June 22, 2010

Sen. Vi Simpson
Minority Leader
Indiana Senate
Statehouse

Dear Senator Simpson,

Thank you for your inquiry regarding the State Student Assistance Commission of Indiana (SSACI) and the Indiana Commission on Proprietary Education (ICOPE) contributions to Indiana's overall budget reductions. Please find the answers to your questions below:

- 1) *A list of your agency's implemented and proposed cuts and withheld distributions for FY 2010 and 2011 by program*

Because of no pay increases, two planned retirements, the dismissal of three staff members due to disciplinary problems, a military leave, and an employee on long term medical leave, we have been able to accumulate savings and put them toward the reversion for the coming fiscal year. We have reorganized staff, automated and modernized procedures to alleviate much of the manual work that was done in the past.

Both agencies have gone paperless saving costs associated with producing letters, postage and labor.

The Hoosier Scholars award was suspended for the coming school and fiscal year.

In January of 2010, SSACI/ICOPE relocated to the Government Center South building.

Staff has voluntarily contributed 56 hours of unpaid time off, and others are planning on utilizing this benefit in the coming year. We have announced "Summer Friday's" in which an employee may take Friday afternoon's off (unpaid) during summer months.

SSACI increased funding above the appropriation for the largest need based and entitlement grant programs: The Frank O'Bannon Program, and the 21st Century Scholars programs. Funding was shifted from smaller merit based grants to accomplish this.

ICOPE now conducts accreditation visits in conjunction with the national and regional accrediting organizations.

2) *The methodology used to determine how cuts are made*

We prioritized cuts from administrative and travel budgets in order to protect funding for need based financial aid programs.

3) *Implementation dates of all budget cuts and personnel layoffs*

Two retirements: one effective December 2009, the other January 2010

Dismissal: March 2009

Dismissal: October 2009

Dismissal: April 2010

Military leave expiration: October 2010

Medical leave expiration: Unknown

4) *Expected reversions to date by program*

See response to question number 1.

5) *Estimated impact of cuts on people served by each program*

SSACI has seen an unprecedented rise in on-time and eligible applications for financial aid over the past two years. Indiana was able to increase the number of students receiving need based aid to support access to postsecondary education. While the amount of individual aid awards has varied over the past two years due to increases in eligible students and tuition charges, Indiana is rightfully proud to be one of the most generous states with need based aid for students.

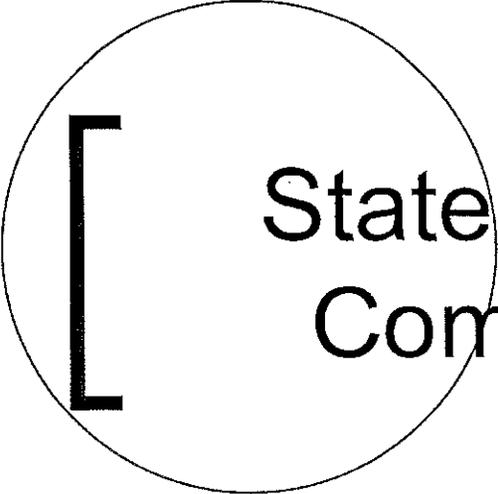
I've attached a PowerPoint presentation from the March Commission meeting. Please let me if you have further questions.

Respectfully,



Claudia Braman
Executive Director
State Student Commission of Indiana
Commissioner
Indiana Commission on Proprietary education

Cc: Governor Mitch Daniels
Chris Ruhl, State Budget Director



[State Student Assistance
Commission of Indiana]

Executive Director's Report
March 24, 2010
Commission Meeting
Claudia Braman

Overview

- SSACI contributions to fiscal responsibility:
 - * administrative
 - * policy
 - * reorganization
- 2010 Legislative Session
- Indiana's state of financial aid as compared to other states
- ICHE / SSACI financial aid study
- Facts at a glance

SSACI contributions to fiscal responsibility: Administrative

- Returned SSACI car to state
- Transitioning to paperless communications
- Modernization and automation of systems and process
- Cut 10% across the budget as directed by the Governor, EXCEPT for HEA, FOC and 21st. This is subject to change.
- Moved from ISTA location to on-campus office space

SSACI contributions to fiscal responsibility: Policy

- Suspension of Hoosier Scholars Program
- Elimination of contract payment for students attending out of state colleges through “contract for space”
- Studying many other possibilities in conjunction with ICHE and Governor’s office

[SSACI contributions to fiscal responsibility: Reorganization]

- Streamlining of process and procedure meant changes in job responsibilities
- Two retirements
- Headcount down from high of 30 to 22

Indiana as compared to...

- **Illinois**- considering deeper cuts than already executed multi-million dollar reduction in aid
- **Missouri**- Governor proposed cutting aid to independent college students altogether
- **Michigan**- Governor proposed cutting aid to independent colleges as well as several specific aid programs
- California
- Florida
- Arizona
- Idaho
- Utah
- Rhode Island
- All these states known for robust state financial aid programs
- All these states have seen dramatic cuts in funding

State Cuts Are Pushing Public Colleges Into Peril (Chronicle of Higher Education)

- "Shortfalls in California, which faced the largest budget gap in the nation this year, have grabbed much of the attention as tens of thousands of students were turned away from public colleges and tuition rose by more than 30 percent. But other states' public higher-education systems are getting hit just as hard or harder," the *Chronicle of Higher Education* reports. "Utah saw the biggest percentage drop in state general-fund spending over the past two years, while also facing one of the fastest projected growth rates in high-school graduates. Arizona's budget gap was nearly as large as California's, by percentage of its general-fund budget, and it is facing much faster growth in its traditional college-age population. Florida, too, is seeing rapid population growth and big drops in state spending that have resulted in large cuts in higher education. In Colorado federal stimulus dollars have made up close to one-fifth of the total state budget for higher education in 2009 and 2010 combined, making the state the most heavily reliant so far on that temporary pot of money for financing higher education."

ICHE / SSACI financial aid study as mandated by budget bill

- Studying:
 - * 21st Century Scholars
 - * Children of Veterans and Officers Programs
 - * Funding of higher education for Prisoners
 - * SSACI methodology
 - * Consideration of Pell grant
 - * Funding levels of Publics and Independent Colleges
 - * Need based aid vs. merit based aid

Facts at a glance:

■ 2009 – 2010 (3/23/09)

Valid apps: 191,397

Edit status: 52,298

Wait: 15,124

.....
Apps up 24% over
2008-2009

■ 2010 – 2011 (3/23/10)

Valid apps: 212,622

Edit status: 65,836

Wait: 17,938

.....
Apps up 15% over
2009-2010



Indiana Department of Education

SUPPORTING STUDENT SUCCESS

June 17, 2010

Senator Vi Simpson
Minority Leader
4965 W. Woodland Dr.
Bloomington, IN 47404-8935

Dear Senator Simpson:

During these difficult economic times, Hoosiers have been doing more with less and learning to live within our means as our country's economy has been reset. I am very proud of the leadership position the Indiana Department of Education (IDOE) has taken during these difficult times. We have proven that government can be more responsive and efficient with fewer resources when you create clear goals, set high expectations and assemble a dedicated team of talented individuals.

Due to economic constraints, we have had to make many difficult decisions about how we will allocate state and federal resources. Our primary concern when making each of these decisions has been the impact on Indiana's students. With leadership from the Governor and the State Budget Agency, and as a result of the sacrifice of other agencies and state workers, Indiana was able to minimize the decrease in K-12 funding compared to the huge cuts made in neighboring states. Now, we must rely on local schools to put the best interests of students first when making funding allocation decisions. We must also ask adults in these school buildings to make the same compensation sacrifices that others in government have made over the past two years.

Program and operational cuts have been applied based on the anticipated impact to IDOE's goal to have 90% of students passing ISTEP, a 90% graduation rate and 25% of our graduates receiving dual credit or successfully passing an AP or IB class. We have not compromised one federal or state statute with these cuts, but instead we have focused our resources to ensure our students meet or exceed these high expectations.

Since arriving in January 2009, the IDOE's operational budget has been reduced by over 25% due to these challenging economic times. We have taken advantage of technology, transformed our operations and identified savings in all areas of the IDOE. We simply cannot ask for another penny from Indiana's hard-working taxpayers. Instead, we must learn to adjust to this new norm without ever sacrificing service or success.

I look forward to working with you over the next two and a half years as we strive to do more with less and usher in a new era in terms of the way schools and government agencies do business in Indiana.

Sincerely,

Dr. Tony Bennett
Superintendent of Public Instruction



STATE OF INDIANA

Mitchell E. Daniels, Jr.
Governor

INDIANA EDUCATION EMPLOYMENT RELATIONS BOARD
INDIANA GOVERNMENT CENTER NORTH
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June 21, 2010

Senator Vi Simpson
Minority Leader
4965 W Woodland Dr
Bloomington IN 47404-8935

Dear Senator Simpson,

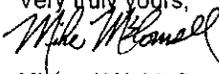
IEERB is a very small agency with five (5) full-time employees and approximately twenty-five (25) ad hoc panelists who serve as mediators, factfinders and administrative law judges.

Our agency has implemented numerous efforts to reduce expenditures and increase our efficiency while maintaining our legislative mandate:

1. Personnel. We have eliminated or consolidated two full-time positions. This included merging our Research Director and General Counsel positions and elimination of a Program/Training Specialist position. The individuals in these positions were simply not replaced. There were no layoffs.
2. Metrics. Our efficiency has not been compromised by the personnel cuts. Our agency has met all of its performance metrics, including:
 - a. Unfair labor practice mediation
 - b. Research
 - c. Conciliation, which includes mediation and factfinding
3. Budget. Fiscal year to date, 20% under budget. This is in addition to the 10% reversion. We will continue to seek additional cost cutting measures without impacting the quality of service to our constituents.
4. Efficiency. We are limiting mediation sessions unless significant progress is being made. This greatly reduces the cost of our ad hoc panelists and creates a pressure point for settlement which is not provided in the enabling statute. This is in contrast to the past practice of 30 years when mediators were sent without limitation.
5. Other. The Agency has further reduced its overhead by granting no pay raises, limiting travel, cutting in-house legal library expenses and postponing upgrades in office equipment.

We have no idea how our workload will develop over the coming months, but there is nothing on the horizon that leads me to the conclusion that the current trend of a moderate workload will change.

If you need additional information, please do not hesitate to contact me.

Very truly yours,

Michael W. McConnell, Ed.D
Chairman

MWM:mrj

MITCHELL E DANIELS, JR.
GOVERNOR

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CHAIRPERSON
ALLEN CO

KRISTIE M CARTER
VICE CHAIRPERSON
MARION CO

SARAH E EMERSON
SECRETARY
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MARY ALTER
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RONDA AMES
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PATRICIA ANDERSEN
LAKE CO

DOUGLAS R GOEPPNER
DUBOIS CO

HOPE LEWIS
LAKE CO

GARY MAY
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LARRY WIESENAUER
MADISON CO

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THOMAS GALLAGHER
EXECUTIVE DIRECTOR



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VOICE 317.722.5555
FAX 317.722.5564
TOLL FREE VOICE 800.622.4845
TOLL FREE TTY 800.838.1131
WWW.IN.GOV/IPAS

June 11, 2010

Senator Vi Simpson
Minority Leader
4965 West Woodland Drive
Bloomington, IN 47404-8935

Dear Senator Simpson:

This letter is written in response to your June 2, 2010 request for information. As Indiana Protection and Advocacy Services is 100% federally funded, this agency and the people served by its programs have not been impacted by state budget cuts.

Respectfully,

Thomas Gallagher
Indiana Protection and Advocacy Services



Advancing the safety, health and prosperity of Hoosiers in the workplace.

MITCHELL E. DANIELS, JR., GOVERNOR
Lori A. Torres, Commissioner

402 West Washington St., Room W195
Indianapolis, IN 46204-2751

Phone: (317) 232-2655
Fax: (317) 233-3790

June 21, 2010

Senator Vi Simpson
200 W. Washington Street, Room 3A-4
Indianapolis, Indiana 46204

Dear Senator Simpson,

Thank you for your letter of June 1, 2010. In response, I have included below a list of various cost reduction initiatives undertaken as a result of the state's lower revenues. In addition, I have enclosed the fiscal year 2010 reserves by division. We have worked to find the least impactful places where we could cut spending, while still performing all of the essential or statutorily mandated duties of the Department of Labor.

The cost reduction measures include:

- OSHA Training Institute training travel – reduced by well over half
- Out-of-State conference travel – only where federal grant requires, policy requires or job critical travel requires
- INSafe travel reduced to nearly eliminate overnight travel and non-consultation travel
- Fleet Vehicle Management with enforced travel matrix to reduce overall travel expenses
- Cancelled 2 all agency meetings to reduce travel costs
- Web based training/remote field attendance to reduce travel costs
- INSafe scholarship awards – eliminated entirely
- Letterhead elimination of color, preprinted letterhead. We are generally using only photocopies of letterhead.
- VPP flags – less expensive version ordered
- Paper quality reduced
- Increased email correspondence and created more web-based communication portals
- Switched vendors for online legal research
- Fewer educational mailings from Child Labor and INSafe
- Reduced cost of VPP award plaques by choosing more basic products
- Printing expenses reduced (elimination of 2 hole punches, shrink wrap, different photo mounting forms, etc.)
- No purchase of new employee IOSHA uniforms
- Equipment not calibrated or agency borrowed calibration equipment from other agencies
- Emphasizing email storage costs and retention schedules for email

Senator Vi Simpson

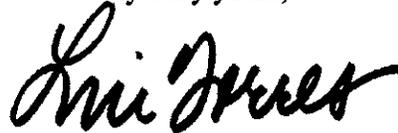
June 21, 2010

Page 2

- Eliminated most all pagers
- Voluntary Unpaid Leave permitted and encouraged where operationally feasible
- Eliminated distribution of free IOSHA standards books by consultation division
- Curtailed Industrial Hygiene equipment purchases
- Restrictions on purchases of office supplies
- Exhaustion of stored postage stamps
- Left vacant positions unfilled
- Reorganized the Operations Division resulting in the reduction of 1 position
- Reorganized the Bureau of Mines resulting in the reduction of 1 position

I appreciate your interest in our agency. If you have any questions, please don't hesitate to contact me.

Very truly yours,

A handwritten signature in black ink, appearing to read "Lori Torres". The signature is fluid and cursive, with a large initial "L" and "T".

Lori Torres
Commissioner

Enclosure
LAT/clw

cc: Gov. Mitch Daniels
Chris Ruhl, State Budget Director

F Y 2010

Division	Appropriated Salaries/Benefits	Appropriated Operations Exp	Appropriated Total	Calculated 10% Reserve	Actual Reserve to date
W&H/Admin.	871,619	141,615	1,013,234	101,323	220,942
Bureau Mines	150,554	20,104	170,658	17,066	25,057
QMS	207,354	22,360	229,714	22,971	14,844
IOSHA	3,237,073	568,548	3,805,621	380,562	284,845
Child Labor/EOY	183,555		183,555	18,355	6,367
INSAFE	874,587	217,752	1,092,339	109,234	97,456
	5,524,742	970,379	6,495,121	649,511	649,511



June 21, 2010

Senator Vi Simpson
Minority Leader
Indiana Senate
200 West Washington Street
Indianapolis, IN 46204

Dear Senator Simpson:

I am writing in regards to your June 1st letter concerning budget information pertaining to the Indiana Housing and Community Development Authority. Below you will find an answer to each question.

1. A list of agency's implemented and proposed cuts and withheld distributions for FY 2010 and 2011 by program.

For FY 2010 IHCDA has reverted a total of \$2,800,000 back to the State. This consists of \$1,000,000 from the appropriation for Individual Development Accounts and \$1,800,000 from the Affordable Housing and Community Development Fund. For FY 2011, IHCDA continues to evaluate options. In addition to the reversions, IHCDA has participated in the salary freeze, and having new hiring approved by the Strategic Hiring Committee.

2. The methodology used to determine how cuts are made.

IHCDA staff looked at programs with flexible funding sources where we could replace State funding with other sources of revenue with little or no impact to the programs. The Individual Development Account program was fully funded through the Development Fund which allowed the State to leverage the maximum federal grant under the Assets for Independence Act. Meanwhile, reversions from the Development Fund were fully offset by Community Development Block Grant – Disaster funds.

3. Implementation dates of all budget cuts and personnel layoffs.

These reversions took place during FY2010. There were no layoffs related to these changes.



Indiana Housing & Community Development Authority

4. Expected reversions to date y program.

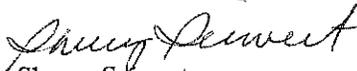
IDA's	\$1,000,000
Development Fund	\$1,800,000

5. Estimated impact of cuts on people served by each program.

Because of the way IHCDA was able to substitute funding sources to offset the States funding cuts, the current impact to those served by these programs has been almost non-existent.

IHCDA appreciates the General Assembly taking an active interest in Indiana's fiscal constraints to ensure that state resources are used efficiently and effectively. Please let me know if you need additional information.

Sincerely,


Sherry Seiwert

cc: **Governor Mitch Daniels**
Lt. Governor Becky Skillman
Chris Ruhl, State Budget Director



Mitchell E. Daniels, Jr., Governor
James W. Payne, Director

Indiana Department of Child Services

Room E306 - MS47
302 W. Washington Street
Indianapolis, Indiana 46204-2738

317-234-KIDS
FAX: 317-232-4497

www.in.gov/dcs

Child Support Hotline: 800-840-8757
Child Abuse and Neglect Hotline: 800-800-5556

June 23, 2010

Senator Vi Simpson
State of Indiana
Indiana State Senate
Third Floor Statehouse
Indianapolis, IN 46204

Senator Simpson,

The Department of Child Services is consistently working to identify ways to maximize the impact of its funding for the services it provides to children and families in Indiana. In the current economic environment, the importance of this effort is magnified and many difficult decisions must be made.

Over the past year, DCS has initiated the two major strategies to more effectively deploy its limited resources.

First, effective January 1, 2010, DCS reduced rates by 10% for community based preservation services providers. The Department also reduced funding by 17% for the Healthy Families program. While DCS recognizes the value and importance of prevention programs, our statutory responsibility for and commitment to direct intervention services and programs for Indiana's children who are victims of abuse and neglect limits our flexibility and options in managing our budget. DCS is currently applying for a federal grant to supplement funding for the Healthy Families program.

Second, in January we announced the reorganization of our finance and administration operations to ensure it better aligned with new business requirements and maximized the benefits of recent technology upgrades. This resulted in the elimination of approximately 75 positions and will be completed by the end of this month. While this is a reduction in staff, it involved administrative functions and not direct service delivery to children and families.



Protecting our children, families and future

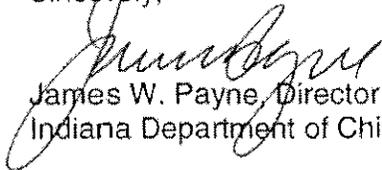
DCS also participated in a number of statewide cost containment strategies including providing no pay increases for employees for a second consecutive year, implementing significant restrictions on travel, limitations on overtime and a committing to the strategic hiring process.

Please note the Department took these steps without adverse impact to our over 1500 Family Case Managers and 240 Supervisors.

These fiscally prudent moves and other strategic initiatives will allow the Department to meet its budget commitments. Final DCS reversion totals will be available at year close-out.

Attached are the Department communications to constituents and media that summarize and report each of these actions.

Sincerely,



James W. Payne, Director
Indiana Department of Child Services



STATE OF INDIANA

Mitchell E. Daniels, Jr.
Governor

OFFICE OF MANAGEMENT & BUDGET

212 State House
Indianapolis, Indiana 46204-2796
317-232-5610

Ryan Kitchell
Director

June 22, 2010

Senator Vi Simpson
Indiana State Senate
Indianapolis, Indiana 46204

Dear Senator Simpson,

The Indiana Office of Management and Budget (OMB) and the Department of Government Efficiency and Financial Planning (GEFP) received your letters date June 1, 2010. GEFP is a department of OMB and these entities utilize the same General Fund appropriation. Therefore this letter is a combined response.

1. A list of your agency's implemented and proposed cuts and withheld distributions for FY 2010 and 2011 by program.
 - OMB/GEFP reduced headcount by not filling positions that became vacant due to voluntary departures. Additionally like the rest of state government, no raises were given and travel was reduced.
2. The methodology used to determine how cuts made.
 - Vacancies identified as they occurred. Followed statewide policy on no raises.
3. Implementation dates of all budget cuts and personnel layoffs
 - Throughout FY10
4. Expected reversions to date by program
 - Approximately 12% of General Fund appropriation will be reverted.
5. Estimated impact of cuts on people served by each program
 - No impact. Duties shifted to other OMB/GEFP staff.

The OMB/GEFP mission is to identify and implement taxpayer savings opportunities throughout state government. We appreciate your interest in this and would welcome any ideas you have to reduce spending.

We are encouraged to hear of your interest in transparency. We have worked with Representative Welch the past two sessions to pass something legislatively. This past session, this was the last negotiated item in HB1086. To our surprise it was removed from the House controlled conference committee report in the final hours of session. I'm hopeful that we can count on your support next session to pass a transparency bill for all branches of state government. In the meantime, we have already started development of a transparency website that will launch later this year. This site will bring together many currently available websites and put them in one place. Additionally, a "spending

portal" will be developed for all branches of state government. Some of the current resources are listed below and available now to you, your staff, and Hoosier taxpayers.

- **Contracts:** Upon Governor Daniels taking office, the Indiana Department of Administration created a contract portal in 2006 that allows all citizens to search for any state contract electronically. This continues to be updated regularly, and contains a pdf of the actual contract. This information was not available under previous administrations. Information on active contracts and quantity purchase agreements (or QPAs) can be found at: <http://www.in.gov/idoa/2448.htm>
- **Close-Out Documents and Reversion Details:** Each year, the State Budget Agency posts a number of documents at fiscal year close-out, including an updated surplus statement and a detailed list of reversions by program (or "fund/center"). The reversion reports detail exactly how much money was reverted from each program for each fiscal year, including general funds, dedicated funds, and federal funds. The most recent close-out statement for FY 09 can be found on the State Budget Agency website at: <http://www.in.gov/sba/2538.htm>. FY10 close-out will occur in July and the SBA website will be updated then.
- **Administrative Action minutes:** The State Budget Agency posts administrative action minutes on a monthly basis that detail transfers that have been made between funds as well as augmentations of funds and other moving of funds within an agency or fund. This information continues to be updated on a monthly basis, and can be found on the State Budget Agency website at: <http://www.in.gov/sba/2539.htm>
- **Budget Committee minutes:** The State Budget Agency posts Budget Committee minutes on the State Budget Agency website following each meeting after approval. The minutes include the approval of all capital projects in excess of \$100,000 as well as all review items and higher education capital projects. This information can be found on the State Budget Agency website at: <http://www.in.gov/sba/2373.htm>
- **Board of Finance minutes:** The Auditor of State posts Board of Finance minutes on the Auditor of State website after the minutes have been approved. The minutes include various items, most notably the transfer of funds between agencies. This information going back to March of 2005 can be found on the Auditor of State website at: <http://www.in.gov/auditor/2364.htm>
- **Performance information:** OMB posts performance metrics for executive branch agencies on a quarterly basis. Beginning in 2005, Governor Daniels insisted that all executive branch agencies measure their performance, and begin reporting this information to the public. This information was not reported in previous administrations. This information is reviewed regularly by agency management, OMB, and the Governor's office to ensure that state government is providing a high level of service to Hoosiers. This information can be found on the OMB website at: <http://www.in.gov/omb/2342.htm>



Ryan Kitchell
Director, OMB



Cris Johnston
Executive Director, GEFP

STATE of INDIANA



INDIANAPOLIS, IN 46204-2253

DEPARTMENT OF REVENUE

INDIANA GOVERNMENT CENTER NORTH
100 N. SENATE AVE

June 21, 2010

Senator Vi Simpson
Minority Leader
4955 W. Woodland Drive
Bloomington, IN. 47404-8935

Dear Senator Simpson:

The following is the Indiana Department of Revenue's response to your letter dated June 1, 2010, requesting a listing of specifics associated with our efforts to meet our target budget reserve. Our answers are respectfully submitted below in accordance with each question set forth in your letter:

1) **A list of your agency's implemented and proposed cuts and withheld distributions for FY 2010 and 2011 by program.**

The Department of Revenue (DOR) does not have an established comprehensive list of specifically proposed budget cuts, a list of enacted cuts, nor a listing of any withheld distributions for FY 2010 and 2011 by program. The Department has a general direction (or operational guidelines, if you will) it considers in meeting its target budget reserve. That general direction is outlined in the response to Question #2.

2) **The methodology used to determine how cuts are made.**

Budget-spend guidelines are determined for each operational area with consideration to the operational and service impact of each area. General costs considered within these guidelines include: elimination of unnecessary travel, pay freezes, hiring practices (including stringent approval process requiring justification to fill vacancies), moving taxpayers to more cost-effective online tools and information, and stringent spending justification across the agency. Some key actions to minimize spend include:

- Installation of image/capture system allowing reduction of key punch requirement.
- Expanded utilization of IVR system and Web services within Taxpayer Services.
- DOR has not performed any layoff of employees. Through restructuring, process improvements, training, improved hiring practices, and automation the Department has used retirement and attrition to reduce staffing levels by 25 percent since 2005.
- Expanded use of electronic filing of returns and payments by taxpayers.

3) Implementation dates of all budget cuts and personnel layoffs.

As stated in Questions #1 and #2, general direction is provided to all division management within the agency. All spending decisions are analyzed as they evolve and require executive-level review and approval as the situation dictates. This practice has been in place since 2005. Therefore, specific dates are not available as ongoing management practice has continually searched for efficiencies in achieving budget. As noted, no layoffs have been performed. In anticipation of the economic challenges, DOR has continually managed its staffing, while DOR staff has worked hard to meet customer needs by improving many performance levels, yet operating with staff below target levels.

4) Expected reversions to date by program.

Response to above questions summarize the ongoing management approach of DOR towards achieving effective operations, cost efficiencies, and budget level. Accordingly, this does not currently apply to DOR at this time.

5) Estimated impact of cuts on people served by each program.

To date, DOR does not plan to cut any essential services to taxpayers; therefore, no study has been necessary to determine the impact on the people DOR serves.

Sincerely,



John Eckart
Commissioner
Indiana Department of Revenue



STATE OF INDIANA
Department of Correction

Indiana Government Center – South

Mitchell E. Daniels, Jr.
Governor

302 W. Washington Street • Indianapolis, Indiana 46204-2738
Phone: (317) 232-5711 • Fax: (317) 232-6798 • Website: www.in.gov/idoc/

Edwin G. Buss
Commissioner

June 21, 2010

Honorable Vi Simpson
Minority Leader
4965 West Woodland Drive
Bloomington, IN 47404-8935

Attachment: Department of Correction Implemented & Proposed Cuts FY 2010/2011

Dear Senator Simpson,

Thank you for allowing our Agency to outline for you the program cuts implemented by Corrections in order to meet the needs of Hoosier taxpayers by reducing budgeted spending while simultaneously providing the finest possible public safety to Indiana.

During the past year and a half the Department of Correction has implemented a myriad of cost savings initiatives not only designed as "budget cuts" but addressed to streamline government and enhance overall effectiveness and efficiencies of the Agency; creating, in other words "a better way of doing business."

Please find in the attachment the information you requested in your June 1, 2010 correspondence. These measures are in addition to the statewide initiatives outlined by the Governor including: *No Salary Increases*, the *Strategic Hiring Committee*, and *Reduction of Out of State Travel*.

Additionally, please find attached press releases and news articles that describe some of the measures implemented by the Department. Subsequent to your review, if you are in need of further information or clarification do not hesitate to contact me.

Sincerely,

A handwritten signature in cursive script, appearing to read "Edwin G. Buss".

Edwin G. Buss
Commissioner

Cc: Governor Mitch Daniels
Chris Ruhl, State Budget Director

Department of Correction

Implemented & Proposed Cuts FY 2010/2011

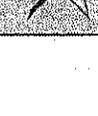


Accomplished



Working Toward

Topic	Methodology	Date of Action	Status
1. Correctional Officer Training Starting Pay	Reduce Hourly rate by \$1.50 for Officer's in training/test period from 13.41 to 11.91	<i>Implemented FY 2010</i>	★
2. Gateage for Offenders	Reduce by \$25 from current \$75	<i>Implemented FY 2010</i>	★
3. Two Day a Week Releases	Decreased Pop. & Transportation	<i>Implemented</i>	★
4. Cease Furnishing Birth certificates for Offenders	DOC to validate Date of Birth to BMV	<i>Completed FY 2010</i>	★
5. Implement Executive Leadership Reorganization	Exec Staff & Division Restructure	<i>Completed FY 2010</i>	★
6. Eliminate Small Dishwashing Machines and utilize offender labor	# portion sinks are a standard in food service industry and cost a fraction of small dish machines plus offenders will be working	<i>Implemented FY 2010/2011</i>	★
7. Partnership with Ivy Tech for Adult Education	Absorbing Education & Decreasing Teacher Positions	<i>Implemented 2010/2011</i>	★
8. Substituting Kosher & Halaal Meals for Offenders	Utilizing a Vegetarian Enriched Meal	<i>Implemented 2010</i>	★
9. Consolidate Central Office Divisions & Staff	Consolidation of Departments	<i>Implemented FY 2010</i>	★

10. Implement Instant Urinalysis Program	Utilize Instant Strips Vice Lab	<i>Implemented 2010</i>	
11. Medical Provider to Pay for ACA Accreditations	8 Facilities a year	<i>Implemented FY 2010</i>	
12. Raise Offender Medical Co-Pay from \$5 to \$7	Increase Revenue	<i>Planning & Prepared</i>	
13. Cancel VOA Contract	Absorb Contracted Population within DOC	<i>Implemented FY 2010</i>	
14. Decrease Adult Education School Year	Teachers Teach 220 vice 260 days	<i>Implemented FY 2010</i>	
15. Reduced Emergency Response Training Overtime Pay	Condensed Training by 50%	<i>Implemented 2010</i>	
16. Blended 14 Day Pay Cycle Custody	Eliminate 5 Hour Built In Overtime	<i>2010/2011</i>	
17. Closure of Northeast Juvenile	Closed Facility due to decrease in Juvenile population	<i>FY 2011</i>	
18. Contractual Education at Madison Juvenile	Enhanced Juvenile Education to Meet DOJ standards	<i>FY 2010/11</i>	 
19. Relocating PEN Products onto State Property	PEN moved to IREF Grounds	<i>FY 2011</i>	
20. Implemented Internal Agency Strategic Hiring	Streamlined Staff Levels	<i>FY 2010/2011</i>	
21. Implemented Facility Forward (Please see Press release)	Reconfigured the missions of several existing facilities	<i>FY 2010</i>	

Commissioner's Script for Change to 14-day Pay Cycle for Custody Staff

November 10, 2009

Colleagues –

As you all know, our state, as well as our nation, is experiencing tough financial times.

The economic recession has made our jobs more difficult by generating lower state revenues in a time when our population growth has never been greater.

Every day, our neighbor states lay off thousands of correctional workers, close correctional institutions, and release thousands of offenders prior to sentence completion.

None of these actions is the right thing to do for the safety and security of Indiana or for the welfare and morale of dedicated correctional professionals and their families.

Because Governor Daniels and I are committed to keeping Hoosiers safe and keeping good IDOC staff employed, we will not resort to the broad sweeping actions of other states.

However, tough times call for strong leadership and tough decisions to make sure our Agency continues to promote public safety and successful re-entry.

In that regard, custody staff are on the front lines to ensure that our facilities are safe.

And we have recognized this in the past by awarding custody staff pay increases above that which other Agency employees have received.

Our state and nation are both in very difficult economic times and tough operational and budgetary decisions await us if we do not take proactive steps now.

When we have considered cost saving measures, we have looked at returning custody staff to an 8 hour shift. This move would save the agency millions annually.

However, I know, as I travel the state and talk to you at each facility, that the 12 hour shift is very popular, allows for quality time away from the facility, and most importantly gives you quality time with your family and loved ones.

After discussing different options with the Department of Labor, State Personnel, and the Office of Management and Budget, we have chosen one that will help keep all staff employed and retain custody staff on the 12-hour shift schedule.

The Agency has determined to transition from a 7-day pay period to a 14-day pay period for custody staff beginning on January 1, 2010.

Under this pay period system, authorized by the Federal Fair Labor Act, Custody hours will be blended over a 14 day pay period as opposed to being capped at 43 hours on the current 7 day pay period cycle. This cycle allows overtime pay to be paid after an employee works 86 hours during the new 14 day period, rather than being paid overtime after working 43 hours under our current 7 day pay period cycle.

For years, 5 hours of automatic premium overtime pay was given to custody staff during their long week.

Federal and State law both permit variations from the usual 43 hour work week for law enforcement activities.

So, by switching to the 14-day pay cycle, custody staff will no longer realize premium pay, unless it is in excess of 86 hours in a 2-week period.

This decision will save five (5) million dollars annually and help keep our valuable staff employed while the state recovers from this unprecedented economic downturn.

Although this change saves dramatically, it is not only about cost. It is the right thing to do for the taxpayers of Indiana.

With Open Enrollment for health insurance options right around the corner, please consider your options carefully. Our Human Resources professionals will be providing a briefing to all staff on plans that may save you and your families considerable savings in the health care arena.

If you have questions about this adjustment and Open Enrollment, please talk to your facility's Human Resources Department.

Again, I am fully committed to retaining our staff, keeping our facilities operating, and not releasing offenders prior to them fulfilling their adjudicated sentence.

In the years ahead, we must be prepared to work together as tough decisions await us in keeping our Agency moving forward in very tight budgetary times.

Thank you.

###

For Immediate Release

IDOC Introduces Facility Forward Initiative

Indianapolis, Indiana (July 7, 2009) – As prison populations in Indiana continue to expand, the Indiana Department of Correction (IDOC) must absorb these offenders with no additional space or funding. Other states have permitted the early release of offenders, attempting to solve the overcrowding problem, but under the leadership of Governor Mitch Daniels, the IDOC resolved not to resort to such measures.

Today, IDOC Commissioner Edwin G. Buss announced the introduction of Facility Forward, a comprehensive initiative designed to enhance prison capacity, maximize current state property and assets, decrease spending through cost savings, and increase overall efficiencies, while still providing the utmost safety and security for the State of Indiana.

A major component of Facility Forward includes moving female youths from Indianapolis to Madison, Indiana. The new juvenile facility will be separately located on beautiful grounds near the current Madison State Hospital and Madison Correctional Facility.

Additionally, adult female offenders from the Indiana Women's Prison will be relocated to the former Indianapolis Juvenile Correctional Facility, which will allow full capacity utilization of this facility and help meet female capacity needs for the foreseeable future.

Subsequently, the Plainfield Re-entry Educational Facility (PREF) will relocate to the grounds of the former Indiana Women's Prison. This move will allow the IDOC to use the current PREF campus (formerly known as the Indiana Boys' School) as the location of the new Short Term Offender Program (STOP). The STOP facility will be designed and commissioned to address the needs and case management of offenders committed to the IDOC for less than one year.

“With these moves, the IDOC gains almost 2,100 beds, addresses the foreseeable growth in the female offender population, and saves the State of Indiana nearly \$200 million,” Commissioner Buss stated. “Facility Forward is an ambitious endeavor, but with the support and teamwork of all stakeholders, its implementation will succeed as a piece of the IDOC's preparation for the future.”

For more information on Facility Forward, please visit the IDOC's website at <http://www.in.gov/idoc/>.

###

For Immediate Release

IDOC Modifies Facility Forward Plans

Indianapolis, Indiana (July 16, 2009) – Indiana Department of Correction (IDOC) Commissioner Edwin G. Buss announced today a change to the Facility Forward initiative, which was unveiled last week.

As outlined in the initiative, adult female offenders from the Indiana Women's Prison will relocate to the current site of the Indianapolis Juvenile Correctional Facility. Also, the Plainfield Re-entry Educational Facility (PREF) will relocate to the grounds of the former Indiana Women's Prison on the east side of Indianapolis.

The Indianapolis Men's Community Re-entry Center for work release offenders, however, will not join PREF in the move to the current Indiana Women's Prison grounds. The re-entry center will remain in its current location until another option is chosen. Once PREF moves to Indianapolis, it will become the Indianapolis Re-entry Educational Facility (IREF), a minimum security adult male facility that will be fenced in a neighborhood friendly way.

PREF is an extraordinary facility that focuses on preparing soon-to-be-released offenders for their re-entry to our communities. PREF is nationally known for its work to reduce the recidivism rate and improve public safety, including winning the Indiana Association of Cities and Towns Intergovernmental Cooperation Award in 2008 for its work with the Town of Plainfield.

Commissioner Buss declared, "The IDOC has heard from many public officials, community organizations and concerned citizens, and we listened to their concerns and ideas. We recognize their strong commitment to the revitalization of Indianapolis' near east side, and therefore, we have reconsidered our decision to move the men's work release center to the Indianapolis east side."

Commissioner Buss plans to meet privately with community leaders and organizations in the next week to provide more information on Facility Forward.

###

For Immediate Release

IDOC to Partner with Ivy Tech to Improve Adult Educational Services

Indianapolis, Indiana (January 12, 2010) – The Indiana Department of Correction (IDOC) has completed a thorough review of the manner by which education is provided to adult offenders in Indiana, and as a result, the Department has decided to restructure educational services for adult offenders by partnering with Ivy Tech Community College as the educational provider.

In a plan that will be rolled out in phases by regions of the state, Ivy Tech has committed to begin delivering adult educational services comprised of GED, literacy, and vocational programs to adult offenders statewide. The IDOC chose Ivy Tech to better serve the re-entry needs of offenders. Indeed, around 80% of offenders are released to areas in Indiana within 40 miles of an Ivy Tech campus, and offenders may finish their education at Ivy Tech upon their release from prison. Moreover, with Ivy Tech providing the basic educational services at all adult correctional facilities, the standardization of services will be optimal throughout the state.

The IDOC will require Ivy Tech to offer interview opportunities to all of the IDOC's current teachers during its transition as the sole provider of Literacy, GED, and vocational education to adult offenders. Overall, the initiative will result in savings for the state of approximately \$7 million a year. The savings would also be realized by realigning the educational structure, moving services where most needed and using offender mentors. Education at the juvenile correctional facilities will not be affected by the changes, and current college degree programs will remain in place.

Not only does improving the delivery of educational services reduce recidivism by giving offenders skills to be more productive members of society, it also helps manage prison populations by allowing the IDOC to continue to award earned credit time required by law to offenders who successfully complete rehabilitative educational programs.

"Ivy Tech is proud to join the Indiana Department of Correction in its endeavor to provide adult educational services in a more efficient, cost-effective way. This partnership is good for the offenders and the State of Indiana," said Thomas J. Snyder, Ivy Tech President.

"The IDOC understands that educational services are an important component to offender rehabilitation and re-entry. In partnering with Ivy Tech to provide this service, the IDOC has found a way to better provide education with a respected Indiana institution," said IDOC Commissioner Edwin G. Buss.

###

For Immediate Release

IDOC and Ivy Tech Finalize Partnership

Indianapolis, IN (April 27, 2010) –The Indiana Department of Correction (IDOC) and Ivy Tech Community College have concluded their assessments and finalized the agreement by which Ivy Tech will assume responsibility for providing adult educational services comprised of GED, literacy, and vocational programs to adult offenders statewide. The full implementation of the partnership will be completed by April 1, 2011.

“We are pleased to enter into this partnership with such a respected Indiana institution of learning” said IDOC Commissioner Edwin G. Buss. “Our partnership with Ivy Tech will allow us to tear down some of the barriers to re-entry.”

Nearly 90% of all IDOC offenders are released within 30 minutes of an Ivy Tech campus. The men and women who enroll and pass Ivy Tech classes while incarcerated will be fully enrolled Ivy Tech students. Upon their release from prison and subsequent enrollment at a local Ivy Tech Campus, they will receive prior learning assessment credit toward certificate or degree programs and will have the option to finish their education.

A recent study was conducted for the Serious and Violent Offender Re-entry Initiative (SVORI) to examine the extent to which program participation improved the outcomes of adults and juveniles returning to their communities after incarceration. The study’s participants were high-risk offenders who had extensive criminal and substance use histories, low levels of education and employment skills, and families and peers who were substance and criminal justice system involved.

The study’s impact evaluation included pre-release and post-release interviews. Among soon to be released prison inmates asked about their re-entry needs, education was the most frequently mentioned need. More than 90% of the adult male participants reported needing more education immediately prior to release. Throughout the post-release interviews education remained high with 89% saying that they needed more education.

The results from this study show the need for educational opportunities for offenders both during their incarceration and after they are released back into their communities, a need that will be met with the newly formed partnership between IDOC and Ivy Tech.

“Ivy Tech is proud to join the Indiana Department of Correction in its endeavor to provide adult educational services in a more efficient, cost-effective way. This partnership is good for the offenders and the State of Indiana,” said Thomas J. Snyder, Ivy Tech President.

“We look forward to working with Ivy Tech for many years to come and providing offenders true opportunities for them to better themselves, while enhancing our ability to manage our prison population,” added Commissioner Buss.

###

For Immediate Release

IDOC Announces Closure of Northeast Juvenile Correctional Facility

Indianapolis, IN (May 7, 2010) – The Indiana Department of Correction (IDOC) is announcing plans to close the Northeast Juvenile Correctional Facility in Ft. Wayne, IN. In early 2009, the IDOC created the Division of Youth Services (DYS) to oversee all aspects of juvenile services for those youth committed to the Department of Correction. DYS immediately undertook major efforts to reduce the length of stay of juveniles in secure (prison) facilities and to assign youth to the least restrictive setting based on their individual needs and risks in accordance with national best-practice approaches. IDOC has also worked closely with Juvenile Courts to establish appropriate community-based diversion programs aimed at reducing the commitments to secure confinement. Through these efforts, the overall juvenile population has been dramatically reduced from almost 1,100 youth to approximately 750 today. The population level at Northeast Juvenile has steadily declined through these efforts from 100+ to about 45 juveniles today.

Many of the students currently housed at the Northeast Juvenile facility are already scheduled for release before the facility officially closes on May 29th, 2010. Those who are not scheduled for release before then will be moved to the South Bend Juvenile Correctional Facility. South Bend Juvenile will then become the primary juvenile facility for providing services for the youngest youth committed to the IDOC, those students who are 12, 13, 14 and some 15 year olds who will be housed separately from older students.

“The Division of Youth Services has been able to establish best-practice approaches to providing services to the youth in our care. Through these efforts, these youth are spending less time in prison and are returning to community-based programs as quickly as possible in order to re-establish family ties and support,” said Commissioner Edwin G. Buss. “Our ability to close this facility and redirect these resources will not only save the State of Indiana precious tax dollars during times of economic hardships, but, more importantly, will continue to ensure that these troubled youth receive appropriate services in the least restrictive setting.”

Approximately 60 IDOC employees will be laid off with the facility’s closure, although all will be able to apply for vacancies at other IDOC facilities. The IDOC expects to realize approximately \$4,000,000 in savings as a result of the closure of the facility.

###



June 18, 2010

Senator Vi Simpson
4965 West Woodland Drive
Bloomington, IN 47404

Dear Sen. Simpson:

The Indiana Finance Authority (IFA) has received your letter dated June 1, 2010. Please see the responses to your request below.

- 1) A list of your agency's implemented and proposed cuts and withheld distributions for FY 2010 and 2011 by program

The IFA implemented the reversion of state funds dedicated to the Indiana Brownfields Program (the Program), a program that had been previously funded using a combination of state and federal dollars.

- 2) The methodology used to determine how cuts are made

The IFA voluntarily determined that the Program could continue operating using primarily federal funds without sacrificing quality of service.

- 3) Implementation dates of all budget cuts and personnel layoffs

The IFA reduced its staff by 2 positions on December 4, 2009, and no raises have been given for the past two years.

- 4) Expected reversions to date by program

\$300,000 in Program funding this year.

5) Estimated impact of cuts on people served by each program

The impact of cuts on people served by the Program is minimal. The IFA will maximize available federal funding so the Program may continue to offer assistance to its constituents.

Best Regards,

A handwritten signature in cursive script that reads "Jennifer M. Alvey". The signature is fluid and includes a long, sweeping tail on the final letter.

Jennifer M. Alvey
Public Finance Director of the State of Indiana

Cc: Christopher Ruhl

STATE OF INDIANA

DEPARTMENT OF LOCAL GOVERNMENT FINANCE



INDIANA GOVERNMENT CENTER NORTH
100 NORTH SENATE AVENUE N1058(B)
INDIANAPOLIS, IN 46204
PHONE (317) 232-3777
FAX (317) 232-8779

June 18, 2010

Senator Vi Simpson
Minority Leader
4965 West Woodland Drive
Bloomington, IN 47404-8935

Dear Sen. Simpson:

I have received your letter dated June 1, 2010, in which you request information relating to savings our agency has realized for FY 2010 and FY 2011. A detailed response is attached.

Respectfully yours,

A handwritten signature in cursive script that reads "Brian Bailey".

Brian Bailey,
DLGF Commissioner

cc: Governor Mitch Daniels
Chris Ruhl, State Budget Director

Department of Local Government Finance
Response to Request for Budget Information

I. A list of your agency's implemented and proposed cuts and withheld distributions for FY 2010 and FY 2011

The Department of Local Government Finance is responsible for ensuring property tax assessment and local government budgeting are carried out in accordance with Indiana law. The Department is charged with publishing property tax assessment rules and annually reviewing and approving the tax rates and levies of every political subdivision in the state, including all counties, cities, towns, townships, school corporations, libraries, and other entities with tax levy authority. The Department consists of five divisions, each of which works to achieve this result. However, the Department does not operate separately funded programs. The information provided is related to the agency-wide function of providing oversight for property tax assessment and local government budgeting.

FY 2010 Budget

The Department's total appropriation in HEA 1001-2009 for FY 2010 was \$3,927,361 for personal services and \$722,957 for other operating expenses. The Department also received transfers from the Market Value Assessment, Database Management, and the Assessment Training Fund totaling \$604,217. Therefore, the total agency budget was approximately \$5.25M, and the total amount that the Department needed to save in order to meet the 10% reversion target was approximately **\$525,000**.

Personnel Expenditures: In March 2009, before the 5% and 10% reversion target announcements, the Department voluntarily conducted a restructuring that resulted in elimination of eight (8) positions, the filling of two (2) positions, and the promotion of one (1) employee. This was done to increase efficiency within the Department and brought about **\$349,000** in FY 2010 savings. Additionally, as employees resigned to pursue other opportunities, the Department has replaced them at lower salaries or left positions unfilled by distributing the workload to other employees when efficient. Such changes made during FY 2009 caused a savings of **\$336,000**. The changes made during FY 2010 result in an annual savings of \$157,000, though only **\$22,000** was realized for FY 2010 due to the timing of the changes. The full amount of FY 2010 personnel savings occurred as a result of the voluntary restructuring and natural staff turnover, neither of which was related to the 10% reversion target.

Travel Expenditures: The Department employs field staff members who work individually with local units of government on assessment and budget matters. The Department's original FY 2010 budget planned for travel expenditures of \$205,000. This planned expense was reduced to \$122,000 by putting restrictions on travel. This policy saved the Department at least **\$83,000** and represents a 40% savings in travel cost.

Computers and Equipment: The Department, through a directive from the State Budget Agency, eliminated all unused computer seats, phones, blackberries, and air cards for a savings of \$1,131.50 per month, phased in between October 2009 and February 2010, with a projected annual savings of over \$13,000 with a minimum of **\$2,500** of savings accruing in FY 2010.

FY 2011 Budget

The Department will need to save an additional **\$263,000** in FY 2011 to meet the 15% reversion target. Please note that while these changes will be implemented for FY 2011, the changes have been finalized as of the date of this letter.

The additional savings realized from full-year implementation of FY 2010 staffing changes will be **\$135,000**. Staffing changes resulting from employee resignations and retirement effective for FY 2011 will save the Department an additional **\$97,000**.

The Department entered into a Memorandum of Understanding with the State Budget Agency for accounting and payroll services. As a result of efficiencies achieved, one accounting position was no longer needed and an existing Memorandum of Understanding with the Indiana Department of Administration was cancelled. This produced a savings of **\$45,000**.

The additional savings realized from full-year implementation of the computer and equipment audit is approximately **\$13,000**.

Through these items, the Department's projected additional savings for FY2011 will be at least **\$290,000**, which is above the amount required to meet the 15% reversion.

2. The methodology used to determine how cuts are made

The Department approached the reversion targets with the objective of reducing expenditures in all other possible areas to preserve current staff. Vacancies as a result of employee resignations will either go unfilled for 2011 or will be filled at a savings to the agency. For example, two positions in the legal division will be filled for a total minimum savings to the agency of \$38,000 in salary alone.

3. Implementation dates of all budget cuts and personnel layoffs

The Department filled any vacancies at lower salaries compared to predecessors, or reorganized duties and responsibilities to allow for a new position to be filled at a lower salary. These happened throughout the year.

An initial policy of travel restriction was implemented on September 10, 2009. A more restrictive policy was later implemented on November 10, 2009.

The computer and equipment audit that saved on monthly IOT charges was conducted from October 2009 to February 2010.

The Memorandum of Understanding with the State Budget Agency and the cancellation of the Memorandum of Understanding with the Indiana Department of Administration are both effective July 1, 2010.

4. Expected reversions to date by program

As mentioned above, the Department does not have separate programs that it operates. The total reversion for the Department for FY 2010 is conservatively projected to be **\$525,000**, though it will likely be greater than that amount. The Department actions since the passage of the biennial budget

saved over \$750,000. Due to the timing of invoices, contract costs for FY 2010 were higher than expected. The net savings generates a reversion that will be at least 10% of budget.

5. Estimated impact of cuts on people served by each program

The people served by the Department are primarily taxpayers and local government officials that handle property taxation and other fiscal matters. Despite a reduction in spending, the Department was able to help counties improve the timeliness of property tax billing from two (2) counties on-time in 2009 to 85 counties on-time in 2010 and reduce the number of days that property tax bills were late statewide by 91% from 2008 to 2010. Local officials have received increased assistance and guidance from the Department through memoranda and conference calls. As a result of these actions, the Department received 42 written compliments from local officials between February 2009 and December 2009. The Department has increased the amount of information available to taxpayers as well. A significant number of new reports, data, and tutorials have been placed on the Department's Web site during 2009 and 2010. Therefore, the impact on people served by the Department has been positive, and its customers are receiving better service at a lower cost to taxpayers than ever before.



Senator Vi Simpson
Minority Leader, State of Indiana Senate
4965 West Woodland Drive
Bloomington, IN 47404-8935

Dear Senator Simpson:

Thank you for your letter of June 1, 2010 in which you requested information regarding spending decisions at the Indiana Public Employees' Retirement Fund (PERF) and the Indiana Teachers' Retirement Fund (TRF).

Request #1 – A list of your agency's implemented and proposed cuts and withheld distributions for FY 2010 and 2011 by program

Response – PERF and TRF undertook several initiatives during the past year to reduce spending. Specifically, both PERF and TRF

- Delayed certain large information technology system projects,
- Delayed hiring new employees,
- Did not grant employee salary increases, and
- Reduced travel and training expenses.

There have been no distributions withheld.

Request #2 – The methodology used to determine how cuts are made

Response – PERF and TRF management have achieved savings by examining the budget, determining which activities were critical to achieving its goals and mission, and eliminating or delaying expenditures deemed non-critical to fulfilling our respective missions. PERF and TRF also have financial approval processes in place to insure that all requested expenditures are carefully reviewed and evaluated against our goals and mission before any expenditure is approved.

Request #3 – Implementation date of all budget cuts and personnel layoffs

Response – Implementation of savings has been an on-going process throughout this fiscal year. There have been no employee layoffs.

Request #4 – Expected reversions to date by program

Response – There are no reversions to be made to the General Fund. However, savings are retained by the funds' assets and reduce the contributions paid by schools, state government, and local units of government including police and fire protection.

Request #5 – Estimated impact of cuts on people served by each program

Response – No services to plan members have been compromised and there has been no measurable negative impact to member service and satisfaction levels. In fact, member service levels and satisfaction levels continue to improve. PERF and TRF have several metrics in place to monitor member service levels. Two key member service measurements are

- Percentage of retirements without payment interruption, and
- Customer Service Index.

PERF and TRF have maintained excellent performance and continued to improve in each of these measurements throughout the fiscal year. In addition to internal measurement, PERF and TRF have recently received numerous recognitions from independent external organizations including

- Institutional Investor News' Large Public Plan of the Year Award
- Public Pension Coordinating Council Public Pension Standards Award for both administration and funding
- Government Finance Officers' Association (GFOA) Certificate of Excellence
- CEM Benchmarking Inc. recognition as a High Service / Low Cost organization

I hope you find this information useful.

Sincerely,



Steve Russo
Executive Director, Indiana Public Employees' Retirement Fund
Executive Director, Indiana State Teachers' Retirement Fund

INDIANA GAMING COMMISSION

EAST TOWER, SUITE 1600
101 W. WASHINGTON ST.
INDIANAPOLIS, IN 46204



Ernest E. Yelton
Executive Director

TELEPHONE (317) 233-0046
FAX (317) 233-0047
www.in.gov/gaming

June 17, 2010

Senator Vi Simpson
4965 West Woodland Drive
Bloomington, Indiana 47404-8935

Dear Senator Simpson:

By statute, the Indiana Gaming Commission's administrative budget is funded from the Indiana Wagering Tax. Nonetheless, we participated in the FY 10 reserve request of 10%. Due to the regulatory nature of our agency, we were able to achieve budgetary efficiencies through general reductions in our operating expenses (described below). We, therefore, were not required to cut any programs or projects.

We were able to meet reserves by:

1. Leaving three vacant positions unfilled;
2. Delaying the replacement of three staff members;
3. Not issuing any executive branch employee pay raises;
4. Imposing a moratorium on miscellaneous services;
5. Assuming the responsibility of financial analyses for Licensee's refinancing in house;
6. Reducing outside counsel contract payments;
7. Reducing the purchase of supplies, materials and parts;
8. Restricting the purchase of new equipment;
9. Limiting in-state travel and requiring pre-approval for such by me;
10. Basically eliminating out-of-state travel; and
11. Exercising voluntary unpaid leave.

We expect to make our 10% reversion target for FY 10 but will not know the final number of this until the close out. For future reversion targets, we plan to meet them with increased savings from in-state travel, voluntary unpaid leave together with releasing unspent previously encumbered funds.

Sincerely,

Ernest E. Yelton,
Executive Director

EEY/ttw



June 22, 2010

Honorable Senator Vi Simpson
Minority Leader
Indiana State Senate
4965 West Woodland Drive
Bloomington, IN 47404-8935

Dear Senator Simpson:

Indiana Tobacco Prevention and Cessation (ITPC) is providing the following information in response to your Request for Information.

At the beginning of SFY 2010, ITPC budget was reduced by the General Assembly from \$16,200,000 to \$10,859,308 for the annual appropriation to the ITPC Trust Fund. At the start of SFY 2010, ITPC was required by the State Budget Agency to create a budget that provided for a 5% reserve in SFY 2010 which calculated to \$543,000, was set aside as the reversion target for this mandate.

On November 6, 2009, the State Budget Director issued a memo to State Agencies requiring an additional 5% increase to the reserve for state agencies. That reserve remained at 10% for the balance of the year.

On November 23, 2009, the State Budget Director issued a memo to State Agencies that set forth several cost savings measures including the following policies: Agencies should minimize media and advertising expenses to the greatest extent possible; Agencies/divisions should belong to no more than one (1) association or organization; Agencies should no longer pay for business cards for state employees.

On April 21, 2010 the State Budget Director issued a memo to State Agencies requiring a 15% reserve for all executive branch agencies for the upcoming SFY 2011 budget.

ITPC Budget cuts:

Because of the overall budget reduction in SFY 2010, ITPC has downsized funding allocations back to levels for SFY 07. In addition, the number of community grantees was reduced to 65 counties, down from 80+ counties in SFY 08 and 09. The majority of reductions in the number of local programs were the result of decisions on the part of the local communities to not pursue funding because of the cuts to the program. ITPC did not aggressively pursue alternate lead agencies in order to make budget. At this time, ITPC modified the contract deliverables for community and minority grantees to tighten the agreed upon work plan.

The level of funding for statewide grants was cut by 50%. The number of VOICE (youth movement) regional grants was reduced by 50%. The public education component was reduced significantly resulting in fewer media messages to youth and smokers. The MOU with the State Board of Accounts was discontinued. This MOU was used to provide fiscal monitoring oversight for community, minority and statewide grants. Funding to the Alcohol and Tobacco Commission was eliminated. Out of state and in state travel by staff was reduced by 50%.

In addition to modifying the contract deliverables, ITPC has taken other steps to reduce the cost of the program to the State:

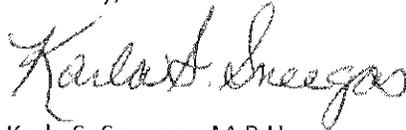
- 1) No employees at ITPC received pay increases in the last 3 years. No vacated positions have been filled in the last 2 years. When the ITPC budget increased in SFY 2008-09, no additional staff were added to the ITPC organizational chart.
- 2) Staff travel is further restricted for SFY 2011.
- 3) Grantee in-person training and technical assistance is restricted and more utilization of conference calls and web technically where available. Those methods are limited by the technology available at the point of service delivery.
- 4) In years past, ITPC has contracted with the Indiana State Board of Accounts (SBOA) to perform site reviews of all local contracted coalitions. This year due to the unavailability of the SBOA to perform these site reviews, ITPC will conduct desk audits of expenses incurred by local contractors.
- 5) More cuts to the public education component were applied.

For SFY 2011, a 5% reversion was already factored in the budget. The additional 10% or \$1,085,930, in reductions is as follows.

- Administration and Management was reduced by \$100,000.
- Community based programs was reduced by \$731,103. Included in those cuts are;
 - Training and Technical assistance to the contracted grantees by \$131,069
 - Quitline is reduced by \$550,034
 - Alcohol and Tobacco Commission funding was reduced by \$50,000
- Public Education Campaign was reduced by \$254,827.

Despite the funding reductions, we are pleased to report that the smoking rate for calendar year 2009 has declined to 23% for adult smoking. This represents a historic low for the State and is a statistically significant decline since 2001. Since, the ITPC program began, smoking among middle school youth has dropped 58% from 9.8% to 4%, and high school smoking has dropped 42% from 32% to 18%. Youth, described as frequent smokers, has dropped by 50% from 17% to 9%. These are youth who become addicted adult smokers later in life.

Sincerely,

A handwritten signature in cursive script that reads "Karla S. Sneegas". The signature is written in black ink and is positioned above the printed name and title.

Karla S. Sneegas, M.P.H.
Executive Director

KSS/csb/rjh

HOOSIER LOTTERY

The Honorable Vi Simpson
Minority Leader
Indiana State Senate
4965 West Woodland Drive
Bloomington, IN 47404-8935

June 18, 2010

Dear Vi,

I am writing this in response to your information request dated June 1, 2010. As you know, the Hoosier Lottery is a quasi state agency, and even so, is uniquely different from other quasi state agencies. We have no budget appropriations, and no programs. Therefore, we have had no budget revisions, nor have we withheld distributions as referenced in your questions, 1, 2, 4, and 5.

Since our mission is to maximize revenue for the state, we always strive to reduce expenses and search for efficiencies. This is even more critical when there are significant decreases in sales due to a challenging economic climate. In FY2008, we delivered \$217 Million to the state. In FY2009, we were able to deliver \$179 Million. We will not know for a few more weeks, where we will end up in FY 2010. We are on budget with expenses, but what the final sales number will be is something we must wait to see.

Each department at the lottery has been tasked with reducing expenses and evaluating every aspect of our business so that we are operating as efficiently as possible to maximize our state contribution. Over the past two years, we have restructured several departments, reduced staff in some areas and added positions or transferred staff in others. In February 2009, we had a reduction in force of 15. In February 2010, we restructured our regional territories and offices based on cultural, geographic and market considerations. Because of technology, our sales representatives have less need to visit a regional office. While we closed four offices, we also added 7 new positions in the field resulting in a net loss of 4 staff. Like our fellow agencies, we have not had pay increases, and we have offered voluntary unpaid time off.

I hope I have adequately addressed your questions given our unique situation. Please feel free to contact me if you need something more or require clarification.

Best regards,

Kathryn A. Densborn
Executive Director



E. Mitchell Roob, Jr.
Indiana Secretary of Commerce
IEDC Chief Executive Officer

June 22, 2010

Senator Vi Simpson
Minority Leader
Statehouse
200 West Washington Street
Indianapolis, IN 46204

Dear Senator Simpson: *Vi*

Thank you for your inquiry regarding the Indiana Economic Development Corporation's ("IEDC") contributions to the State of Indiana's ongoing budget stabilization efforts. As you know, the IEDC and all other state agencies have been asked to identify programs from which unobligated accumulated fund balances can be reverted to assist in budget stabilization.

The IEDC has satisfied the requested reversion requirements through full or partial reversion of accumulated balances in the following fund centers:

- Economic Development Fund
- Capital Access Program
- Loan Guaranty Program
- Technology Development Grant Fund

Determinations regarding the funds targeted for reversion and the respective amounts we based on a review of which funds could be reverted while preserving IEDC's effectiveness in carrying out its mission of securing new job creation and capital investment commitments through competitive business expansion, consolidation, and attraction opportunities.

In addition to reverting unobligated accumulated balances as discussed above, the IEDC has implemented several measures to improve organizational efficiencies and achieve cost savings. Examples of these actions include:

- Reducing overhead costs in our regional office structure
- Introducing new approaches to business outreach that require very limited overhead costs
- Funding marketing efforts through sponsorships contributed to the Indiana Economic Development Foundation established under IC 5-28-5-13

The IEDC believes that the measures described above collectively represent a strategic approach to satisfying the requested budgetary reversions while continuing to effectively pursue new opportunities to expand the Indiana tax base through business growth and attraction.

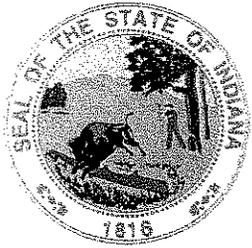
Despite these cost saving measures, IEDC is managing a significantly higher volume of competitive projects in 2010 compared to the same period in 2009. IEDC has closed 83 competitive deals year-to-date in 2010 compared to 52 deals year-to-date in 2009. 2010 year-to-date job commitments total 10,284 jobs compared to 2009 year-to-date job commitments of 6,887 jobs. 2010 year-to-date committed capital investment is \$1.29 billion compared to \$731 million committed year-to-date in 2009.

I appreciate your interest in the State of Indiana's ongoing efforts to manage limited financial resources while working to avoid a potential tax increase and maintaining our ability to provide vital services to the citizens of Indiana.

Sincerely,

A handwritten signature in black ink, appearing to read "E. Mitchell Roob, Jr.", written in a cursive style.

E. Mitchell Roob, Jr.
Secretary of Commerce



INDIANA
JOINT FORCES HEADQUARTERS
NATIONAL GUARD
2002 SOUTH HOLT ROAD
INDIANAPOLIS, INDIANA 46241-4839



June 22, 2010

Senator Vi Simpson
Minority Leader
Indiana State Senate
4965 West Woodland Drive
Bloomington, IN 47404

Dear Senator Simpson:

Thank you for your inquiry of June 1 regarding the budget of the Indiana National Guard. Our organization has been working hard to reduce spending during these difficult times. I'm particularly proud of the dedication of every member of the National Guard family, at every level, to help us live within our means. We have been able to reduce our expenditures as follows:

No Pay Raises and Hiring Freeze – 17 State-funded positions that have become vacant have gone unfilled.

Voluntary Unpaid Leave – 30 employees have signed-up for VUL (see attachment).

Utility Conservation Initiative – All facilities have been ordered to adjust heat/cooling settings to conserve energy and lower all gas/electricity billings. Use of space heaters is prohibited. Switches have been installed to turn off lighting systems automatically. Computer controlled buildings have been adjusted to minimize operational time.

Take Home Vehicle Fleet Reduction – We have only 2 take home vehicles authorized in agency. I now drive my personal vehicle to work.

Convert MR2 (Maintenance Repair) State Funded Positions (50/50) – We have worked closely with the Federal Government to convert 58 state funded positions into ones that are now 50% federally funded. We appreciate the support of the National Guard Bureau in enabling this important savings.

Convert MR2 State Funded Positions (100%) – We have been able to convert 16 state funded positions into 100% federally reimbursed positions, eliminating all salary costs to the State of Indiana.

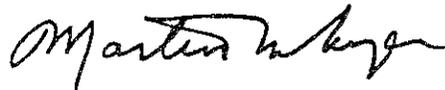
CCMRF Armory Savings – Certain Armories have been designated as CCMRF facilities (part of the nation's Homeland Security/Disaster Readiness network). This allows them to become 100% federally funded for maintenance, repair and all utility expenditures.

Leave of Absence, Federal Contract – 4 positions, state funded, have been temporarily converted to federally funded contract positions.

Armory Closures – As you may have noted, we have announced the closing of 3 Armories (see attachment)

- | | | |
|---------------|-----------------------|--------|
| 1- Delphi | (Moves to Lafayette) | Oct 10 |
| 2- New Castle | (Moves to Greenfield) | Jan 11 |
| 3- Tell City | (Moves to Jasper) | Oct 10 |

I will follow-up with you following the close-out of the fiscal year with a summary of the specific dollars we will be reverting to state government. As you can tell, our efforts to reduce state spending have covered a wide range of our operations. Yet, we remain well positioned to fulfill our core mission to the State and the Nation. As always, I am grateful for your support of the Indiana National Guard.



R. MARTIN UMBARGER
Major General, INARNG
The Adjutant General

Communities bid Guard armories farewell

USA Today - Tim Evans - Jun 8, 2010

New Castle, Ind., Mayor Jim Small was stunned by the announcement in May that the **Indiana National Guard** would close its **armory** in ...

Armories close as training of citizen soldiers changes

Sioux Falls Argus Leader - Jun 13, 2010

In Indiana, New Castle Mayor Jim Small was stunned by the announcement in May that the **Indiana National Guard** would close its **armory** in his town of about ...

USA Today Top Online Stories: Wed 6/09/10

Newsroom America - Jun 8, 2010

It says New Castle, Ind., Mayor Jim Small was stunned by the announcement in May that the **Indiana National Guard** would close its **armory** in his town of about ...

New Castle National Guard Armory could be refitted for other use

Muncie Star Press - Oseye T. Boyd - May 15

The **Indiana National Guard** earlier this week announced the **armory**, along with two others, would close. But a possible reincarnation could be in the works as ...

National Guard's loss to be Delphi's gain

Journal and Courier - Bob Scott - May 15

The closing date of the **Indiana National Guard Armory** in Delphi is months down the road. ...

Purdue president soon off to China

Journal and Courier - May 15

The **Indiana National Guard Armory** in Delphi is slated for closure within the year. Read more about the timing and effects of the closure, Saturday in Local. ...

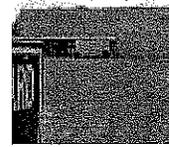
National Guard to vacate local armory

Carroll County Comet - Debbie Lowe - May 11, 2010

R. Martin Umbarger, Adjutant General of the **Indiana National Guard**, ... One of those facilities is the Delphi **Armory** on **Armory Rd**. You must be an online ...

Delphi Armory scheduled to close

WLFI.com - Aaron Leedy - May 11, 2010
Staff Sergeant and **Indiana National Guard** Media Relations Manager Lef Newport ... 24 positions comprised of staff and soldiers at the Delphi **armory** will be ...



WLFI.com

New Castle National Guard armory one of three to close

Muncie Star Press - May 11, 2010
The **Indiana National Guard armory** in New Castle is being closed, along with armories in Tell City and Delphi, officials announced Monday. ...

3 National Guard armories to close

Fort Wayne Journal Gazette - May 11, 2010
AP The **Indiana National Guard** is closing three of its armories in a cost-cutting move ... R. Martin Umbarger said it's always difficult to close an **armory**, ...

Delphi 1 of 3 Guard armories closing

Journal and Courier - Justin L. Mack - May 10, 2010
DELPHI -- The **Indiana National Guard Armory** in Delphi is one of three **Indiana** armories slated for ...

IN National Guard closing three armories

14WFIE.com - Sarah Harlan - May 10, 2010
INDIANA (WFIE) - The **Indiana National Guard** is closing three of its ... Officials said the duty positions of full-time **armory** staff and soldiers who take ...

Tell City Armory Closing

WTVW - May 10, 2010
The **armory** in Tell City is one of three the **Indiana National Guard** has announced it is closing. The others are in Delphi and New Castle

National Guard closing 3 Indiana armories

WAVE - May 10, 2010
INDIANAPOLIS (AP) - The **Indiana National Guard** is closing three of its armories ... R. Martin Umbarger said it's always difficult to close an **armory** but he ...

Ind. Guard announces 3 armory closures

Indianapolis Star - Scott Thien - May 10, 2010
The **Indiana National Guard** is closing three armories across ... The release said fulltime **armory** staff and soldiers who train at those sites ...



INDIANA
WORKFORCE
DEVELOPMENT
AND ITS **WorkOne** CENTERS

June 22, 2010

Senator Vi Simpson
Minority Leader
4965 West Woodland Drive
Bloomington, IN 47404-8935

RE: Response to request on June 1, 2010

Dear Senator Simpson:

Thank you for your letter of June 1, 2010 regarding spending and budgetary issues.

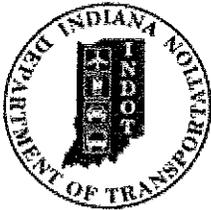
DWD, as an agency, receives state funding of less than \$1 million per year, which includes a mandatory \$500,000 state match for Federal Perkins funds (Career and Technical Education). DWD has not implemented any proposed cuts, or withheld any funding due to budgetary concerns, for FY10 or FY11, since the remaining funds used to operate DWD programs come from Federal funding streams.

Nevertheless, our employees have not received merit or cost of living raises for two years. We have worked to limit travel, eliminated take home cars and reduced our motor pool from 13 to 6. We carefully consider every opening we have and work closely with the Strategic Hiring Committee to ensure only those positions most essential to the operation of DWD are filled.

Please contact me if I can be of further assistance on this matter.

Sincerely,

Mark W. Everson
Commissioner
Indiana Department of Workforce Development



INDIANA DEPARTMENT OF TRANSPORTATION

Driving Indiana's Economic Growth

100 North Senate Avenue
Room N758
Indianapolis, Indiana 46204

PHONE: (317) 232-5525
FAX: (317) 232-0238

Mitchell E. Daniels, Jr., Governor
Michael B. Cline, Commissioner

June 22, 2010

Senator Vi Simpson
Minority Leader
Indiana State Senate
4965 West Woodland Drive
Bloomington, IN 47404

Dear Senator Simpson:

INDOT has looked at all facets of reductions, including the potential of layoffs, in an effort to offset the decline of \$35m in motor fuel revenues from the initial biennium projection. Our increased efficiencies (some detailed below) and deferral of cost in select areas have ensured that INDOT will meet the fiscal goals set out by the Governor and align with our current revenue projection. These changes have not affected our ability to continue with our record Construction program for this fiscal year or FY11 which will be equally as robust.

The following items are representative of those actions taken in fiscal year 2010 enabling INDOT to address its budget commitments in FY10 and in future years:

- Reduced Payroll (via attrition – no layoffs, and no pay raises for state employees for the last two years).
- Reduced head count – INDOT's approved FY10 budget allowed 4351 employees; the target for July, 2010 is 4122. However, we operate today with 3990 – well below target.
- Increased productivity. Despite a winter (FY10) that was 30% more severe than FY09 (measured in weather hours):
 - Man-hours/weather hour decreased 23%
 - Overtime hours/weather-hour decreased 21%
 - Total cost/weather hour decreased 13%
- Implemented a pavement preservation initiative that has added 83% in lane mile years, yielding more lane mile years than previously completed in 2009. This is a major cost savings vs. construction.
- Reduced fuel consumption via operational improvements by 23%.
- Extended the life of equipment and other assets resulting in cost savings.
- Deferred capital projects previously approved by State Budget Committee.
- Eliminated illumination of overhead road signs has generated savings on electricity and maintenance.
- Launched a propane conversion project that's estimated to save fuel costs for nearly 500 vehicles. This was funded with nearly 100% Federal grants.
- Took advantage of the competitive landscape. INDOT recently awarded contracts to buy 71 pieces of heavy equipment for \$1.2MM in savings below cost estimates.
- Reduced motor pool fleet by nearly 300 vehicles over the past 3 years generating capital savings as well as savings on maintenance and fuel.
- Instituted Voluntary Unpaid Leave.

I hope this background is helpful. As I continuing my on-boarding as Commissioner, I look forward to meeting you in the near future.

Regards,

Michael B. Cline



PORTS OF INDIANA

CENTRAL OFFICE
150 W. MARKET ST., STE. 100
INDIANAPOLIS, IN 46204-2845
TOLL FREE 800-232-PORT
TELEPHONE (317) 232-9200
FAX (317) 232-0137
WWW.PORTSOFINDIANA.COM

June 22, 2010

Senator Vi Simpson
Minority Leader
4965 West Woodland Drive
Bloomington, IN 47404-8935

Re: Your Inquiry Dated June 1, 2010

Dear Senator Simpson,

Thank you for your letter inquiring about the Ports of Indiana's proposed cuts and withheld distributions for FY 2010 and 2011. Our fiscal year is a calendar year (Jan.-Dec.). As I'm sure you'll recall, the Ports are a self-funded enterprise and are not dependent on the general fund or Hoosier tax dollars so there were no withheld distributions to us.

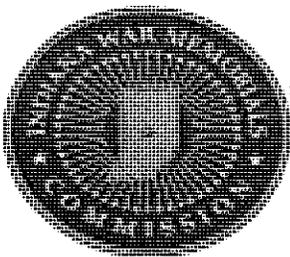
We did, however, take a close look at expenses and cost control measures, and I'm pleased to report that we finished 2009 with our total operating expenses 9% under budget and through the first five (5) months of 2010, expenses are currently 12% under budget. There were no salary increases in 2009 or 2010.

We continue to look for other innovative ways to reduce costs and fund major capital projects. For example, we are currently negotiating with our building owner to reduce office space requirements that would save over \$10K/year, and through successful negotiations we expect to save \$2.5 million in construction costs in 2010 on an access road that will be funded by private sector dollars.

I hope this answers your questions. Feel free to contact me directly if additional information is needed.

Sincerely,

Rich Cooper
Chief Executive Officer
Ports of Indiana



INDIANA WAR MEMORIALS

431 North Meridian Str
Indianapolis, IN, 462
317-232-76
www.warmemorial.in.gov

22 June 2010

Senator Vi Simpson
4695 West Woodland Drive
Bloomington, IN 47404

SUBJECT: Response to inquiry

Senator Simpson

The Indiana War Memorials Commission is responsible for 24 acres of property in downtown Indianapolis which include the Soldiers and Sailors Monument on the Circle, a portion of the White River Canal that houses the USS Indianapolis CA-35 Monument, and the IWM Plaza made up of University Park, the Indiana War Memorial, and the American Legion Mall.

We employ 13 full time and 4 intermittent employees. The funds we receive from the State are utilized in three ways which consist of paying our employees who have not had a pay raise in two years, the utilities to operate the 24 acres and buildings, and maintenance of the facilities which are 80-90 years old. Utility costs have risen over the years and the large portion of these costs relate to street lights which we must operate due to security reasons.

In order to reduce operating costs of the properties we have entered into an agreement with the Department of Corrections to utilize 13 offenders who are working in the pre-release program. They perform landscape duties, cut grass, build exhibits, and conduct interior repairs. Additionally, we have a commitment with the Marion County Court System to provide Community Service personnel who conduct cleaning duties on the properties to satisfy their obligation and residents of Wheeler Mission come here to perform trash duties in the parks. These measures allow us to save approximately \$250 K each year of taxpayer dollars and also assist in the rehabilitation of Hoosiers.

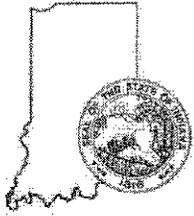
We have reduced the operation costs of our agency to the minimal level. Even if we were to close the IWM Museum which is open 5 days a week for 8 hours a day we would only save the expense of one employee. The State Capitol Police are required to be in the building 24/7 to meet our obligations under the Federal guidelines to maintain the federally owned weapons/artifacts in the museum. The majority of our costs are the maintenance of the properties.

Therefore, we have no current plans to reduce our program budget. If additional reductions are required we will meet the budget reductions with funds we receive from conducting events on the properties. We are maintaining the properties with the fewest funds possible. That combined with the assistance from DOC and the other agencies to augment our workforce we are able to maintain the properties at the high level that is expected as we continue to honor Hoosier Veterans.

Thank you for your interest in the Indiana War Memorials.

J. STEWART GOODWIN, Brigadier General, IN ANG
Executive Director, Indiana War Memorials Commission

“Honoring Hoosier Veterans is our Mission and our Passion”



STATE OF INDIANA

MITCHELL E. DANIELS, JR., Governor

Linda Peterson Hamilton, Chairman

WORKERS COMPENSATION BOARD

402 West Washington Street, Room W196

Indianapolis, Indiana 46204-2753

Telephone: (317) 232-3808

<http://www.in.gov/workcomp>

June 21, 2010

Senator Vi Simpson
Senate Minority Leader
Statehouse
200 West Washington Street
Indianapolis, IN 46204

Dear Senator Simpson,

The purpose of this letter is to respond to the requests contained in your letter dated June 1st, 2010. The Worker's Compensation Board of Indiana has taken a number steps to reduce its budget. It should be noted that the Board performs only functions which are required by state law, and does not have the option to eliminate programs.

Some of the smaller changes include:

- Printing orders and decisions of our judges/single hearing members on both sides of our paper and using scrap paper for printing internal documents.
- Employees are strongly encouraged to save e-mails to electronic folders instead of printing them out.
- Instead of mailing many documents out to attorneys or insurance adjusters, our staff was taught how to scan and e-mail them, which has reduced our postage costs.
- Reduced the number of phones in our office even further and began sending mail to our court reporters once a week instead of twice.
- We continue to expand the number of forms and filings which can be made electronically.

Larger changes include:

- Reducing our travel budget by requiring judges and court reporters to ride together to hearing locations throughout the State
- Case coordinators who previously traveled to hearing locations have been grounded, performing the majority of this role through e-mail and telephone correspondence.

- Traditionally, the full Board of seven judges meets for two days, seven times each year to hear appeals. Whenever possible, cases have been set so that all are heard in a single day so that overnight lodging is not necessary.
- Reimbursement of travel expenses for the judges is set out in the Worker's Compensation Act of Indiana. However, three of the five judges who necessarily travel to their hearing sites have voluntarily foregone reimbursement in order to help reduce our budget.
- The increased use of electronic filing made it possible for the Board to reduce its clerical staff by two. One longtime employee chose retirement. Another was laid off after a complete evaluation of the number of files and pieces of paper handled by each clerical staffer.

The cost saving measure of which I am most proud is the participation of 94% of our staff in our voluntary unpaid leave program. Because all of our small staff is cross-trained, we have still been able to cover all necessary daily tasks in an efficient and timely manner.

I hope you find this information helpful. If you have additional questions, please don't hesitate to contact me.

Yours very truly,

A handwritten signature in cursive script that reads "Linda Hamilton".

Linda Hamilton, Chairman

cc: Governor Mitch Daniels
Chris Ruhl, Director, State Budget Agency



Indiana State
Department of Health
An Equal Opportunity Employer

Mitchell E. Daniels, Jr.
Governor

Gregory N. Larkin, M.D., F.A.A.F.P.
State Health Commissioner

June 22, 2010

Hon. Vi Simpson
Senate Democrat Leader
State House
Indianapolis, IN 46204

Dear Senator Simpson:

Thank you for your recent letter of inquiry and concern about transparency surrounding state government spending decisions. First of all, let me assure you our agency has and continues to make every effort to reduce expenses and improve efficiency while continuing to provide the highest level of public health services to all Hoosiers. Our efforts include: restructuring staff, providing no employee pay increases, offering voluntary unpaid leave, reducing cell phone assignments, restricting travel, eliminating the purchase of business cards and hard copy letterhead, substantially reducing agency memberships and subscriptions, and reducing Vital Records walk-up window hours.

In the 2010 fiscal year the Indiana State Department of Health maintained 33 fund centers to support various public health activities. Six of those fund centers experienced no reversion, while the remaining fund centers experienced reserves of 5% to 10%. Please understand that most of the reductions have been administrative in nature and will not cause significant service impacts. The exact totals of these reversions will be available at the conclusion of the current fiscal year. Fund centers experiencing reversions are as follows:

- Office of Women's Health
- Donated Dental Services
- State Prostate Cancer
- Cancer Registry
- Minority Health Initiatives
- Project Respect
- HIV/AIDS Services
- Tests for Drug Affiliated Babies
- State AIDS Education
- Chronic Disease
- WIC Supplement
- MCH Supplement
- TB Hospital Aid
- Children With Special Health Care Needs
- Minority Epidemiology
- State Department of Health General Fund

- Medicare – Medicaid
- Area Health Education Centers
- Adoption Medical History
- Newborn Screening
- Radon Gas Trust
- Birth Problems Registry
- Spinal Cord and Brain Injury
- Weights and Measures
- Motor Fuel Inspection Program
- Breast and Cervical Cancer Program
- Community Health Centers

Fund Centers with no reversions are:

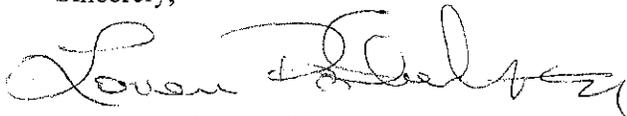
- State Breast Cancer
- Sickle Cell Program
- Local Health Maintenance
- Tobacco Prenatal Substance Use & Prevention
- Local Health Maintenance (Trust)
- Indiana Check-Up Immunization Plan

Employees are encouraged to identify possible saving ideas to management for consideration and possible implementation. Constant efforts continue by agency staff to seek increased federal funding where possible. In one instance, State laboratory drinking water testing fees were implemented as allowed by statute (see enclosure).

I have also enclosed copies of correspondence and notices to the public as examples of agency communication of these cutbacks.

If I may be of further assistance, please do not hesitate to contact me at your convenience.

Sincerely,



LOREN ROBERTSON
DEPUTY STATE HEALTH COMMISSIONER

Enclosures

cc: Governor Mitch Daniels
Chris Ruhl, State Budget Director



Indiana State
Department of Health
An Equal Opportunity Employer

Mitchell E. Daniels, Jr.
Governor

Judith A. Monroe, M.D.
State Health Commissioner

DATE: January 29, 2010

TO: Public/Private Drinking Water Supplier:

FROM: Indiana State Department of Health Laboratories

SUBJECT: Changes to ISDH Fees for drinking water testing after review of services and fees.

The Indiana State Department of Health (ISDH) shares your commitment to ensuring clean drinking water for all Hoosiers. Unfortunately, the rising costs of performing drinking water testing, including the expenses associated with providing the sample collection and submission kits, have made it extremely challenging for us to continue to provide the general public and municipal drinking water suppliers with inexpensive testing (including bacteriological, nitrate/nitrite, sodium and fluoride). After a careful review of our current fees, we have determined the best way for us to continue to serve the public, while also covering the costs associated with that service, is to make the following adjustments in the fees for drinking water testing, effective **Monday, April 5, 2010**.

- 1) The fee for drinking water testing by the ISDH Laboratories for the parameters noted above will increase to \$10.00 per test (from the current \$8.00 per test). An additional charge of \$ 6.50 per order for shipping and handling will also be incurred if the kits are shipped by the ISDH to the customer instead of in-person pickup at the ISDH Laboratories. Municipal water supplies and schools will not be charged for fluoride testing.
- 2) All public water suppliers will now be subject to the \$10.00 fee for each test except fluoride as indicated in 1). This includes those registered with the Indiana Department of Environmental Management (IDEM) as being owned and operated by a municipality, which previously were not charged for the testing parameters noted above.*
- 3) Any repeat testing performed due to unacceptable water test results will require the submitter to request the necessary additional kits and pay the same fees as for the initial testing. The same exceptions noted in 1) apply here as well.

Checks or money orders should be made out to the Indiana State Department of Health and must be provided when ordering or picking up the kits. The ISDH Water Test Kit Order form is available online at <http://www.in.gov/isdh/24550.htm>. Please contact Tom Cronau, Director, Environmental Microbiology Laboratory Division (317-921-5850) or tcronau@isdh.in.gov if you have any questions. We appreciate your cooperation.

* An exception to this change in fees will be those water suppliers who have been designated by the IDEM as a Small System Lab Assistance Program (SSLAP) participant. The other exception is all state operated facilities, such as State parks and reservoirs, Department of Correction facilities, State operated universities, and facilities operated by the Indiana Department of Transportation.

Barrett, Tami

Subject: FW: News Release: State Vital Records Office to be closed on Mondays

The ISDH sent out this release statewide to the media this afternoon. All of our releases are available on the ISDH Website at: www.statehealth.IN.gov:

FOR IMMEDIATE RELEASE

CONTACT: Jennifer Dunlap

June 1, 2010

317-233-7315

STATE VITAL RECORDS OFFICE TO BE CLOSED ON MONDAYS

INDIANAPOLIS – Effective Monday, June 7 the State Vital Records Office's walk-in service, located at 6 West Washington Street in downtown Indianapolis, will be closed on Mondays. The public will continue to be able to visit the walk-in service for copies of birth and death certificates from 9:00 a.m. to 2:00 p.m. Tuesday through Friday each week.

"In the interest of saving taxpayer money through smarter, more efficient government practices, we took a hard look at our hours of operation and decided to close on Mondays to realign our workforce and focus staff resources on those days on processing Internet, fax, and mail requests as well as answering customer phone calls," said State Registrar Erin Kellam, Esq.

According to Kellam, the State Vital Records Office's walk-in service gets about 200 visitors per week, of which on average only 20-25 come in on a Monday.

Individuals born in Indiana can still get copies of birth and death certificates at the local health department for the county in which they were born, or the county in which the death occurred. Hoosiers can also order birth and death certificates online, by phone, or by mail 24/7. For more information, visit the Indiana State Department of Health Website at: www.in.gov/isdh/20444.htm.

Most local health departments are open on Mondays, including the Marion County Health Department at 3838 North Rural Street in Indianapolis. Information on local health department vital records fees and hours of operation are available on the Indiana State Department of Health Website at: www.in.gov/isdh/20422.htm.

###

Jennifer Dunlap, Director
Office of Public Affairs
Indiana State Department of Health
(317) 233-7315
www.statehealth.IN.gov

Don't Get the Flu. Don't Spread the Flu. Get Vaccinated Today.



Indiana State
Department of Health
An Equal Opportunity Employer

Mitchell E. Daniels, Jr.
Governor

Judith A. Monroe, M.D.
State Health Commissioner

June 11, 2009

As a result of the current state of the economy, the CSHCS Program, along with other programs throughout state government is facing reductions in available funding. As you may know, the CSHCS Program is totally supported by state monies and a portion of Title V funds which also support maternal and child health. Therefore, we have had to make some tough decisions in an effort to curb costs while maintaining the broadest positive child health outcomes in the state.

The Children's Special Health Care Services program will continue to pay for travel reimbursement to the parent or guardian of the under age participant or to the participant of age for trips to approved health care providers. However, effective 7/1/09, some reductions in the travel benefits will be implemented. Mileage will be paid for trips (either one-way or round trips) over 49 miles; however, the 1st 49 miles will not be reimbursed. Additionally, the mileage allowance will be one-half (1/2) of the amount established by the Indiana State Department of Administration and approved by the State Budget Agency. Mileage will be reimbursed at the rate of \$.22 per mile for travel dates on or after 7/1/09.

No other changes are being made to CSHCS family travel policy or procedures. Please remember that anyone requesting Travel Reimbursement must have filed (one time only) a completed Indiana W9 Form and a Direct Deposit Authorization Form. These forms have now been combined into 1 new **Vendor Information** form that has been used since 3/1/09. This new form should be used for new submitters, or for those having a change in address or banking information. The new form can be downloaded from the CSHCS web site at <http://www.in.gov/isdh/19613.htm>, and submitted to CSHCS when completed.

We are sending this letter so that families will be informed about this change before it becomes effective, and will understand the reasoning behind this reduction.

Thank you.

Children's Special Health Care Services Program (CSHCS)

Barrett, Tami

Subject: FW: FSSA Contracts

Importance: High

From: Montgomery, Kristi

Sent: Wednesday, May 05, 2010 11:54 AM

To: 'Bob Loudon'; 'Brian Revalee'; 'cflenary@concordindy.org'; 'dwater2809@aol.com'; 'gmanifold@aidsfortwayne.org'; 'Jill Stowers'; 'Julie Foltz'; 'Kelli Fuller'; 'Kris Wise'; 'Leeah Hopper'; 'Michaelangelo McClendon'; 'scork@concordindy.org'; 'TMorrisAP@aol.com'; 'Tom Bartenbach'; 'Tracy Huck'; 'Tris Rehfus'

Cc: Carney, Shawn; Upchurch, Meredith; Harris, Larry (ISDH)

Subject: FSSA Contracts

Importance: High

All Care Coordination Managers-

Please be aware that the HIV Care Coordination Program will experience a significant reduction in funding in FY10-11 which begins July 1st. We are working to minimize the negative impact of the reduction, but it is likely that decreases in grant awards will be necessary. To prepare, please let us know immediately if you currently have or are expecting any staff vacancies.

We will keep you abreast of the situation as we learn more. If you have questions related to this e-mail, please direct them to me. Thank you.

Kristi Montgomery, MSW, LSW
HIV Care Coordination Program Manager
ISDH, Division of HIV/STD
(317) 233-7971
(317) 233-7663 Fax
kmontgom@isdh.in.gov

From: Management, Contracts

Sent: Friday, April 30, 2010 4:09 PM

To: Management, Contracts

Subject: FSSA Contracts

To all FSSA vendors,
This email is for informational purposes, and no response is necessary.

As a valued vendor of services for Family Social Services Administration (FSSA) of the State of Indiana we want to make you aware of budget restraints that may affect you through contract reductions. As we are sure you are aware, the State of Indiana has faced a significant decrease in revenue over the past year. Because of this, Governor Daniels has called on all state agencies to further reduce their spending.

All FSSA spending is being evaluated for potential cost savings, and as a result many contracts may have forthcoming reductions. We are grateful for your willingness to provide quality services to the citizens of Indiana through your agreements with FSSA, and appreciate your understanding during these difficult times.



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State of Indiana

Senate

Senator Vi Simpson
Minority Leader
4985 West Woodland Drive
Bloomington, IN 47404-8935
Business (317) 232-9849
Toll Free: (800) 382-9467
Email: S40@iga.in.gov

Committees:
Insurance & Financial Institutions
Health & Provider Services
Rules & Legislative Procedure, R.M.M.
Joint Rules

June 1, 2010

Loren Robertson
Department of Health
2 North Meridan Street Room 2N02403
Indianapolis, IN 46204

Dear Mr. Robertson:

As you may be aware, there is a growing concern among members of the General Assembly and the public about the lack of transparency that now surrounds spending decisions by our state government.

Specifically, I have been informed by the State Budget Director that a comprehensive list of budget reductions implemented by the Executive Branch is not available. Upon his suggestion, I am directing my request to each agency for information on program cuts and how the amounts of the cuts were determined.

Please provide the following by June 22, 2010:

1. A list of your agency's implemented and proposed cuts and withheld distributions for FY 2010 and 2011 by program
2. The methodology used to determine how cuts are made
3. Implementation dates of all budget cuts and personnel layoffs
4. Expected reversions to date by program
5. Estimated impact of cuts on people served by each program

Thank you for your prompt attention to this request. I look forward to receiving your response and the information requested.

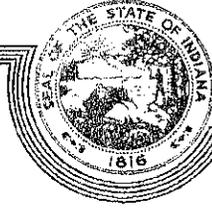
Respectfully,

Vi Simpson
Senate Democrat Leader

cc: Governor Mitch Daniels
Chris Ruhl, State Budget Director

STATE OF INDIANA

David Lott Hardy
Chairman



INDIANA UTILITY REGULATORY COMMISSION
101 W. WASHINGTON STREET, SUITE 1500 EAST
INDIANAPOLIS, INDIANA 46204-3407

dlhardy@urc.in.gov
Office: (317) 232-2702
Facsimile: (317) 232-6758

June 22, 2010

Senator Vi Simpson
4965 West Woodland Drive
Bloomington, IN 47404

Re: IURC Budget Reduction

Dear Senator Simpson,

This is a response to your request for information on the actions taken to reduce the IURC's budget. The Commission has been mindful of the current fiscal situation and has done its best to maintain a high quality of service despite monetary reductions to its operational budget. I will address the five areas of interest specified in your June 1, 2010 letter and provide additional background on the Commission's focus and duties.

The Commission is an administrative court that hears evidence in cases filed before it and makes decisions based on evidence presented in those cases. The Commission acts in the public interest by assuring that the jurisdictional utilities (electric, gas, water and telecom) provide safe and reliable service at a reasonable cost. This important and complex responsibility is our only focus and/or program; therefore, our approach to the budget reduction mandates may well differ from the approaches taken by the general fund agencies.

The IURC cannot make specific budget cuts to programs, nor has it discharged employees to "make budget." The primary expense of the IURC's operation is tied to headcount; 80% of the budget is in personnel costs. As you may be aware, the agency is funded by a fee paid by the regulated utilities, not the general fund. Therefore, the reduction in costs of operation is not returned to the general fund, but to the utilities. Because of our structure, much like a court, our caseload and overall quantity of work varies greatly and is based primarily on

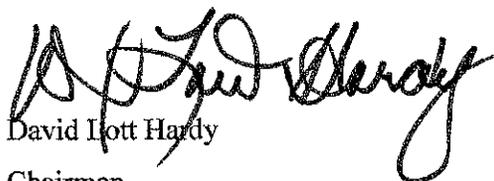
the number of petitions brought to us by the regulated utilities. Typically, difficult economic times dramatically increase the Commission's workload, and this downturn has had that result.

While we have attempted to identify how to do more with less, we have not made formal program cuts. We have, however, done numerous things to achieve budget savings such as: instituting a pay freeze, leaving vacant unfilled positions longer than normal, scrutinizing expenditures and reducing out-of-state travel. Although we have implemented these changes, the Commission's ability to perform its core responsibilities has not been visibly impacted.

It is too soon to determine our reversions with certainty for the 2010 fiscal year. However, we can say with confidence that end of the year reversions to be credited back to the utilities that pay the utility fee will be significantly more than the \$5,000 reverted by the IURC last year. The additional funds have been accumulated partially through increased spending scrutiny, but mostly due to vacant positions.

Should you have any questions about the information provided in this letter, please contact me at 317-232-2702.

Sincerely,

A handwritten signature in black ink, appearing to read "David Lott Hardy". The signature is written in a cursive, flowing style with some loops and flourishes.

David Lott Hardy

Chairman



Mitchell E. Daniels, Jr., Governor
Bret D. Marsh, DVM, State Veterinarian

INDIANA STATE BOARD OF ANIMAL HEALTH

Office of the State Veterinarian
805 Beachway Drive, Suite 50
Indianapolis, IN 46224-7785
Phone: 317/227-0300
Fax: 317/227-0330

June 18, 2010

Senator Vi Simpson
Senate Democrat Leader
4965 West Woodland Drive
Bloomington, 47404-8935

Dear Senator Simpson,

I received your request for information on budget reductions implemented by the Indiana State Board of Animal Health.

Like all state agencies, the Indiana State Board of Animal Health (BOAH) has been affected by lagging state revenues. BOAH has responded to the fiscal challenge in several ways.

BOAH has reduced spending by:

1. Delaying or foregoing purchases for such items such as automobiles, equipment and office supplies.
2. Reducing out-of-state travel.
3. Evaluating technology needs and use and reducing or delaying computer and other technology purchases.
4. Carefully evaluating personnel vacancies and only filling essential positions. Eliminating employee raises. Eliminating paid summer internships.
5. BOAH has reduced its office lease expense going foreword by moving the BOAH office to a new location in April 2010. The new location is smaller and less expensive resulting in a greater than 50% reduction in BOAH's monthly lease expense, a savings of \$9,168.62 per month.

BOAH has reorganized the meat and poultry inspection program. The BOAH Meat and Poultry Inspection Program (MPIP) had been working with meat and poultry plants to implement efficiency measures in the state inspection program for several years. Beginning in January 2010, the BOAH MPIP was challenged with a reduction in state funding and a corresponding reduction in federal funding. BOAH responded to the reduced funding reality by:

1. Working with plants to consolidate work requiring inspection to the fewest number of days and hours possible to allow for efficient use of inspection personnel between plants.
2. No longer providing inspection service for custom or other work that does not require official state inspection. BOAH continues to provide inspection when required, but only when required.

Safeguarding Indiana's animals, food supply and citizens for over 100 years.

An equal opportunity employer.

After excellent cooperation and much input from the meat processing industry, Hoosier livestock producers and other interested persons, BOAH was able to design a plan to overhaul the Meat and Poultry Inspection Program to reduce expenses. The MPIP plan preserves a viable state-inspection program with a high priority on food safety while supporting value-added, locally produced food networks. Regrettably, the plan has resulted in the elimination of 19 positions in the MPIP program including laying off 12 staff in April of this year.

Enclosed please find additional information regarding the BOAH efforts, including a copy of a January 2010 notice sent to all legislators about changes in the meat and poultry inspection program. We will not know the results of these efforts until we close out the fiscal year and are able to analyze our year end reports. Because the reorganization of the meat and poultry program and moving the BOAH office occurred late in the fiscal year, most of the savings from those changes will not be realized until the next fiscal year.

Please contact me if you have further questions or concerns.

Sincerely,

A handwritten signature in cursive script that reads "Bret D. Marsh".

Bret D. Marsh, D.V.M.
State Veterinarian



Mitchell E. Daniels, Jr., Governor
Bret D. Marsh, DVM, State Veterinarian

INDIANA STATE BOARD OF ANIMAL HEALTH

Office of the State Veterinarian
805 Beachway Drive, Suite 50
Indianapolis, IN 46224-7785
Phone: 317/227-0300
Fax: 317/227-0330

January 6, 2010

Dear Meat and Poultry Plant Owner,

For several years the Indiana State Board of Animal Health (BOAH) Meat and Poultry Inspection Program (MPIP) has been working with you to implement efficiency measures in the state inspection program. Much has been accomplished. The MPIP is now providing inspection service with one-third fewer employees than when the program was moved to BOAH in 1996, while at the same time the number of state inspected plants has increased. As we enter 2010 the MPIP is at another crossroads. During the last two years state revenues have declined at a rapid rate. The State of Indiana is taking all necessary action to deal with the funding decline. **State funding for the MPIP is being reduced by 50 percent for the fiscal year beginning July 1, 2010. Because the MPIP is funded with a 50 percent federal match, BOAH will also lose 50 percent of the federal money for the MPIP. The total reduction is nearly \$2 million dollars. BOAH is preparing a plan to accomplish this goal. BOAH must begin to implement the plan immediately in order to meet this goal. It is critical that the MPIP significantly reduce expenditures to respond to the reduction in funding. Without substantial changes, there is a real risk that the program will be terminated.**

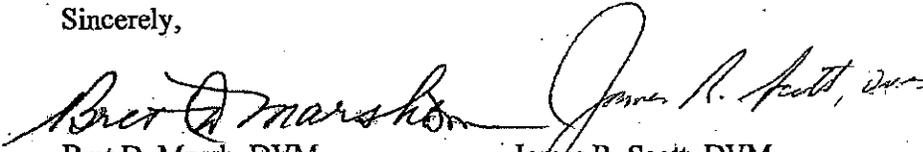
In response to the reduced funding reality, BOAH will be forced to reduce its inspection and support staff. With changes in MPIP staffing, BOAH will not be able to maintain the current level of inspection service. **MPIP will no longer be able to provide inspection service for custom or other work that does not require official state inspection. Inspection will be provided only when required.** Each plant must consolidate work requiring inspection to the fewest number of days and hours possible. These days or parts of days will be the official state-inspected slaughter and processing days and times for your facility. All other times will be custom slaughter and exempt processing times. The enclosed sheet describes the different inspection status options for meat and poultry plants.

The MPIP must implement changes effective immediately and MPIP expects all plants to have implemented the changes not later than February 15, 2010. BOAH will accelerate its use of inspection staff at more than one plant to efficiently utilize resources and therefore will have to change the dates and times inspection is offered to each plant. The MPIP Area Supervisors will consult with each plant when establishing the new inspection schedule. The MPIP will likely not be able to accommodate every request for service.

BOAH is committed to maintaining an efficient, quality state inspection program that is "equal to" federal requirements for food safety, while providing a valuable service to Indiana agriculture. To accomplish that goal in the current economy, MPI and industry must work together to quickly make changes to the program.

Please contact Dr. James Scott, Director of the Meat and Poultry Inspection Program if you have any questions. Dr. Scott may be reached by calling 317-227-0359 or by email at jascott@boah.in.gov.

Sincerely,



Bret D. Marsh, DVM
Indiana State Veterinarian

James R. Scott, DVM
Director, Meat and Poultry Inspection



Mitchell E. Daniels, Jr., Governor
Bret D. Marsh, DVM, State Veterinarian

INDIANA STATE BOARD OF ANIMAL HEALTH

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LICENSING REQUIREMENTS & OPTIONS FOR MEAT & POULTRY FACILITIES

January 6, 2010

Federal Inspection: Establishments conduct operations under a grant of inspection from USDA's Food Safety and Inspection Service. Federal establishments may ship product to other states and countries. Plants interested in federal inspection should contact the USDA FSIS Chicago Office at 630-620-7474.

Indiana Official Establishments: Permanently located facilities where livestock are slaughtered and processed under a Grant of Inspection from the Meat & Poultry Inspection Division of BOAH.

Inspected slaughter facilities are where livestock are slaughtered. Products from the carcasses are capable of use as human food and are eligible for sale or distribution within the state. These facilities must be operated in compliance with Sanitation Performance Standards, SSOP, and HACCP regulations.

Inspected processing facilities prepare meat and/or poultry products capable for use as human food for sale or distribution within the state. Products are eligible to bear the mark of inspection. These facilities must be operated in compliance with Sanitation Performance Standards, SSOP, and HACCP regulations.

Indiana Custom Slaughter and Processing Facilities: Facilities where livestock are slaughtered and processed without official inspection as a service for the animal owner. Animals or meat/carcasses are delivered to the custom slaughter operator by the owner and the products are returned to the owner for consumption by the owner, his/her family, employees, and non-paying guests.

Custom slaughter facilities: Custom-slaughtered carcasses must be marked "Not for Sale" and identified with the owner's name immediately upon preparation (this means prior to entering the carcass cooler after slaughter). The custom slaughter of dead or dying animals is not allowed. The custom plant must comply with product adulteration, labeling, and record keeping requirements and most Sanitation Performance Standard regulations.

Custom processing facilities: Custom-prepared products must be marked "Not for Sale". The identity of the owner must be maintained with the product until delivered back to the owner. The custom plant must comply with product adulteration, labeling, and record keeping requirements and most Sanitation Performance Standard regulations. If custom operations are conducted in an official establishment, all parts of the SSOP regulations apply.

Retail Exemption: Retail stores may prepare inspected and passed meat and meat products for sale to consumers, intended for off-premises consumption in normal retail quantities, without BOAH inspection. Retail stores may only conduct usual and traditional retail operations and must label the product. Retail stores may not slaughter animals or process canned products. Retail stores may not sell to any one person an amount in excess of a normal retail quantity. A retail store may not sell to other retail stores for resale, but limited quantities of raw product may be sold to hotels, restaurants, and institutions (HRI). Retail operations are inspected by the local health department under the authority of the Indiana Food Code. Retail stores may be located in inspected or custom facilities.

Wild game processors: Exempt from BOAH inspection requirements. Wild game may be processed at official or custom establishments if the wild game is slaughtered and processed separately from livestock products and insanitary conditions are not created. Meat from livestock may be added to the wild game only if it is from an inspected source, or if it is provided by the owner of the wild game and the finished product is treated as a custom ("not for sale") product.

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Mitchell E. Daniels, Jr., Governor
Bret D. Marsh, DVM, State Veterinarian

INDIANA STATE BOARD OF ANIMAL HEALTH

Office of the State Veterinarian
805 Beachway Drive, Suite 50
Indianapolis, IN 46224-7785
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ANIMAL INDUSTRY ADVISORY **Information For Livestock Producers About Changes to** **Indiana's Meat & Poultry Inspection Program** **(15 January 2010)**

Due to a steep decline in incoming revenue, the State of Indiana has directed all state agencies to reduce spending beginning immediately. **The Indiana State Board of Animal Health (BOAH) has been directed to cut the Meat and Poultry Inspection Program (MPIP) by 50 percent** for the 2011 fiscal year, which begins July 1. The end result will be a reduction to MPIP of \$2 million.

As a result, BOAH must make significant changes to the program. The agency is working closely with the industry to find solutions to reach the budget target, while maintaining a viable, effective state-based inspection system. As a livestock and/or poultry producer, these changes may impact your business. This Q&A sheet aims to address some concerns.

Q: What is being asked of plants?

A: Because BOAH will be forced to reduce its inspection and support staff, the agency will not be able to maintain current inspection levels. MPIP will no longer be able to provide inspection service for work that does not require official state inspection. Each plant must consolidate work requiring inspection to the fewest number of days and hours possible. These times will be the official state-inspected slaughter and processing times for that facility. All other times will be custom-exempt times, during which products will not be produced for sale. This could result in significant schedule changes at some facilities. Future industry growth initiatives could be significantly curtailed by BOAH's lack of resources to provide more inspection.

Q: How will I know what changes are being made at my plant?

A: You should contact your state-inspected plant to inquire about what the facility's management intends to do to adapt to MPIP changes. At the very least, your plant-of-choice will likely have a slaughter schedule change. Be sure to ask about the facility's inspection status. In addition to maintaining a reduced state-inspected program, your local plant has the option to move into the federal (USDA) system, which allows clients to continue to resell meat and poultry products. If your plant moves to the custom-exempt option, products produced from that facility cannot be sold.

Q: Can I still sell my meat or meat products to others?

A: Products processed at state-inspected facilities, if properly labeled, may be sold. As always, products produced at custom-exempt facilities may not be sold or given away/donated. These products come from the facility labeled "Not for Sale". These items may be consumed only in your home, by you and your non-paying guests.

Q: When will I start to notice changes at my local plant?

A: Changes are already beginning at some facilities. The 50 percent reduction plan must be in place before the end of the current state fiscal year.

Q: If I can no longer resell products from my local plant, how do I locate another state- or federal-inspected facility?

A: BOAH can help identify facilities that offer the services you need; call: 1-877-747-3038 x.355 or email: animalhealth@boah.in.gov .

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From: Valentine, Anne [mailto:AValentine@gov.IN.gov]
Sent: Wednesday, January 27, 2010 11:00 AM
To: #All Legislators
Cc: Jeff Papa; Julie Halbig; Patrick Cunningham; Laura Bauman
Subject: Information regarding Meat & Poultry Inspections

January 27, 2010

For Your Information

- Governor Daniels

Dear Members of the General Assembly,

I understand many of you have received inquiries regarding meat and poultry inspections and wanted to provide the information below.

Sincerely,

Anne Valentine
Legislative Director
Office of Governor Mitch Daniels
(317) 234-4743
avalentine@gov.in.gov

Meat and Poultry Inspections

- In early January, the Board of Animal Health notified stakeholders that the state meat and poultry inspection program funding would be reduced by \$2 million. This is in line with cuts taking place across state government because of lagging state revenues. The reductions include \$1 million in state general funds and \$1 million in matching federal monies. \$1 million in state general funds and \$1 million in federal matching monies will still be dedicated to maintaining the state inspection program and the economic benefits it offers animal agriculture.
- BOAH will reduce the number of inspectors but remains committed to maintaining an efficient, quality state inspection program which meets federal requirements. To that end, it is working with slaughter and processing facilities throughout the state to assess their needs and develop a new approach for use of inspectors' time.
- For years, inspections were performed for slaughter beyond the requirements set forth by USDA. BOAH will be adjusting schedules to maintain a high level of food safety, while optimizing available state resources.

- With fewer inspectors, BOAH is discussing how efficiencies can be made on a plant-by-plant, employee-by-employee basis. The initial response has been very cooperative. To maintain a state inspection program through difficult economic times requires the cooperation of facilities to find better and more efficient ways to schedule inspections.
- The alternative, which BOAH is trying to avoid, is ending the state program and relying only on federal inspections, if available.
- Of the 134 slaughter and/or processing facilities in the state, 34 currently operate completely custom or exempt, which means inspections are not required for each slaughter. The other 100 facilities are evenly split between official inspection (slaughter and processing) and processing-only facilities.

BOAH Issues Newsletter (4-8-10)

Meat & Poultry

DUE TO lagging state revenues, in January, BOAH was instructed to cut 50 percent of the budget from the MPIP (\$1 million of the \$2 million Indiana spends on the program, which would result in the same loss of federal matching dollars). After many meetings with industry, agency inspection staff and intensive reviews of slaughter records, BOAH determined that MPIP could not operate as a viable program with half the current funding. Ever-increasing federal standards, food safety priorities, and industry sector operating needs could not be met. Ultimately, through negotiations with the state's Budget Office, BOAH was able to reorganize the division to allow a 25 percent reduction in the state's funds. (Likewise, federal funds will drop by 25 percent, because this operates on a 50-50 matching dollars agreement. Ultimately, the \$4 million program will lose nearly \$1 million total.) As a result, MPIP staff will be reduced by one-third by the end of the 2010 fiscal year. State-inspected plants have been operating under the recently revised schedules for several weeks now.

Haynes, Gary

From: Derrer, Denise
Sent: Wednesday, March 24, 2010 2:13 PM
To: #ALL BOAH Personnel; #BOAH FSIS
Subject: BOAH RELEASE: New Address, Phone Numbers After BOAH Move 3/29

Importance: High

FOR IMMEDIATE RELEASE

CONTACT: Denise Derrer, Public Information Director, 317-227-0308
(after Mar. 29: 317-544-2414)

New Address & Phone Number for BOAH; Expect Brief Service Interruption

INDIANAPOLIS (24 March 2010)—Beginning Monday, March 29, the Indiana State Board of Animal Health will have a new mailing/shipping address, as well as telephone numbers.

The new address will be:

**4154 N Keystone Avenue
Indianapolis, IN 46205**

As part of on-going cost-saving measures, the Central Office for BOAH will be moving on Friday, March 26. Citizens can expect interruption to phone service during that day.

Beginning March 29, the new main telephone number for BOAH will be 317-544-2400.

The fax number will be 317-542-1415.

Cellular phone numbers for all staff will remain the same, with no service interruption during the move.

Contact guidance during the move, Friday, March 26 through Monday, March 29:

- The existing BOAH phone and fax numbers will be disabled early Friday morning. Voicemail will not likely be available until much later in the day, after the phone system is physically moved.
- The toll-free line, 877-747-3038, will be available throughout the day for essential needs.
- Clients may contact staff via their cellular phones throughout that period.
- All individual BOAH phone extensions will be changing. Beginning Monday, March 29, old individual phone numbers will have forward notifications, for those who dial the old numbers for approximately 30 days. A phone directory will be available at the BOAH website at www.boah.in.gov. Click on What's New?
- During the move, Central Office staff will have limited access to email/internet.
- The regular toll-free Meat and Poultry Inspection Program assistance line will be available, as usual during regular business hours during the move.

The new BOAH shipping/mailling address will be available soon. (BOAH is awaiting a suite designation for the building to be approved.)

Denise Derrer



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State of Indiana

Indiana Family and Social Services Administration

402 W. WASHINGTON STREET, P.O. BOX 7083
INDIANAPOLIS, IN 46207-7083

Anne Waltermann Murphy, Secretary

June 22, 2010

Dear Senator Simpson,

Thank you for your letter dated June 1st requesting information on budget reductions made by the Family and Social Services Administration (FSSA). FSSA serves as a last resort for many Hoosiers seeking help and with that in mind, we have worked to maintain vital services to the neediest of our State, while making reductions in order to remain fiscally sound. Throughout the process, we have continued to release information to keep those affected by the changes informed. Enclosed you will find multiple communications to every group that has been or will be affected by FSSA's cuts, public notices of rule changes, and media coverage across the State.

These documents represent our commitment to transparency; however, they do not reflect the many phone calls and meetings that FSSA staff have conducted with groups affected by impending cuts.

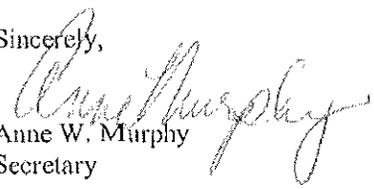
During these tough financial times, we have had to prioritize and protect funding in order to provide coverage and assistance to the unprecedented numbers of citizens enrolling in our government assistance programs. There are 1.2 million Hoosiers enrolled in services at this time. It has been necessary to reduce funding for other programs and services in order to serve these individuals.

While it has been necessary to reduce spending for some programs, we have also taken steps internally to reduce the need to implement cuts and reductions affecting clients. We have left vacant positions unfilled, imposed travel restrictions, reduced state owned vehicles, co-located offices and forced reductions in non-direct care vendor contracts.

FSSA continues to serve the neediest Hoosiers to the best of our ability as we await economic recovery. Our clients can have confidence in the fact that we will continue to find ways to provide quality services to as many citizens as we can. Meanwhile, taxpayers can have confidence that we are continually looking for ways to reduce our budget to prevent the large deficits that many states around the country are now facing. We are fortunate that Indiana is not facing nearly the same budget deficit, due in large part to the tough decisions that we, as a State, have had to make.

I appreciate the opportunity to respond to your letter and provide you the details on FSSA's budget reductions.

Sincerely,


Anne W. Murphy
Secretary



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State of Indiana

Division of Disability and Rehabilitative Services
402 W. WASHINGTON STREET, P.O. BOX 7083
INDIANAPOLIS, IN 46207-7083
1-800-545-7763

To: Consumers, providers and stakeholders who support individuals with disabilities
From: The Division of Disability and Rehabilitation Services
Re: VRS Rate Change Implementation
Date: April 14, 2010

The priority of the Bureau of Rehabilitation Services (BRS), a program of the Division of Disability and Rehabilitative Services (DDRS), is to support the health and welfare of individuals with disabilities in Indiana. Vocational Rehabilitation Services (VRS), a program of BRS, provides quality, individualized services to enhance and support people with disabilities to prepare for, obtain or retain employment.

Due to the current state of the economy, all state agencies are reviewing internal and external expenditures to determine potential cost savings, including contracts, administrative costs and service fees.

Despite numerous internal changes, VRS is unable to close the existing budget gap without including client services. In addition to other cost-saving measures, beginning on May 1, 2010, VRS will implement rate reductions to all client services offered through employment vendors.

The services affected include:

- Tier 1 and Tier 2 Result Based Funding (RBF) milestones will be reduced by 10%.
- Hourly supported employment, job placement and community based work evaluations rates will be reduced by 10%.
- Work experience rates and the work experience development fees will no longer be purchased.

VRS will proactively continue to evaluate client service rates as our state's economy changes.

Additional Resources:

- DDRS Website: www.DDRS.IN.gov
- DDRS Bulletin Archive: <http://www.IN.gov/fssa/ddrs/3350.htm>
- VRS Website: www.VRS.IN.gov
- Help Line by Phone: 1-800-545-7763

Reference # BDD520090414

www.IN.gov/fssa
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DIVISION OF DISABILITY AND REHABILITATIVE SERVICES
402 W. Washington Street, P.O. Box 7083
Indianapolis, IN 46207-7083
1-800-545-7763

TO: Consumers receiving Caregiver Support services, families, providers, and other stakeholders who support individuals with disabilities in Indiana

FROM: Peter Bisbecos, DDRS Director

RE: Caregiver Support Services

DATE: February 15, 2010

The priority of the Bureau of Developmental Disabilities Services (BDDS), a program of the Division of Disability and Rehabilitative Services (DDRS), is to support the health and welfare of individuals with disabilities in Indiana. In July 2007, BDDS introduced Caregiver Support services, a program funded by 100% state dollars. This service is designed to provide temporary relief to caregivers of individuals with developmental disabilities, who are not receiving any other services. Since its inception, we have been able to provide support to over 800 individuals with Caregiver Supports, however, due to an overwhelming response we are very close to reaching our state's annual budget capacity for this service.

To ensure we do not exceed the state's budget for this service the following changes apply:

- Effective immediately, and until June 30, 2010:
Providers of Caregiver Support services will only be reimbursed for services prior to the date of this bulletin.
- Effective State Fiscal Year 2011 (July 1, 2010 to June 30, 2011):
Should budget approval occur for this service, individuals who would like services for fiscal year 2011, should go to their district BDDS office on or after July 01, 2010. Should funds become available, services will be offered on a first come first serve basis.

Within the next few days, BDDS will be mailing this bulletin to individuals with currently approved budgets for Caregiver Support Services. Please direct questions or concerns to your local BDDS office or contact us through the following DDRS/BDDS resources:

- **DDRS Website:** <http://www.ddrs.IN.gov>
- **DDRS Bulletin Archive:** <http://www.IN.gov/fssa/ddrs/3350.htm>
- **BDDS Help Line by E-mail:** BDDSHelp@fssa.IN.gov
- **BDDS Help Line by Phone:** (317) 232-7820 or 1-(888)-545-7763

Thank you.

Reference # BDDS20090215





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DIVISION OF DISABILITY AND REHABILITATIVE SERVICES
402 W. Washington Street, P.O. Box 7083
Indianapolis, IN 46207-7083
1-800-545-7763

TO: Providers of Developmental Disabilities Waiver Services and Stakeholders who Support Individuals with Disabilities in Indiana

FROM: Peter Bisbecos, DDRS Director

DATE: October 2, 2009

RE: Clarification of New Services Included in 2009 DD Waiver Renewal, Billing Codes and Grandfathering of Current Providers

On September 29, 2009, the Division of Disability and Rehabilitative Services (DDRS) announced the recent approval of the Developmental Disabilities (DD) Waiver Renewal application by the Centers of Medicare and Medicaid Services (CMS). The bulletin summarized the primary changes to the DD Waiver, effective October 1, 2009. As indicated in the summary, there are five (5) new services in the renewed DD Waiver, listed below with their INsite codes:

- Electronic Monitoring (EM1, EM2, EM3, EM4)
- Facility Based Support (FBS)
- Intensive Behavioral Intervention (IBI1, IBI2)
- Transportation (TRNO)
- Workplace Assistance (WPA)

Before these new services can be provided to waiver participants, we must update our systems to reflect the new services with appropriate billing codes, rates and units. Thereafter, consumers and their Individualized Support Teams will be able to update their Person-Centered Services Planners and their Plan of Care/Cost Comparison Budget (POC/CCB) to add these services if desired.



Service codes and unit billing rates will continue to appear on the approved Plan of Care/Cost Comparison Budget (CCB) as well as the Notice of Action issued based upon that approval.

Regarding approval to provide Workplace Assistance, Transportation, and/or Facility Based Support services:

- Currently approved providers of Residential Habilitation and Support (RHS), Facility Based Habilitation, Community Based Habilitation and/or Supported Employment Follow-Along services who are in good standing with DDRS will be granted preliminary approval to be grandfathered in as providers of the newly defined Workplace Assistance and/or Transportation services.
- Currently approved providers of Facility Based Habilitation and/or Prevocational Services who are in good standing with DDRS will be granted preliminary approval to be grandfathered in as providers of the new Facility Based Support service.
- All preliminary approvals are contingent upon the final decision of the Community Residential Facilities Council (CRFC).
- Preliminary approvals proposed by DDRS will be presented to the CRFC for consideration during their next monthly meeting of October 15, 2009.
- All currently approved providers for whom preliminary approvals are being recommended by DDRS to the CRFC will be notified via a separate communication.
- Only after formal approval by the CRFC will a DDRS-recommended provider appear on the pick list for these new services.
- In the event that a recommended agency does not wish to render Facility Based Support, Workplace Assistance and/or Transportation Services, notification letters will also contain a response form that may be completed by the provider agency and returned to the DDRS Provider Relations to request an exemption from this grandfathering process for any or all new services marked by the provider on their completed response form.
- Completion of the response form is not necessary when a notified provider chooses to pursue the grandfathering approval of the CRFC.

Regarding approval to provide Electronic Monitoring (EM) and/or Intensive Behavioral Intervention (IBI) services:

- There will be no grandfathered approvals for the new service Intensive Behavioral Intervention (IBI).
- Currently approved service providers desiring to add Electronic Monitoring and/or IBI to their repertoire of services must submit a proposal to DDRS Provider Relations.
- An extended enrollment period is being offered for existing providers who are interested in adding the new services of Electronic Monitoring and/or IBI to their repertoire.
- The deadline for submitting these proposals to the DDRS Provider Relations has been extended by a full month and now ends at close of business November 2, 2009.
- Potential providers who are not yet approved by DDRS and the CRFC to render DD Waiver services must attend a provider orientation prior to submitting applications and proposals to provide any of the new or other pre-existing DD Waiver services.
- The next provider orientation is scheduled for December 1, 2009. For more information about the provider enrollment process or to register to attend orientation, go online to <http://www.in.gov/fssa/ddrs/2644.htm>.

The recently approved DD Waiver Renewal application is available at:

- [http://www.in.gov/fssa/files/1DD Waiver Renewal 100109.pdf](http://www.in.gov/fssa/files/1DD%20Waiver%20Renewal%20100109.pdf)
- DD Waiver Service descriptions, definitions, documentation standards, and activities *allowed* and *not allowed* begin at the bottom of page 58. Services appear in the order listed under the *Waiver Services Summary* chart on page 59.

DDRS Resources

Please direct any questions or concerns you may have to:

- **DDRS Website:** <http://www.ddrs.IN.gov>
- **DDRS Bulletin Archive:** <http://www.in.gov/fssa/ddrs/3350.htm>
- **BDDS Help Line, E-mail:** BDDSHelp@fssa.in.gov
- **BDDS Help Lines, Phone:** (317) 234-5222 or 1-(888)-545-7763

Thank you.

Reference #: BDDS20091002



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State of Indiana

Indiana Family and Social Services Administration
402 W. WASHINGTON STREET, P.O. BOX 7083
INDIANAPOLIS, IN 46207-7083

To: Consumers, providers and stakeholders who support individuals with disabilities

From: The Division of Disability and Rehabilitation Services, Bureau of Developmental Disabilities and Bureau of Quality Improvement Services

Re: Crisis Management and BQIS Outreach Services

Date: June 7, 2010

Due to budget constraints, the Division of Disability and Rehabilitative Services (DDRS) announces the discontinuation of Crisis Management Services and Outreach Services through its contracted vendors.

Effective immediately, Meridian Services and A. W. Holdings, LLC, will no longer partner with DDRS to conduct Crisis Management Services. This includes in-person technical assistance, make out-of-home placements, or provide follow-along consultations. The vendors will continue to provide consultations through their 24 hour/ 7 day per week crisis phone line through June 30, 2010. If additional assistance is needed, please contact your local Bureau of Developmental Disabilities Office. A complete listing is available online at <http://www.in.gov/fssa/files/BDDS.pdf> or you may call 1-800-545-7763 for assistance.

DDRS is gathering input from FSSA's Division of Mental Health and Addiction (DMHA) and the Dual Diagnosis Task Force to develop a long term comprehensive strategy for providing crisis management services. More information will be made available prior to July 1, 2010.

Also effective immediately, Outreach Services, a program of DDRS' Bureau of Quality Improvement Services (BQIS), will no longer take individual-specific referrals or provide in-person training. DDRS is in the process of identifying how to continue providing the seating clinics.

A complete list of Outreach *Fact Sheets* and *Reminders* are available online at www.in.gov/fssa/ddrs/3948.htm. Additionally, Outreach Services will continue to post important updates and resources online at www.DDRSOutreach.in.gov.





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Division of Disability and Rehabilitative Services
402 W. WASHINGTON STREET, P.O. BOX 7083
INDIANAPOLIS, IN 46207-7083
1-800-545-7763

TO: Families, providers, and stakeholders who support individuals with disabilities in Indiana

FROM: Julia Holloway, DDRS Deputy Director and Chief of Staff

DATE: April 15, 2010

RE: Changes to Autism, DD and Support Service Waivers Reimbursement Rates

The priority of the Division of Disability and Rehabilitative Services (DDRS) is to support the health and welfare of individuals with disabilities in Indiana. To accomplish this goal, we must make practical decisions and maintain fiscal responsibility to be able to continue to meet the needs of our program participants during these harsh economic times.

We last announced a change to our waiver rate structure on November 24, 2008 (http://www.in.gov/fssa/files/RHS_BULLETIN_OA20081124_Final.pdf). Due to the current state of the economy, all state agencies are reviewing internal and external expenditures to determine potential cost savings, including contracts, administrative costs and service fees. DDRS has responded with a number of cost saving measures, including a reduction or elimination of various service contracts and savings from the co-location of our Bureau of Developmental Disabilities Services (BDDS) and Vocational Rehabilitation Services (VRS) offices.

Beginning June 1, 2010, the rates listed below will be in effect for Residential Habilitation Services (RHS1 and RHS2), Respite Services, Facility Habilitation (Individual), and Community Habilitation (Individual). The November 24, 2008 announcement outlines the rules for the use of these services; those rules remain unchanged.

RHS 1 (under 35 hours/week)	\$23.24/Hour
RHS 2 (over 35 hours/week)	\$19.52/Hour
Respite Services	\$23.24/Hour
Facility Habilitation (Individual)	\$23.24/Hour
Community Habilitation (Individual)	\$23.24/Hour



Once implemented, these new rates will be reflected in the appropriate budgets and allocations; however, this will not result in a reduction of service hours. For example; a consumer currently receiving 200 hours of service will continue receive 200 hours of service after the rate change.

Together, over the previous five years we have brought over 4,200 people on to waivers without significant budget increases. Today's economic environment creates significant challenges for us all. Going forward, DDRS will continue to search for ways to reduce spend without impacting services. We welcome your suggestions in this endeavor.

Thank you.

Reference #: BD20100415



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State of Indiana

Division of Mental Health and Addiction
402 W. WASHINGTON STREET, ROOM W353
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317-232-7800
FAX: 317-233-3472

Anne Waltermann Murphy, Secretary

October 26, 2009

Ms. Theresa Stratton
Tara Treatment Center, Inc.
6231 South U.S. 31
Franklin, IN 46131

Dear Ms. Stratton:

The Division of Mental Health and Addiction (DMHA) is in the process of facilitating a major Mental Health and Addiction System Transformation initiative. One of the many Transformation activities is the review of policies, practices, and contracting in an effort to make state government more responsive to citizens and to insure that taxpayer dollars are utilized more effectively and efficiently. In reviewing DMHA's contracts with Managed Care Providers (MCPs) who receive Hoosier Assurance Plan funding, we have noted that a few MCPs contract with the Division for small-dollar amounts.

Based on extensive deliberations a decision has been made effective for SFY2011, to contract with MCPs whose contract is greater than \$350,000 per state fiscal year. Since your current contract is significantly less than the \$350,000 minimum, DMHA does not plan to contract with your agency in SFY11. This policy has no impact on your current contract with DMHA.

This has been a difficult decision for the staff of the Division because we are aware of, and we value, the quality services you have provided as an MCP. In fact, we hope you will consider becoming a panel member of another MCP so that you can continue to participate in the Hoosier Assurance Plan. We trust that this letter gives you enough time to thoroughly explore this option.

Please be assured that we have been pleased to have you as a partner and grateful for the quality services you have provided to consumers and families as an MCP.

Sincerely,

A handwritten signature in cursive script that reads "Gina Eckart".

Gina Eckart
Director

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Mitchell E. Daniels, Jr., Governor
State of Indiana

Division of Disability and Rehabilitative Services
402 W. WASHINGTON STREET, P.O. BOX 7083
INDIANAPOLIS, IN 46207-7083
1-800-545-7763

To: Consumers, providers and stakeholders who support individuals with disabilities
From: The Division of Disability and Rehabilitation Services
Re: VRS Rate Change Implementation
Date: April 14, 2010

The priority of the Bureau of Rehabilitation Services (BRS), a program of the Division of Disability and Rehabilitative Services (DDRS), is to support the health and welfare of individuals with disabilities in Indiana. Vocational Rehabilitation Services (VRS), a program of BRS, provides quality, individualized services to enhance and support people with disabilities to prepare for, obtain or retain employment.

Due to the current state of the economy, all state agencies are reviewing internal and external expenditures to determine potential cost savings, including contracts, administrative costs and service fees.

Despite numerous internal changes, VRS is unable to close the existing budget gap without including client services. In addition to other cost-saving measures, beginning on May 1, 2010, VRS will implement rate reductions to all client services offered through employment vendors.

The services affected include:

- Tier 1 and Tier 2 Result Based Funding (RBF) milestones will be reduced by 10%.
- Hourly supported employment, job placement and community based work evaluations rates will be reduced by 10%.
- Work experience rates and the work experience development fees will no longer be purchased.

VRS will proactively continue to evaluate client service rates as our state's economy changes.

Additional Resources:

- **DDRS Website:** www.DDRS.IN.gov
- **DDRS Bulletin Archive:** <http://www.IN.gov/fssa/ddrs/3350.htm>
- **VRS Website:** www.VRS.IN.gov
- **Help Line by Phone:** 1-800-545-7763

Reference # BDD520090414





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State of Indiana

Division of Disability & Rehabilitative Services
402 W. WASHINGTON STREET, P.O. BOX 7083
INDIANAPOLIS, IN 46207-7083

December 4, 2009

Karen Yoder, Ph.D.
Indiana University
Dental School
1121 W. Michigan Street
Indianapolis, IN 46202

Dear Dr. Yoder:

As the Division of Disability and Rehabilitative Services (DDRS) is committed to growing the capacity of the community to support all individuals with developmental disabilities, we value the contributions of the Oral Health Solutions program.

Because of our state's current budget constraints, we have made the difficult decision to discontinue the Dental Fellowship Grant (GA 06-0-4-49-10-D6-0203) with the Dental School for the Dental Fellowship. Therefore, we are eliminating \$100,000 in SFY 2010 and \$100,000 in SFY 2011, effective December 4, 2009.

These are difficult economic times and it is unfortunate we are unable to realize this opportunity at this time. We have been asked by the State Budget Agency to reduce DDRS' expenditures where possible with the least amount of disruption to the direct support and services to the individuals we serve.

Your continued partnership and cooperation is greatly appreciated. This notification is not a reflection on the Oral Health Solutions program, but merely a difficult financial decision.

In the meantime, please forward any questions or concerns to Randy Kriebel at 317-232-7830 or William.Kriebel@fssa.in.gov.

Sincerely,

Peter A. Bisbecos
Director

PAB:DS:cc

cc: Randy Kriebel

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State of Indiana

Indiana Family and Social Services Administration
402 W. WASHINGTON STREET, P.O. BOX 7083
INDIANAPOLIS, IN 46207-7083

February 8, 2010

Ivor D. Groves, Ph.D.
Human Systems and Outcomes, Inc.
2107 Delta Way
Tallahassee, FL 32303

Re: Contract Number A55-6-99-06-MH-0062

Dear Dr. Groves:

This is to notify you that Contract Number A55-6-99-06-MH-0062 between your company and the Indiana Family and Social Services Administration, Division of Mental Health and Addiction is being cancelled per Paragraph 42. Termination for Convenience, on Page 12 of 15 of the original contract document, dated January 1, 2006.

The termination date, as agreed upon between the parties, is March 7, 2010. All of your outstanding claims must be submitted within sixty days, or by May 6, 2010.

Thank you for your important services to the Division of Mental Health and Addiction in Indiana. We value our contact with you over the last four years.

Sincerely,


Gina R. Eckart, Director

cc: Kendra Ballenger
Paul Bowling
Anthony Green

Wow. I appreciate all you and your group at H&S have done to move Indiana forward. Best of luck to you in your plans for September. ☺

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Michelle E. Daniels, Jr., Governor
State of Indiana

Division of Mental Health and Addiction
402 W. WASHINGTON STREET, ROOM W402
INDIANAPOLIS, IN 46204-2788
317-232-7800
FAX: 317-233-3472

Date: February 10, 2010
To: CEOs of Community Mental Health Centers and Managed Care Providers
From: Gina Eckart, Director
Re: Consumer Service Reviews

This memo acts as notice that effective March 8, 2010 state supported Consumer Service Reviews will be placed on hold.

Effective March 8, 2010, the Division of Mental Health and Addiction (DMHA) will be discontinuing Consumer Service Reviews (CSR) until further notice. Only reviews scheduled before March 8, 2010, will be completed as planned.

The decision to suspend CSR was based on fiscal concerns as a result of continued state revenue shortfalls. DMHA continues to make every effort to keep budgetary challenges from impacting prevention and treatment services to consumers across the state.

Though formal reviews are being discontinued, DMHA continues to believe the CSR process is an important part of a recovery and consumer-oriented system of care. The focus of the CSR is to provide data that will assist in monitoring and improving practice in the mental health and addiction service system, which in turn improves outcomes for consumers and their families. DMHA will continue to incorporate the principles of CSR into our policy discussions and strategic planning. DMHA will also be incorporating elements of CSR into our quality assurance activities. The division received a tremendous amount of positive feedback from consumers, families, and staff about the benefits of the reviews, especially the opportunity to learn from peers. We encourage you, if you are not already doing so, to incorporate the CSR process into your quality assurance plan and to use its protocols to evaluate programming.

If you have any questions regarding these changes, please feel free to contact Tony Toomer at (317) 232-7835 or tony.toomer@fssa.in.gov.

cc: DMHA Staff

Briljent:

Sent 12-09

Cathy Huff
Senior Project Manager
Briljent, LLC.
6435 Castleway West Drive, Suite 115
Indianapolis, IN 46250

Re: Contract #02-08-DD-2421

Dear Cathy:

This letter is a follow-up to a conversation on July 31, 2009 that you had with Randy Kriebel, DDRS Assistant Director, regarding your contract, as well as numerous other conversations. As you know, due to current budget constraints, we have had to make the difficult decision to discontinue the contracts that support the staff training and Phase One of the Direct Support Professional (DSP) initiative.

Effective July 31, 2009, we are ending reimbursement of all of the cost-related activities currently supported in your contract for Foundations for new and existing staff and all future expenses relating to the wage enhancement incentive.

We appreciate all of your cooperation, especially the professional manner in which you have managed the close-out of this contract. To conclude the contract, we have the following expectations:

- DDRS will continue to fund the Fall 2009 semester, including your monthly management fee for processing semester claims.
- According to the billing points in the contract, Briljent will provide reimbursement to the Phase One providers only for costs incurred as a result of obligations made prior to July 31, 2009.
 - This includes Fall 2009 semester obligations. This does not include the wage enhancement incentive.
 - Please submit the billing for the Fall 2009 semester as one final claim. This will require Briljent to communicate with each of the nine Phase One

providers directly to ensure they have submitted their final claims relating to this project.

- o To ensure your claims are processed in a timely manner, please *manually* submit two separate claims. One will be for the pre-July 31, 2009 expenses. The other will be for the expenses occurring after August 1, 2009 and after.

Please forward any questions relating to the DSP initiative or other related activities to Randy Krieble at 317-232-7830 or William.krieble@fssa.in.gov.

Sincerely,

Peter A. Bisbecos
Director
Division of Disability & Rehabilitative Services

IIDC:

This is a follow-up to our recent phone call.

The Division of Disability and Rehabilitative Services has enjoyed and benefited greatly from the positive relationship with IIDC.

Your mentoring, development of training curriculums, coordination of projects, web site development, offering of resource material, and promotion of collaborative working relationships among a variety of partners and constituents has enabled Indiana to receive national attention as a creative state in staff development.

The Division of Disability and Rehabilitative Services is committed to continuing to grow the capacity of the community to support all individuals. The staff training initiative strategic plan, including the DSP initiative, has produced positive results due to your cooperation and efforts for which we are extremely grateful. However, due to current budget constraints, we have had to make the difficult decision to discontinue your contract that supports the Staff training and Direct Support Professional (DSP) phase one initiative. Effective immediately we are suspending reimbursement of all of the cost-related activities in your contract to prevent incurring future expenses. This is not a program decision. It is a financial decision.

We ask that you submit a final voucher, in accordance with the contract deliverables, for reimburse of the costs incurred or as a result of obligations made prior to the date of this letter.

In the meantime, please forward any questions relating to the DSP program, Foundations, the DSP Certification, or other related activities to Randy Krieble at 317-232-1147 or William.Krieble@fssa.IN.gov.

Thank you,
Peter

December 3, 2009

David Mank
Executive Director
Indiana Institute on Disability and Community
Center on Community Living and Careers
Indiana Institute on Disability and Community
2853 East Tenth Street
Bloomington, IN 47408-2696

Re: Execution of Termination for Convenience Clause for Contract # EDS#53-07-DD-0203

Dear David:

This is a follow-up to our phone call on December 2, 2009.

Please accept this letter as our formal notice to you that we will be terminating the contract referenced above effective January 3, 2010. The Funding Cancellation clause of your contract is being evoked and we are honoring a 30 day notification period. You will be paid for all work completed under the contract through that date.

The Division of Disability and Rehabilitative Services has enjoyed and benefited greatly from the positive relationship with IIDC. Your mentoring, development of training curriculums, coordination of projects, web site development, offering of resource material, and promotion of collaborative working relationships among a variety of partners and constituents has enabled Indiana to receive national attention as a creative state in staff development.

The Division of Disability and Rehabilitative Services is committed to continuing to grow the capacity of the community to support all individuals. The staff training initiative strategic plan, including the DSP initiative, has produced positive results due to your leadership and cooperation for which we are extremely grateful.

However, due to current budget constraints we must take action to respond to Indiana's revenue shortfalls relating to the recession and increases in program enrollment.

We regret that we must make this difficult decision to discontinue your contract that supports the Staff training and Direct Support Professional (DSP) phase one initiative.

We ask that you submit a final voucher, in accordance with the contract deliverables, for reimburse of the costs incurred or as a result of obligations made prior to the date of this letter.

We apologize for the inconvenience caused. If you have any questions relating to the DSP program, Foundations, the DSP Certification, or other related activities you may contact Randy Kriebel at 317-232-7830 or William.Kriebel@fssa.IN.gov.

In the meantime, Thank you,

Peter A. Bisbecos
Director
Division Disability and Rehabilitative Services

Ivy Tech

This is a follow-up to our phone call on 8-3-09.

The Division of Disability and Rehabilitative Services has enjoyed and benefited greatly from the positive relationship with Ivy Tech.

Your partnership and partnership has enabled Indiana to receive national attention as a creative state in staff development for DSPs.

The Division of Disability and Rehabilitative Services is committed to continuing to grow the capacity of the community to support all individuals. The staff training initiative strategic plan, including the DSP initiative, has produced positive results due to your cooperation and efforts for which we are extremely grateful. However, due to current budget constraints, we have had to make the difficult decision to discontinue the contracts that supports the Staff training and Direct Support Professional (DSP) phase one initiative. Effective 7-31-09, we suspended reimbursement of all of the cost-related activities to these contracts to prevent incurring future expenses. However we are honoring our commitment to pay for the fall semester 2009. This is not a program decision. It is strictly a financial decision.

We look forward to working with you on a consultative basis and are extremely pleased that Ivy Tech will continue to provide these courses to educate current and prospective Direct Support Professionals.

In the meantime, please forward any questions relating to the DSP program, Foundations, the DSP Certification, or other related activities to Randy Krieble at 317-232-7830 or William.krieble@fssa.in.gov.

Sent to Peter and Julia 12-23-09

Phase One Provider agencies:

We regret that it has taken this long to provide follow-up information to our 7-31-09 announcement. However we have looked at a variety of ways to continue all or part of the IIDC or Brilljent contracts, including your proposal, and unfortunately the state revenue is such that it is impossible to continue the DSP phase on initiative via these two contracts.

Thanks to your leadership and commitment the staff training initiative strategic plan, including the DSP initiative, has produced positive results. Despite the fact that it has gained positive national attention we are called upon to manage our resources at an even higher level during these tough economic times. While the Division of Disability and Rehabilitative Services is committed to continuing to grow the capacity of the community to support all individuals due to current budget constraints, we have had to make the difficult decision to discontinue the contracts that support the Staff training and Direct Support Professional (DSP) phase one initiative. Effective 7-31-09, we are suspending reimbursement of all of the cost-related activities currently supported in the Indiana Institute on Disabilities and Community and Brilljent contracts to prevent incurring future expenses. In the interest of supporting your staff that were signed up for the fall semester Claims for the fall semester may be submitted to Brilljent for reimbursement. Please remember the fall obligations do not include enhanced wages.

We want to acknowledge you ongoing interest and efforts to maximize grants and other existing resources to continue the staff training that has been developed to date. We will also continue to research and plan for future development and implementation of state of the art training as resources become available in the future.

In the meantime, please forward any questions relating to the DSP program, Foundations, the DSP Certification, or other related activities to Randy Krieble at 317-232-7830 or William.krieble@fssa.in.gov.

College of Direct Support:

The Division of Disability and Rehabilitative Services is committed to continuing to grow the capacity of the community to support all individuals. The staff training initiative strategic plan, including the DSP initiative, has produced positive results due to your cooperation and efforts.

Due to current budget constraints, we have had to make the difficult decision to discontinue the contracts that support the Staff training and Direct Support Professional (DSP) phase one initiative. Effective 7-31-09, suspend reimbursement of all of the cost-related activities currently supported in the Indiana Institute on Disabilities and Community which has a sub-contract with you, to prevent incurring future expenses.

Your ideas to effectively utilize the College of Direct Support training for which Indiana is currently contracted with you through IIDC is greatly appreciated.

Your offer to continue the College of Direct Support Training in Indiana for the years 2010 and 2011 will be most beneficial to continue our growth of the capacity of the community. We especially appreciate your willingness to offer Indiana the opportunity to utilize the College of Direct Support to train the support teams of individuals on the waiting list.

In the meantime, please forward any questions relating to the DSP program, Foundations, the DSP Certification, or other related activities to Randy Kriebel at 317-232-7830 or William.kriebel@fssa.in.gov.

To POPs Regarding College of Direct Support

DDRS wants to support the phase on agencies (POPs) by offering the POPs the 1420 secured slots for Calendar year 2010 and 3200 slots in 2011.

These slots will be distributed to the interested POPs based on the previously established percent of staff at each agency compared to the entire number of staff.

Since Indiana has secured these designated slots CDS is offering the reduced rate of \$38.00 per person per year to enable the staff to receive CDS training to support any additional individuals the POPs choose to include above and beyond the slots they are allocated. Any additional slots you choose to utilize will be negotiated directly with MCS.

Also, this reduced rate will be offered to all any additional providers that choose to utilize CDS to train staff.

As you may remember each agency will enter into an agreement with MCS to enable the staff person identified by your agency as the agency CDS administrator to access CDS. MCS will work directly with each of your agency administrators. Just a reminder the cost is \$2,800 per year.

So if your agency is interested in utilizing CDS and willing to enter into the agreement with MCS please notify Randy Kriebel william.kriebel@fssa.in.gov by 2-1-10.

Please contact James Hicks at MCS to enter into the agreement.

James Hicks Jr.

111Center Park Dr. Suite 175

Knoxville, TN 37922

877-353-2767

Fax 865-531-4708

The available slots are prorated across the 9 POPs agencies using the ratio of consumers at each agency from previously provided information. The following is the agency allocation of slots in which each agency can enter into the agreement with MCS at no cost. If any agency listed below decides to not to use their allocation of slots please inform Randy Kriebel at DDRS by 3-1-10.

College of Direct Support Allocation of Consumer slots

AGENCY	Reporter E-Mail	# of Persons (DD) Served	Percent of Whole	Allocated Slots
ARC Bridges	Claudia Consorti	731	0.12568776	178.4766162
ADEC	Cary Kelsey	849	0.14597662	207.286795
Passages	Kay Fleck	103	0.01770977	25.14786795
Cardinal Center	Ray Hunsburger	395	0.06791609	96.44085282
O E	Kristi Deavers	455	0.07823246	111.0900963
Stone Belt	Leslie Green	777	0.13359697	189.7077029
Options	Susan Rinne	326	0.05605227	79.59422283
Carey Services	Sally Hayden	720	0.12379642	175.7909216
Pathfinder Services	John Niederman	530	0.09112792	129.4016506
Noble	IIDC	106	0.018225585	25.88033012
Sycamore	IIDC	550	0.094566713	134.2847318
RSI	IIDC	144	0.024759285	35.15818432
KCARC	IIDC	130	0.022352132	31.74002751
TOTAL		5816	1	1420

Bulletin : College of Direct Support
Sent to Peter and Julia 12-23-09

DDRS is excited to be able to offer providers an efficient and effective method to provide training for Direct Support Professionals through the College of Direct Support (CDS) on line training. This opportunity will provide one method to receive the Foundations or basic orientation training which will be embedded into the CDS training as well as additional CDS online training.

Through a contractual relationship with the CDS Indiana has secured a reduced per consumer rate enabling any approved provider agency to receive the reduced rate of \$38.00 per consumer per year. This enables any person who is a member of the consumer's team or otherwise supports the consumer to receive CDS on line training. The average ratio is at least 5 staff who could receive CDS training for every per consumer per year slot purchased.

As you may know each agency will enter into an agreement with MCS to enable the staff person identified by your agency as the agency CDS administrator to access CDS. MCS will work directly with each of your agency administrators. The administrative cost is \$2,800 per year per agency.

So if your agency is interested in utilizing CDS you may contact James Hicks at MCS to enter into the agreement.

James Hicks Jr.
111Center Park Dr. Suite 175
Knoxville, TN 37922
877-353-2767
Fax 865-531-4708

If you would like additional information you may contact Randy Krieble at william.krieble@fssa.in.gov 317-232-7830.

Dear Rep. Bell,

The Division of Disability and Rehabilitative Services (DDRS) has been proactive to develop training and career development for staff, Direct Support Professionals (DSPs), that work hands on or directly with individuals who are developmentally disabled. This is in response to DOL statistics that project in the next 7 years the DSPs and their counterparts who work with individuals who are aged or have other disabilities will be in the top three most needed jobs in the nation. They will be needed even more than all teachers K – 12.

In February 2008 DDRS initiated the 3 year phase one of the DSP Initiative. This was done in collaboration with 9 providers including Passages, and the Indiana University Center of excellence for individuals with Developmental Disabilities, Indiana Institute on Disabilities and the Community, and Ivy Tech Community College. This 3 year initiative was beginning to produce positive results including reduction of turnover and improved quality of services. It enabled DSPs to obtain college certificates and improved their self respect, skills knowledge and abilities. Despite the fact that it has gained positive national attention we are called upon to manage our resources at an even higher level during these tough economic times. Due to current budget constraints, we have had to make the difficult decision to discontinue the contracts that fund Direct Support Professional (DSP) phase one initiative.

While this announcement occurred in a sudden and unexpected manner it should not reflect on the respect and admiration we have for the 9 agencies involved in the DSP Phase one initiative and their DSP staff. This was a financial decision not a program decision. We met regularly working cooperatively with the 9 providers prior to the decision being announced on July 31st. Many of the 9 phase one provider agencies and IIDC continue to meet to try to find alternative funding through DWD. While we did stop any additional obligations DDRS continued to fund the Fall 2009 semester tuition, books and fees for the nine agencies at Ivy Tech.

The wage incentive as part of the three year DSP initiative demonstrated how pay for performance promoted the achievement of DSPs obtaining an Ivy Tech Certificate which parallels the standards for obtaining national credentials. This fit into the long term plan that was developed to pay for performance for the achievement of each of the three levels of national credentials. Unfortunately the three year initiative could not be funded any longer to pay incentives to the 9 providers including the wage enhancements for achieving the performance.

Despite not being able to continue the 3 year initiative past the approximately the half way point we have collectively developed with IIDC and the 9 providers:

1. A common DSP Orientation "Foundations" training program with providers training in 6 core areas of competencies utilizing the train the trainer approach.

2. Developed a career ladder for DSPs to achieve national credentials.
 - a. College of Direct Support
 - b. Ivy Tech Community College
 - c. Department of Labor

We will also continue to research and plan for the development and implementation of state of the art training utilizing existing resources to continue to utilize these core training systems.

Please forward any questions relating to the DSP program, Foundations, the DSP Certification, or other related activities to Randy Krieble at 317-232-7830 or William.Krieble@fssa.IN.gov.

DENTAL FELLOWSHIP

The Division of Disability and Rehabilitative Services is committed to continuing to grow the capacity of the community to support all individuals with intellectual and/or developmental disabilities. The Oral Health Solutions is a great example of an initiative that has produced positive results due to your efforts.

However, due to current budget constraints, we have had to make the difficult decision to discontinue the Dental Fellowship Grant (GA 06-0-49-10-D6-0203) with the Dental School for the Dental Fellowship thus eliminating \$100,000 in FY 2010 and \$100,000 FY 2011.

This is effective 12-4-09. These are difficult times and it is unfortunate we can not realize this opportunity. However, given that we were asked to reduced DDRS expenditures in a variety of areas it was believed this would be the least disruptive to the dental program since the fellowship position was not filled.

Your partnership and cooperation is greatly appreciated. This is certainly not a reflection on the Oral Health Solutions program, but a difficult financial decision.

In the meantime, please forward any questions relating to Randy Kriebie at 317-232-7830 or William.kriebie@fssa.in.gov.

December 4, 2009

Indiana University
620 Union Dr. Room 616
Indianapolis, Indiana 46202-5167

Dear Dr. Yoder;

The Division of Disability and Rehabilitative Services is committed to growing the capacity of the community to support all individuals with developmental disabilities. The Oral Health Solutions is a great example of an initiative that has produced positive results due to your efforts.

Current budget constraints have resulted in us having to make the difficult decision to discontinue the Dental Fellowship Grant (GA 06-0-49-10-D6-0203) with the Dental School for the Dental Fellowship. Therefore, effective December 4, 2009, we are eliminating \$100,000 in SFY 2010 and \$100,000 SFY 2011.

These are difficult economic times and it is unfortunate we are unable realize this opportunity at this time. We have been asked by the State Budget Agency to reduce DDRS expenditures where possible with the least amount of disruption to the direct support and service to the individuals we serve.

Your continued partnership and cooperation is greatly appreciated. This notification is not a reflection on the Oral Health Solutions program, but merely a difficult financial decision.

In the meantime, please forward any questions relating to Randy Kriebel at 317-232-7830 or William.kriebel@fssa.in.gov.

Sincerely,

Peter A. Bisbecos
DDRS Director

General Announcement:

The Division of Disability and Rehabilitative Services is committed to continuing to grow the capacity of the community to support all individuals. The staff training initiative strategic plan, including the Direct Support Professional (DSP) initiative, has produced positive results due to cooperation and efforts of the dedicated INTrain partners. Despite the fact that it has gained positive national attention we are called upon to manage our resources at an even higher level during these tough economic times. Due to current budget constraints, we have had to make the difficult decision to discontinue the contracts that support the Staff training and Direct Support Professional phase one initiative. We are pleased to be able to continue the following DSP Staff training that has been developed to date. This will be done with existing resources.

1. Foundations Train the Trainer training scheduled through Outreach. Please look for announcements.
2. College of Direct Support (CDS) on line training. DDRS has through previous arrangements bought done the individual rate so any agency can participate at approximately ½ the normal rate or \$38.00 per person per year per consumer and the normal \$2,800.00 administrative fee.
3. College of Direct Support on line training will also be available for one year as a demonstration project to enable any support team member of a person waiting for services to receive on line CDS training. IPMG and In Arc have agreed to be the state coordinators to connect staff to the training.

We will also continue to research and plan for the development and implementation of state of the art training as resources become available in the future.

In the meantime, please forward any questions relating to the DSP program, Foundations, the DSP Certification, or other related activities to Randy Kriebel at 317-232-7830 or William.Kriebel@fssa.IN.gov.

Thank you,
Peter



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Mitchell E. Daniels, Jr., Governor
State of Indiana

Indiana Family and Social Services Administration
402 W. WASHINGTON STREET, P.O. BOX 7083
INDIANAPOLIS, IN 46207-7083

Anne Murphy, Secretary

Lynn Eckerle, Program Director
Aging & Community Services
1531 13th Street Suite G900
Columbus, IN 47201

DATE: December 15, 2009
RE: SPOE Grant/Allocations

Dear Lynne,

The Bureau of Child Development Services (BCDS) First Steps program is pleased to partner with you to provide early intervention services to Indiana children with developmental delays and disabilities, and to their families.

Like all state programs, we are working diligently during these tough economic times to maximize existing resources, maintain fiscal responsibility, and reduce spending to assist with our state's revenue shortfall. Our program partners must do the same. The current directive from the Governor and FSSA administration is that all contracts must be reduced by 10%; however, grants are being treated a bit more gently, at least at present. Therefore, the allocation for your overall grant is approximately 2.2% less than last year's.

In the coming months, we will work with you to assist with identifying new budgets, possible staff re-alignments as well as other potential system efficiencies. While we wish times were better, this is the best compromise we're going to get this year and a whole lot better than a 10% reduction.

FSSA and First Steps truly appreciate both your partnership and the contribution you make to our system. Working together during these difficult times, we help to ensure that First Steps can continue to provide high quality early intervention services, now, and in the years to come.

If you have any questions, please email me at lora.miller@fssa.in.gov.

Sincerely,

Lora Miller
Director
Bureau of Child Development Services

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State of Indiana

Division of Mental Health and Addiction
402 W. WASHINGTON STREET, ROOM W353
INDIANAPOLIS, IN 46204-2739
317-232-7800
FAX: 317-233-3472

Anne Waltermann Murphy, Secretary

December 16, 2009

Ms. Stephanie Taylor
IDOA Senior Account Manager for FSSA & DCS
Indiana Government Center South
402 W. Washington St., Room W461
Indianapolis, IN 46204

RE: RFP 10-23

Dear Ms. Taylor:

DMHA has decided to withdraw RFP 10-23 which was issued on September 25, 2009. This decision was reached after careful consideration of the current economic situation.

Thank you for all your assistance to DMHA staff and potential vendors during this request for proposals process.

Sincerely,

Gina Eckart
Director

cc: Sue Lumnus
Diana Williams

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help
themselves"*

Mitchell E. Daniels, Jr., Governor
State of Indiana

Division of Disability & Rehabilitative Services
402 W. WASHINGTON STREET, P.O. BOX 7083
INDIANAPOLIS, IN 46207-7083

February 8, 2010

Ball State University
2000 University Avenue
Muncie, IN 47306

ATTN: Randall B. Howard, Associate V.P., Financial & Assistant Treasurer

Re: Termination of Contract #: VR1-9-18-09-VA-2675

On November 6, 2009 Governor Daniels held a press conference to announce that all state agencies would be directed to reduce spending, as a consequence of a recession-related decline in state revenue.

As a result of the statewide directive to reduce funding, we regret to inform you that we are terminating the above-referenced contract between Ball State University and the State of Indiana for services related to the Bowen Center.

Please accept this letter as our formal notice to you that we will be terminating the contract effective March 12, 2010. You will be paid for all work completed under the contract through that date.

We apologize for the inconvenience caused. If you have any questions, you may contact me at Peter.Bisbecos@fssa.in.gov.

Sincerely,

Peter A. Bisbecos
Director

PAB:cc

cc: FSSA Secretary
FSSA Contract Manager
Program Director
Indiana Department of Administration

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Mitchell E. Daniels, Jr., Governor
State of Indiana

Division of Disability & Rehabilitative Services
402 W. WASHINGTON STREET, P.O. BOX 7083
INDIANAPOLIS, IN 46207-7083

February 8, 2010

St. Vincent Health Chair of Healthcare Engineering
Regenstrief Center for Healthcare Engineering
Purdue University
Discovery Park
Gerald D. and Edna E. Mann Hall, Suite 225
203 Martin Jischke Drive
West Lafayette, IN 47907-1971

ATTN: Steve Witz, Director

Re: Termination of Contract #: GA06-8-79-08-VD-0374

On November 6, 2009 Governor Daniels held a press conference to announce that all state agencies would be directed to reduce spending, as a consequence of a recession-related decline in state revenue.

As a result of the statewide directive to reduce funding, we regret to inform you that we are terminating the above-referenced contract between Purdue University and the State of Indiana for services related to the development of the Assistive Technology Center.

Please accept this letter as our formal notice to you that we will be terminating the contract effective March 12, 2010. You will be paid for all work completed under the contract through that date.

We apologize for the inconvenience caused. If you have any questions, you may contact me at Peter.Bisbecos@fssa.in.gov.

Sincerely,

Peter A. Bisbecos
Director

PAB:cc

cc: FSSA Secretary
FSSA Contract Manager
Program Director
Indiana Department of Administration

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P R O V I D E R B U L L E T I N

BT 2 0 0 9 3 5

NOVEMBER 10, 2009

To: All Rotary Air Ambulance Transportation Providers

Subject: Rotary Air Ambulance Transportation Policy and Billing Guidelines

Overview

The purpose of this bulletin is to announce the establishment of maximum fees for rotary air ambulance services, as authorized under 405 IAC 5-30-5(3). The Indiana Health Coverage Programs (IHCP) currently reimburses rotary air ambulance services at a percent of charges billed under the base transport code (A0431). Mileage is not separately reimbursed. With the implementation of maximum fees, the IHCP will adopt rates for the base, or loading, and mileage service codes. The maximum fees are based upon Medicare's urban Indiana rotary air ambulance fee schedule for 2009. This bulletin also sets out the policy and billing guidelines for rotary air ambulance services.

Base Rate and Mileage

Effective for dates of service on or after December 25, 2009, the IHCP provides reimbursement for both a base rate and mileage. The base rate and mileage will be reimbursed at the lower of the usual and customary charge or the IHCP established max fee. The base rate is an all-inclusive rate including coverage of treatments and services that are an integral part of care while in transit; it includes but is not limited to oxygen, drugs, supplies, reusable devices and equipment, and extra attendants.

Table 1 – Rotary Air Ambulance Codes Effective December 25, 2009
Provider Specialty 261: Air Ambulance

HCPCS Code	Description
A0431	Ambulance service, conventional air service, transport, one way (rotary wing), \$3,172.27
A0436	Rotary wing air mileage, per statute mile, \$21.53/loaded statute mile

The air ambulance mileage rate is calculated to the nearest suitable hospital per actual loaded (patient onboard) miles flown and is expressed in statute miles (not nautical miles). Transportation providers are expected to transport members along the shortest, most efficient route to the nearest suitable hospital. All rotary air transportation providers must document mileage on the trip ticket. Providers must bill the IHCP for whole units only. Partial mileage units must be rounded to the nearest whole unit. For example, if the provider transports a member between 15.5 miles and 16.0 miles, the provider must bill 16 miles. If the provider transports the member between 15.0 and 15.4 miles, the provider must bill 15 miles.

Providers are reminded that additional reimbursement is not available for multiple passengers in a rotary air ambulance, nor is separate reimbursement available for an accompanying parent/attendant in a rotary air ambulance.

Prior Authorization

Providers are reminded that prior authorization (PA) is required for air ambulance services. The IHCP acknowledges that PA for rotary air transport will be approved after services have been rendered due to the nature of the services. A PA request must include a brief description of the care and description of the clinical circumstances necessitating the need for the transportation. Providers must indicate that the transportation was an emergency by using the Y indicator in Field 24I on the CMS-1500 or in the Emergency Indicator on the 837P.

Medical Necessity

Rotary air ambulance transport is a covered service when the member has a potentially life-threatening condition that does not permit the use of another form of transportation. The IHCP reimburses rotary air transportation services to a hospital facility under medically appropriate circumstances. Medical necessity is only established when the member's condition is such that the time needed to transport a member by ground, or the instability of transportation by ground, poses a threat to the member's survival or seriously endangers the member's health. The list below includes examples of medical conditions in which rapid transport may be necessary. This list does not guarantee reimbursement nor is it intended to be all inclusive. Diagnosis alone does not serve as justification for reimbursement.

- Intracranial bleeding requiring neurosurgical intervention
- Cardiogenic shock
- Burns requiring treatment in a burn center
- Conditions requiring treatment in a Hyperbaric Oxygen Unit
- Multiple severe injuries
- Life-threatening trauma

Generally, transport by rotary wing air ambulance may be necessary because the member's condition requires rapid transport to a treatment facility, and either great distances or other obstacles preclude such rapid delivery by ground transport to the nearest appropriate facility. Transport by rotary wing air ambulance may also be necessary because the member is inaccessible by a ground or water vehicle.

Air transport must be to the nearest suitable hospital. If the air transport was medically necessary but the member could have been treated at a nearer hospital than one to which they were transported, the air transportation mileage reimbursement is limited to the rate for the distance from the point of pickup to the nearer hospital. Additionally, transportation by air ambulance is covered only for transport to a hospital. Air ambulance services are not covered for transport to a facility that is not an acute care hospital. Transport to a nursing facility, a physician's office, or a beneficiary's home by rotary air ambulance is not reimbursable.

Special Circumstances

In addition to the general instructions above, additional information concerning coverage and billing is included below for three identified special circumstances – hospital-to-hospital transfers, patient expiration, and bad weather.

Hospital-to-Hospital Transfer

Air ambulance transport is covered for transfer of a patient from one hospital to another if the medical appropriateness criteria is met, for example, transportation by ground ambulance would endanger the member's health, and the transferring hospital does not have adequate facilities to provide the medical services needed by the patient. Examples of such specialized medical services that are generally not available at all types of facilities may include, but are not limited to, burn care, cardiac care, trauma care, and critical care. A patient transported from one hospital to another hospital is covered only if the hospital to which the patient is transferred is the nearest one with appropriate facilities. Reimbursement is not available for transport from a hospital capable of treating the patient because the patient and/or family prefer a specific hospital or physician.

Patient Expiration

When the member expires, the IHCP payment amount depends on the time at which the member is pronounced dead by an individual authorized by the State to make such pronouncements. If the time of death pronouncement is prior to takeoff to point of pickup, with notice to the dispatcher and time to abort the flight, no payment is made. This includes scenarios in which the air ambulance has taxied to the runway and/or has been cleared for takeoff but has not actually taken off. If the member is pronounced dead after takeoff to point of pickup, but before the member is loaded, the appropriate air base rate (A0431) with no mileage is reimbursed. The provider should use the QL modifier when submitting such a claim (A0431 QL). If the provider bills a mileage code in conjunction with a base rate and QL modifier, the mileage code will be denied with the following audit 6194 explanation: *Mileage is not payable with this service.* When the member is pronounced dead after being loaded onboard but prior to or upon arrival at the receiving facility, the provider may bill for both the air ambulance base rate and mileage as if the member had not expired.

Table 2 – Billing Upon Beneficiary Death After Takeoff but Before Loading
Provider Specialty 261: Air Ambulance

HCPCS Code	Description
A0431 QL	Ambulance service, conventional air service, transport, one way (rotary wing), \$3,172.27

Bad Weather

Providers should note that if the flight is aborted due to bad weather or other circumstance beyond the pilot's control any time before the beneficiary is loaded onboard, that is, prior to or after takeoff to point of pickup, the IHCP will not reimburse for the flight. If the flight is aborted due to bad weather after the beneficiary is loaded, the appropriate base and mileage codes may be reimbursed.

Contact Information

If you have questions regarding this bulletin, please call Customer Assistance at (317) 655-3240 or toll free at 1-800-577-1278.

If you need additional copies of this bulletin, please download them from the IHCP Web site at http://www.indianamedicaid.com/ihcp/Publications/bulletin_results.asp. To receive e-mail notifications of future IHCP publications, subscribe to the IHCP E-mail Notifications at http://www.indianamedicaid.com/ihcp/mailing_list/default.asp.



PROVIDER BULLETIN

BT 200939

NOVEMBER 17, 2009

To: Pharmacy Providers, Durable Medical Equipment Providers, and Physicians

Subject: Pricing Updates for Enteral Codes

Overview

The Indiana Health Coverage Programs (IHCP) has established rates for the Healthcare Common Procedure Coding System (HCPCS) codes in Table 1. These new rates are effective for dates of service on or after January 1, 2010. Claims billed with codes listed on Table 1 with dates of service on or after January 1, 2010, will no longer require invoices.

General

Table 1—HCPCS Codes Effective January 1, 2010

Procedure Code	Code Description	Rates Effective for Dates of Service on or after January 1, 2010.
B4102	<i>Enteral formula, for adults, used to replace fluids and electrolytes (e.g., clear liquids), 500 ml = 1 unit</i>	Max Fee Rate of \$4.41
B4103	<i>Enteral formula, for pediatrics, used to replace fluids and electrolytes (e.g., clear liquids), 500 ml = 1 unit</i>	Max Fee Rate of \$4.41.
B4149	<i>Enteral formula, manufactured blenderized natural foods with intact nutrients, includes proteins, fats, carbohydrates, vitamins and minerals, may include fiber, administered through an enteral feeding tube, 100 calories = 1 unit</i>	Max Fee Rate of \$1.70
B4158	<i>Enteral formula, for pediatrics, nutritionally complete with intact nutrients, includes proteins, fats, carbohydrates, vitamins and minerals, may include fiber and/or iron, administered through an enteral feeding tube,</i>	Max Fee Rate of \$1.01

Procedure Code	Code Description	Rates Effective for Dates of Service on or after January 1, 2010.
	<i>100 calories = 1 unit</i>	
B4159	<i>Enteral formula, for pediatrics, nutritionally complete soy based with intact nutrients, includes proteins, fats, carbohydrates, vitamins and minerals, may include fiber and/or iron, administered through an enteral feeding tube, 100 calories = 1 unit</i>	Max Fee Rate of \$1.58
B4160	<i>Enteral formula, for pediatrics, nutritionally complete calorically dense (equal to or greater than 0.7 kcal/ml) w/intact nutrients, administered through enteral feeding tube, 100 calories = 1 unit</i>	Max Fee Rate of \$1.07
B4161	<i>Enteral formula, for pediatrics, hydrolyzed/amino acids and peptide chain proteins, includes fats, carbohydrates, vitamins and minerals, may include fiber, administered through an enteral feeding tube, 100 calories = 1 unit</i>	Max Fee Rate of \$3.69

As a reminder, reimbursement is limited to the lower of the provider's usual and customary charges or the Medicaid fee.

Contact Information

Questions regarding this bulletin may be directed to Customer Assistance at (317) 655-3240 or toll free at 1-800-577-1278.

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P R O V I D E R B U L L E T I N

BT 2 0 0 9 4 0

NOVEMBER 17, 2009

To: All Providers**Subject: Manually Priced Current Procedural Terminology Codes****Overview**

Indiana Health Coverage Programs (IHCP) has established reimbursement percentages for manually priced codes that fall within the Current Procedural Terminology (CPT^{®1}) code ranges specified in Table 1. These codes did not have pricing available from the Centers for Medicare & Medicaid Services (CMS) at the time the procedure codes were created. The percent of reimbursement that has been established for the manually priced codes that reside within each CPT code range is aligned with the average percent of billed charges reimbursed for codes with established rates within the same code range.

Until further notice, providers must continue to submit documentation supporting the service(s) rendered.

Table 1—CPT Manually Priced Codes Effective January 1, 2010

Procedure Code Range	Codes Billed on the CMS-1500	Codes Billed on the UB-04
10000-19999	20% of Billed Amount	20% of Billed Amount
20000-29999	20% of Billed Amount	10% of Billed Amount
30000-39999	20% of Billed Amount	10% of Billed Amount
40000-49999	20% of Billed Amount	15% of Billed Amount
50000-59999	35% of Billed Amount	10% of Billed Amount
60000-69999	20% of Billed Amount	15% of Billed Amount

¹CPT[®] is a registered trademark of the American Medical Association.

Procedure Code Range	Codes Billed on the CMS-1500	Codes Billed on the UB-04
70000-79999	25% of Billed Amount	15% of Billed Amount
80000-89999	30% of Billed Amount	15% of Billed Amount
90000-99999	40% of Billed Amount	15% of Billed Amount

Contact Information

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PROVIDER BULLETIN

BT200943

NOVEMBER 24, 2009

To: All Hospitals

Subject: Reduction in Reimbursement for Inpatient and Outpatient Hospital Services

Overview

Effective January 1, 2010, through June 30, 2011, Indiana Health Coverage Programs (IHCP) reimbursement for inpatient and outpatient hospital services will be subject to a 5 percent reduction.

General

This reduction is the result of the emergency rule that the Office of Medicaid Policy and Planning (OMPP) is promulgating to avoid an anticipated budgetary shortfall and to remain within the available Medicaid appropriation. The rate reduction is not applicable to state-operated psychiatric hospitals. Disproportionate share hospital (DSH) payments and hospital upper payment limit (UPL) payments will not be subject to the reimbursement reduction.

Reimbursement for inpatient and outpatient hospital claims submitted with a "from" date of service on or after January 1, 2010, will be reduced by 5 percent. For inpatient hospital claims, claims will process through the diagnosis-related grouper (DRG). DRG payments, capital payments, medical education payments (if applicable), and outlier payments (if applicable) will be calculated as usual. The total calculated payment amount will be reduced by 5 percent prior to subtracting any applicable third-party liability (TPL) payments. For outpatient hospital claims, the allowed amount for each detail line will be calculated using the current reimbursement methodology. The total allowed amount will be reduced by 5 percent prior to subtracting any TPL for the claim.

Contact Information

Questions regarding this bulletin may be directed to Customer Assistance at (317) 655-3240 or toll free at 1-800-577-1278.

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P R O V I D E R B U L L E T I N

BT201005

MARCH 9, 2010

**To: Hospital and Ambulatory Surgical Center (ASC)
Providers**

Subject: Outpatient Radiology Reimbursement

Overview

The Office of Medicaid Policy and Planning (OMPP) is promulgating regulations on an emergency basis to avoid an anticipated budgetary shortfall and to remain within the available Medicaid appropriation. The result is a permanent change in reimbursement for certain radiology services reported on the UB-04 claim form.

General

Reimbursement for the technical component of outpatient radiology services billed on the UB-04 will be adjusted to equal the technical component rates identified on the Indiana Medicaid fee schedule, available at <http://www.indianamedicaid.com/ihcp/index.asp>. This change will facilitate consistent technical component reimbursements for radiology services across all Medicaid providers. The new rates for the specified Current Procedural Terminology (CPT[®]) codes listed in Table 1 will be effective for claims submitted on the UB-04 with a "from" date of service on or after April 1, 2010.

Table 1 – Radiology Fee Schedule

CPT Code	CPT Description	Outpatient UB-04 Rate Effective April 1, 2010
G0130	Single energy X-ray absorptiometry (sexa) bone density study, one or more sites; appendicular skeleton (peripheral) (e.g., radius, wrist, heel)	\$21.05
G0202	Screening mammography, producing direct digital image, bilateral, all views	\$63.54
G0204	Diagnostic mammography, producing direct digital image, bilateral, all views	\$62.51
G0206	Diagnostic mammography, producing direct digital image, unilateral, all views	\$50.45
G0389	Ultrasound B-scan and/or real time with image documentation; for abdominal aortic aneurysm (AAA) screening	\$58.92
70010	Myelography, posterior fossa; supervision and interpretation only	\$112.07

CPT Code	CPT Description	Outpatient UB-04 Rate Effective April 1, 2010
70015	Cisternography, positive contrast; supervision and interpretation only	\$34.99
70030	Radiologic examination, eye; for detection of foreign body	\$10.80
70100	Radiologic examination, mandible; partial, less than four views	\$13.65
70110	Radiologic examination, mandible; complete, minimum of four views	\$16.13
70120	Radiologic examination, mastoids; less than three views per side	\$16.13
70130	Radiologic examination, mastoids; complete, minimum of three views per side	\$20.42
70134	Radiologic examination, internal auditory meati, complete	\$19.12
70140	Radiologic examination, facial bones; less than three views	\$16.13
70150	Radiologic examination, facial bones; complete, minimum of three views	\$20.42
70160	Radiologic examination, nasal bones, complete, minimum of three views	\$13.65
70170	Dacryocystography, nasolacrimal duct; supervision and interpretation only	\$24.45
70190	Radiologic examination; optic foramina	\$16.13
70200	Radiologic examination; orbits, complete, minimum of four views	\$20.42
70210	Radiologic examination, sinuses, paranasal, less than three views	\$16.13
70220	Radiologic examination, sinuses, paranasal, complete, minimum of three views; w/o contrast studies	\$20.42
70240	Radiologic examination, sella turcica	\$10.80
70250	Radiologic examination, skull; less than four views	\$16.13
70260	Radiologic examination, skull; complete, minimum of four views	\$23.15
70300	Radiologic examination, teeth; single view	\$6.77
70310	Radiologic examination, teeth; partial examination, less than full mouth	\$10.80
70320	Radiologic examination, teeth; complete, full mouth	\$20.42
70328	Radiologic examination, temporomandibular joint, open and closed mouth; unilateral	\$12.87
70330	Radiologic examination, temporomandibular joint, open and closed mouth; bilateral	\$21.71
70332	Temporomandibular joint arthrography; supervision and	\$54.22

CPT Code	CPT Description	Outpatient UB-04 Rate Effective April 1, 2010
	interpretation only	
70336	Magnetic resonance (e.g., proton) imaging, temporomandibular joint	\$289.67
70350	Cephalogram, orthodontic	\$9.62
70355	Orthopantomogram	\$14.83
70360	Radiologic examination; neck, soft tissue	\$10.80
70370	Radiologic examination; pharynx or larynx, including fluoroscopy and/or magnification technique	\$33.55
70371	Complex dynamic pharyngeal and speech evaluation by cine or video recording	\$54.22
70373	Laryngography, contrast; supervision and interpretation only	\$46.16
70380	Radiologic examination, salivary gland for calculus	\$17.42
70390	Sialography; supervision and interpretation only	\$46.16
70450	Computed tomography, head or brain; without contrast material	\$122.09
70460	Computerized axial tomography, head or brain; with contrast material(s)	\$146.28
70470	Computerized axial tomography, head or brain w/o contrast material, followed by contrast material(s) and further sections	\$182.67
70480	Computed tomography, orbit, sella, or posterior fossa or outer, middle, or inner ear; without contrast material	\$122.09
70481	Computerized axial tomography, orbit, sella or posterior fossa or outer, middle or inner ear; w/contrast material(s)	\$146.28
70482	Computerized axial tomography, orbit, sella or posterior fossa or outer, middle or inner ear; w/o contrast material, followed by contrast material(s) and further sections	\$182.67
70486	Computed tomography, maxillofacial area; without contrast material	\$122.09
70487	Computerized axial tomography, maxillofacial area; with contrast material	\$146.28
70488	Computerized axial tomography, maxillofacial area; w/o material, followed by contrast material(s) and further sections	\$182.67
70490	Computed tomography, soft tissue neck; without contrast material	\$122.09
70491	Computerized axial tomography, soft tissue neck; with contrast material	\$146.28
70492	Computerized axial tomography, soft tissue neck; without contrast material followed by contrast material(s) and further	\$182.67

CPT Code	CPT Description	Outpatient UB-04 Rate Effective April 1, 2010
	sections	
70496	Computed tomographic angiography, head, with contrast material(s), including noncontrast images, if performed, and image postprocessing	\$188.59
70498	Computed tomographic angiography, neck, with contrast material(s), including noncontrast images, if performed, and image postprocessing	\$188.59
70540	Magnetic resonance (e.g., proton) imaging, orbit, face, and/or neck; without contrast material(s)	\$289.67
70542	Magnetic resonance (e.g., proton) imaging, orbit, face, and neck; with contrast material(s)	\$351.16
70543	Magnetic resonance (e.g., proton) imaging, orbit, face, and neck; without contrast material(s), followed by contrast material(s) and further sequences	\$650.13
70544	Magnetic resonance angiography, head; without contrast material(s)	\$295.41
70545	Magnetic resonance angiography, head; with contrast material(s)	\$295.41
70546	Magnetic resonance angiography, head; without contrast material(s), followed by contrast material(s) and further sequences	\$583.33
70547	Magnetic resonance angiography, neck; without contrast material(s)	\$295.41
70548	Magnetic resonance angiography, neck; with contrast material(s)	\$295.41
70549	Magnetic resonance angiography, neck; without contrast material(s), followed by contrast material(s) and further sequences	\$583.33
70551	Magnetic resonance (e.g., proton) imaging, brain (including brain stem); without contrast material	\$289.67
70552	Magnetic resonance (e.g., proton) imaging, brain (including brain stem); with contrast material(s)	\$347.41
70553	Magnetic resonance imaging, proton	\$643.18
70554	Magnetic resonance imaging, brain, functional MRI; including test selection and administration of repetitive body part movement and/or visual stimulation, not requiring physician or psychologist administration	\$345.85
71010	Radiologic examination, chest; single view, frontal	\$12.35
71015	Radiologic examination, chest; stereo, frontal	\$13.65
71020	Radiologic examination, chest, two views, frontal and lateral	\$16.13
71021	Radiologic exam., chest, two views, frontal and lateral; with	\$19.12

CPT Code	CPT Description	Outpatient UB-04 Rate Effective April 1, 2010
	apical lordotic procedure	
71022	Radiologic exam., chest, two views, frontal and lateral; with oblique projections	\$19.12
71023	Radiologic exam., chest, two views, frontal and lateral; with fluoroscopy	\$20.42
71030	Radiologic examination, chest, complete, minimum of four views	\$20.42
71034	Radiologic examination, chest, complete, minimum of four views; with fluoroscopy	\$37.32
71035	Radiologic examination, chest, special views, e.g., lateral decubitus, bucky studies	\$13.65
71040	Bronchography, unilateral; supervision and interpretation only	\$37.84
71060	Bronchography, bilateral; supervision and interpretation only	\$56.96
71090	Insertion Pacemaker, fluoroscopy and radiography, supervision and interpretation only	\$43.57
71100	Radiologic examination, ribs, unilateral; two views	\$14.83
71101	Radiologic examination, ribs, unilateral; including posteroanterior chest, minimum of three views	\$17.42
71110	Radiologic examination, ribs, bilateral; three views	\$20.42
71111	Radiologic examination, ribs, bilateral; including posteroanterior chest, minimum of four views	\$23.15
71120	Radiologic examination; sternum, minimum of two views	\$16.90
71130	Radiologic examination; sternoclavicular joint or joints, minimum of three views	\$18.20
71250	Computed tomography, thorax; without contrast material	\$152.64
71260	Computerized tomography, thorax; with contrast material(s)	\$182.67
71270	Computerized tomography, thorax; without contrast material, followed by contrast material(s) and further sections	\$228.42
71275	Computed tomographic angiography, chest (noncoronary), with contrast material(s), including noncontrast images, if performed, and image postprocessing	\$232.06
71550	Magnetic resonance (e.g., proton) imaging, chest (e.g., for eval. of hilar and mediastinal lymphadenopathy); without contrast material(s)	\$289.67
71551	Magnetic resonance (e.g., proton) imaging, chest (e.g., for evaluation of hilar and mediastinal lymphadenopathy); with contrast material(s)	\$351.75
71552	Magnetic resonance (e.g., proton) imaging, chest (e.g., for evaluation of hilar and mediastinal lymphadenopathy);	\$648.06

CPT Code	CPT Description	Outpatient UB-04 Rate Effective April 1, 2010
	without contrast material(s), followed by contrast material(s) and further sequences	
71555	Magnetic resonance angiography, chest (excl. myocardium) with/without contrast	\$289.67
72010	Radiologic examination, spine, entire, survey study, anteroposterior and lateral	\$26.52
72020	Radiologic examination, spine, single view, specify level	\$10.80
72040	Radiologic examination, spine, cervical; anteroposterior and lateral	\$15.61
72050	Radiologic examination, spine, cervical; minimum of four views	\$23.15
72052	Radiologic examination, spine, cervical; complete, including oblique and flexion and/or extension studies	\$29.26
72069	Radiologic examination, spine, thoracolumbar, standing (scoliosis)	\$12.87
72070	Radiologic examination, spine; thoracic, anteroposterior and lateral	\$16.90
72072	Radiologic examination, spine; thoracic, anteroposterior and lateral, including swimmer's VI	\$19.12
72074	Radiologic examination, spine; thoracic, complete, including obliques, minimum of four views	\$23.67
72080	Radiologic examination, spine; thoracolumbar, anteroposterior and lateral	\$17.42
72090	Radiologic examination, spine; scoliosis study, including supine and erect studies	\$17.42
72100	Radiologic examination, spine, lumbosacral; anteroposterior and lateral	\$17.42
72110	Radiologic examination, spine, lumbosacral; complete, with oblique views	\$23.67
72114	Radiologic examination, spine, lumbosacral; complete, including bending views	\$30.55
72120	Radiologic examination, spine, lumbosacral, bending views only, minimum of four views	\$23.15
72125	Computed tomography, cervical spine; without contrast material	\$152.64
72126	Computerized axial tomography, cervical spine; with contrast material	\$182.67
72127	Com. axial tom., cervical spine; w/o contrast material, followed by contrast material(s) and further sections	\$228.42
72128	Computed tomography, thoracic spine; without contrast material	\$152.64

CPT Code	CPT Description	Outpatient UB-04 Rate Effective April 1, 2010
72129	Computerized axial tomography, thoracic spine; with contrast material	\$182.67
72130	Without contrast material followed by contrast material(s) and further sections	\$228.42
72131	Computed tomography, lumbar spine; without contrast material	\$152.64
72132	Computerized axial tomography, lumbar spine; with contrast material	\$182.67
72133	Com. axial tom., lumbar spine; w/o cont. mat., followed by cont. material(s) and further sections	\$228.42
72141	Magnetic resonance (e.g., proton) imaging, spinal canal and contents; cervical	\$289.67
72142	Magnetic resonance (e.g., proton) imaging, spinal canal and contents, cervical; with contrast materials	\$347.41
72146	Magnetic resonance (e.g., proton) imaging, spinal canal and contents, thoracic; w/o contrast material	\$321.52
72147	Magnetic resonance (e.g., proton) imaging, spinal canal and contents, thoracic; w/contrast material(s)	\$347.41
72148	Magnetic resonance (e.g., proton) imaging, spinal canal and contents, lumbar; w/o contrast material	\$321.52
72149	Magnetic resonance (e.g., proton) imaging, spinal canal and contents, lumbar; w/contrast material(s)	\$347.41
72156	Magnetic resonance (e.g., proton) imaging, spinal canal and contents, without contrast material, followed by contrast material(s) and further sequences; cervical	\$643.18
72157	Magnetic resonance (e.g. proton) imaging, spinal canal and contents, without contrast material, followed by contrast material(s) and further sequences; thoracic	\$643.18
72158	Magnetic resonance (e.g., proton) imaging, spinal canal and contents, without contrast material, followed by contrast material(s) and further sequences; lumbar	\$643.18
72159	Magnetic resonance angiography, spinal canal and contents with/without contrast	\$321.52
72170	Radiologic examination, pelvis; anteroposterior only	\$13.65
72190	Radiologic examination, pelvis; complete, minimum of three views	\$17.42
72191	Computed tomographic angiography, pelvis, with contrast material(s), including noncontrast images, if performed, and image postprocessing	\$222.99
72192	Computed tomography, pelvis; without contrast material	\$152.64
72193	Computerized axial tomography, pelvis; with contrast material(s)	\$176.68

CPT Code	CPT Description	Outpatient UB-04 Rate Effective April 1, 2010
72194	Computerized axial tomography, pelvis; w/o con. mat., followed by con. mat. and further sections	\$219.33
72195	Magnetic resonance (e.g., proton) imaging, pelvis; without contrast material(s)	\$293.64
72196	Magnetic resonance (e.g., proton) imaging, pelvis	\$289.67
72197	Magnetic resonance (e.g., proton) imaging, pelvis; without contrast material(s), followed by contrast material(s) and further sequences	\$651.01
72198	Magnetic resonance angiography, pelvis, with/without contrast material(s)	\$289.67
72200	Radiologic examination, sacroiliac joints; less than three views	\$13.65
72202	Radiologic examination, sacroiliac joints; three or more views	\$16.13
72220	Radiologic examination, sacrum and coccyx, minimum of two views	\$14.83
72240	Myelography, cervical; supervision and interpretation only	\$122.61
72255	Myelography, thoracic; supervision and interpretation only	\$112.07
72265	Myelography, lumbosacral; supervision and interpretation only	\$105.19
72270	Myelography, two or more regions (e.g., lumbar/thoracic, cervical/thoracic, lumbar/cervical, lumbar/thoracic/cervical), radiological supervision and interpretation	\$157.45
72275	Epidurography, radiological supervision and interpretation	\$57.44
72285	Diskography, cervical; supervision and interpretation only	\$216.74
72295	Diskography, lumbar; supervision and interpretation only	\$202.94
73000	Radiologic examination; clavicle, complete	\$13.65
73010	Radiologic examination; scapula, complete	\$13.65
73020	Radiologic examination, shoulder; one view	\$12.35
73030	Radiologic examination, shoulder; complete, minimum of two views	\$14.83
73040	Radiologic examination, shoulder; arthrography; supervision and interpretation only	\$54.22
73050	Radiologic examination, acromioclavicular joints, bilateral, with or without weighted distraction	\$17.42
73060	Radiologic examination; humerus, minimum of two views	\$14.83
73070	Radiologic examination, elbow; anteroposterior and lateral views	\$13.65

CPT Code	CPT Description	Outpatient UB-04 Rate Effective April 1, 2010
73080	Radiologic examination, elbow; complete, minimum of three views	\$14.83
73085	Radiologic examination, elbow, arthrography; supervision and interpretation only	\$54.22
73090	Radiologic examination; forearm, anteroposterior and lateral views	\$13.65
73092	Radiologic examination; upper extremity, infant, minimum of two views	\$12.87
73100	Radiologic examination, wrist; anteroposterior and lateral views	\$12.87
73110	Radiologic examination, wrist; complete, minimum of three views	\$13.91
73115	Radiologic examination, wrist, arthrography; supervision and interpretation only	\$40.83
73120	Radiologic examination, hand; two views	\$12.87
73130	Radiologic examination, hand; minimum of three views	\$13.91
73140	Radiologic examination, finger or fingers, minimum of two views	\$10.80
73200	Computed tomography, upper extremity; without contrast material	\$128.19
73201	Computerized axial tomography, upper extremity; with contrast material(s)	\$152.64
73202	Computerized axial tomography, upper extremity; w/o cont. mat., followed by cont. mat. and further sec	\$192.03
73206	Computed tomographic angiography, upper extremity, with contrast material(s), including noncontrast images, if performed, and image postprocessing	\$195.55
73218	Magnetic resonance (e.g., proton) imaging, upper extremity, other than joint; without contrast material(s)	\$292.90
73219	Magnetic resonance (e.g., proton) imaging, upper extremity, other than joint; with contrast material(s)	\$351.16
73220	MRI, upper extremity, other than joint; without contrast material(s); followed by contrast material(s) and further sequences	\$649.09
73221	Magnetic resonance (e.g., proton) imaging, any joint of upper extremity	\$289.67
73222	Magnetic resonance (e.g., proton) imaging, any joint of upper extremity; with contrast material(s)	\$351.16
73223	Magnetic resonance (e.g., proton) imaging, any joint of upper extremity; without contrast material(s), followed by contrast material(s) and further sequences	\$650.13

CPT Code	CPT Description	Outpatient UB-04 Rate Effective April 1, 2010
73225	Magnetic resonance angiography, upper extremity, with/without contrast	\$289.67
73500	Radiologic examination, hip; unilateral, one view	\$12.35
73510	Radiologic examination, hip; complete, minimum of two views	\$14.83
73520	Radiologic examination, hips, bilateral, minimum of two views of each hip, including anteroposterior view of pelvis	\$17.42
73525	Radiologic examination, hip, arthrography; supervision and interpretation only	\$54.22
73530	Radiologic examination, hip, during operative procedure	\$13.65
73540	Radiologic examination, pelvis and hips, infant or child, minimum of two views	\$14.83
73542	Radiological examination, sacroiliac joint arthrography, radiological supervision and interpretation	\$56.11
73550	Radiologic examination, femur, anteroposterior and lateral views	\$14.83
73560	Radiologic examination, knee; anteroposterior and lateral views	\$13.65
73562	Radiologic examination, knee; anteroposterior and lateral, with oblique(s), minimum of three views	\$14.83
73564	Radiologic examination, knee; complete, including oblique(s), and/or tunnel, and/or patellar	\$16.13
73565	Radiologic examination, knee; both knees, standing, anteroposterior	\$12.87
73580	Radiologic examination, knee, arthrography; supervision and interpretation only	\$68.02
73590	Radiologic examination; tibia and fibula, anteroposterior and lateral views	\$13.65
73592	Radiologic examination; lower extremity, infant, minimum of two views	\$12.87
73600	Radiologic examination, ankle; anteroposterior and lateral views	\$12.87
73610	Radiologic examination, ankle; complete, minimum of three views	\$13.91
73615	Radiologic examination, ankle, arthrography; supervision and interpretation only	\$54.22
73620	Radiologic examination, foot; anteroposterior and lateral views	\$12.87
73630	Radiologic examination, foot; complete, minimum of three views	\$13.91
73650	Radiologic examination; calcaneus, minimum of two views	\$12.35

CPT Code	CPT Description	Outpatient UB-04 Rate Effective April 1, 2010
73660	Radiologic examination; toe or toes, minimum of two views	\$10.80
73700	Computed tomography, lower extremity; without contrast material	\$128.19
73701	Computerized axial tomography, lower extremity; with contrast material(s)	\$152.64
73702	Computerized axial tomography, lower extremity; w/o contrast material, followed by contrast material(s) and further sections	\$192.03
73706	Computed tomographic angiography, lower extremity, with contrast material(s), including noncontrast images, if performed, and image postprocessing	\$195.55
73718	Magnetic resonance (e.g., proton) imaging, lower extremity other than joint; without contrast material(s)	\$292.90
73719	Magnetic resonance (e.g., proton) imaging, lower extremity other than joint; with contrast material(s)	\$351.16
73720	MRI, lower extremity other than joint; without contrast material (s); followed by contrast material(s) and further sequences	\$650.13
73721	Magnetic resonance (e.g., proton) imaging, any joint of lower extremity	\$289.67
73722	Magnetic resonance (e.g., proton) imaging, any joint of lower extremity; with contrast material(s)	\$351.16
73723	Magnetic resonance (e.g., proton) imaging, any joint of lower extremity; without contrast material(s), followed by contrast material(s) and further sequences	\$650.13
73725	Magnetic resonance angiography, lower extremity, with/without contrast	\$289.67
74000	Radiologic examination, abdomen; single anteroposterior view	\$13.65
74010	Radiologic examination, abdomen; anteroposterior and additional oblique and cone views	\$14.83
74020	Radiologic examination, abdomen; complete, including decubitus and/or erect views	\$16.13
74022	Radiologic examination, abdomen; complete acute abdomen series, including supine, erect, and/or decubitus views, single view chest	\$19.12
74150	Computed tomography, abdomen; without contrast material	\$146.28
74160	Computerized axial tomography, abdomen; with contrast material	\$176.68
74170	Computerized axial tomography, abdomen; w/o cont. mat., followed by cont. mat. and further sections	\$219.33
74175	Computed tomographic angiography, abdomen, with contrast	\$222.99

CPT Code	CPT Description	Outpatient UB-04 Rate Effective April 1, 2010
	material(s), including noncontrast images, if performed, and image postprocessing	
74181	Magnetic resonance (e.g., proton) imaging, abdomen	\$289.67
74182	Magnetic resonance (e.g., proton) imaging, abdomen; with contrast material(s)	\$351.75
74183	Magnetic resonance (e.g., proton) imaging, abdomen; without contrast material(s), followed by with contrast material(s) and further sequences	\$651.01
74185	Magnetic resonance angiography, abdomen, with/without contrast	\$289.67
74190	Peritoneogram (e.g., after injection of air or contrast) radiological super/interp	\$33.55
74210	Radiologic examination; pharynx and/or cervical esophagus	\$30.55
74220	Radiologic examination; esophagus	\$30.55
74230	Swallowing function, phary and/or esophagus, with cineradiography and/or video	\$33.55
74235	Removal of foreign body(s), esophageal, w/use of balloon catheter under fluoroscopic guidance	\$68.02
74240	Radiologic examination, gastrointestinal tract, upper; with or without delayed films, without KUB	\$37.84
74241	Radiologic examination, gastrointestinal tract, upper; with or without delayed films, with KUB	\$38.61
74245	Radiologic examination, gastrointestinal tract, upper; with small bowel, includes multiple serial films	\$61.77
74246	Radiologic exam, gastrointestinal tract, upper, air contrast, w/specific high density barium effervescent agent, with or without glucagon; with or without delayed films, without KUB	\$42.64
74247	Radiological examination, gastrointestinal tract, upper, air contrast, with specific high density barium effervescent agent, with or without glucagon; with or without delayed films, with KUB	\$43.57
74249	Radiological examination, gastro. tract, upper air cont., w/spec. high density barium, effervescent agent, with or without glucagon; with small intestine follow-through	\$66.57
74250	Radiologic examination, small bowel, includes multiple serial films	\$33.55
74251	Radiological exam, small bowel, incl mult series films; via enteroclysis tube	\$33.55
74260	Duodenography, hypotonic	\$38.61
74270	Radiologic examination, colon; contrast (e.g., barium) enema, with or without KUB	\$44.09

CPT Code	CPT Description	Outpatient UB-04 Rate Effective April 1, 2010
74280	Radiologic examination, colon; air contrast with specific high density barium, with or without glucagon	\$57.73
74283	Barium enema, therapeutic, for reduction of intussusception	\$66.32
74290	Cholecystography, oral contrast	\$19.12
74291	Cholecystography, oral contrast; additional or repeat examination or multiple day examination	\$10.80
74305	Cholangiography and/or pancreatography; postoperative	\$20.42
74320	Cholangiography, percutaneous, transhepatic; supervision and interpretation only	\$81.26
74327	Postoperative biliary duct stone removal, percutaneous viat-tube tract, basket or snare	\$45.64
74328	Endoscopic catheterization of the biliary ductal system, fluoroscopic monitoring and radiography	\$81.26
74329	Endoscopic catheterization of the pancreatic ductal system, fluoroscopic monitoring and radiography	\$81.26
74330	Combined endoscopic catheterization of the biliary and pancreatic ductal systems, radiological supervision and interpretation	\$81.26
74340	Introduction of long gastrointestinal tube (e.g., Miller Abbott), with multiple fluoroscopies and films	\$68.02
74355	Percutaneous placement of enteroclysis tube; radiologic guidance only	\$68.02
74360	Intraluminal dilation of strictures and/or obstructions; radiologic guidance only	\$81.26
74363	Percutaneous transhepatic dilatation of biliary duct stricture with or without placement of stent	\$157.45
74400	Urography (pyelography), intravenous, with or without KUB	\$43.57
74410	Urography, infusion, drip technique and/or bolus technique	\$50.45
74415	Urography, infusion, drip technique and/or bolus technique; with nephrotomography	\$54.74
74420	Urography, retrograde, with or without KUB	\$68.02
74425	Urography, antegrade, (pyelostogram, nephrostogram, loopogram); supervision and interpretation only	\$33.55
74430	Cystography, minimum of three views; supervision and interpretation only	\$27.18
74440	Vasography, vesiculography, or epididymography; supervision and interpretation only	\$29.26
74445	Corpora cavernosography; supervision and interpretation only	\$29.26
74450	Urethrocytography, retrograde; supervision and	\$37.84

CPT Code	CPT Description	Outpatient UB-04 Rate Effective April 1, 2010
	interpretation only	
74455	Urethrocytography, voiding; supervision and interpretation only	\$40.83
74470	Radiologic examination, renal cyst study, translumbar, contrast visualization; supervision	\$32.25
74475	Introduction of intracatheter or catheter into renal pelvis for drainage and/or injection, percutaneous, radiological supervision and interpretation	\$105.19
74480	Introduction of ureteral catheter or stent into ureter through renal pelvis for drainage, percutaneous	\$105.19
74485	Dilation of nephrostomy or ureters with fluoroscopic monitoring and radiography; supervision and interpretation	\$81.26
74710	Pelvimetry, with or without placental localization	\$27.18
74740	Hysterosalpingography; supervision and interpretation only	\$33.55
74742	Transcervical catheterization of fallopian tube	\$81.26
74775	Perineogram (e.g., vaginogram, for sex determination or extent of anomalies)	\$37.84
75557	Cardiac magnetic resonance imaging for morphology and function without contrast material;	\$279.79
75559	Cardiac magnetic resonance imaging for morphology and function without contrast material; with stress imaging	\$426.34
75561	Cardiac magnetic resonance imaging for morphology and function without contrast material(s), followed by contrast material(s) and further sequences;	\$400.48
75563	Cardiac magnetic resonance imaging for morphology and function without contrast material(s), followed by contrast material(s) and further sequences; with stress imaging	\$501.61
75571	Computed tomography, heart, without contrast material, with quantitative evaluation of coronary calcium	\$44.16
75572	Computed tomography, heart, with contrast material, for evaluation of cardiac structure and morphology (including 3D image postprocessing, assessment of cardiac function, and evaluation of venous structures, if performed)	\$127.54
75573	Computed tomography, heart, with contrast material, for evaluation of cardiac structure and morphology in the setting of congenital heart disease (including 3D image postprocessing, assessment of LV cardiac function, RV structure and function and evaluation of venous structures, if performed)	\$180.62
75574	Computed tomographic angiography, heart, coronary arteries and bypass grafts (when present), with contrast material, including 3D image postprocessing (including evaluation of	\$332.86

CPT Code	CPT Description	Outpatient UB-04 Rate Effective April 1, 2010
	cardiac structure and morphology, assessment of cardiac function, and evaluation of venous structures, if performed)	
75600	Aortography, thoracic, without serialography; supervision and interpretation only	\$325.55
75605	Aortography, thoracic, by serialography; supervision and interpretation only	\$325.55
75625	Aortography, abdominal, translumbar, by serialography; supervision and interpretation only	\$325.55
75630	Aortography, abdominal plus bilateral iliofemoral lower extremity, catheter, by serialography	\$339.34
75635	Computed tomographic angiography, abdominal aorta and bilateral iliofemoral lower extremity runoff, with contrast material(s), including noncontrast images, if performed, and image postprocessing	\$222.99
75650	Angiography, cervicocerebral, catheter, including vessel origin; supervision and interpretation only	\$325.55
75658	Angiography, brachial, retrograde; supervision and interpretation only	\$325.55
75660	Angiography, external carotid, cerebral, unilateral, selective; supervision and interpretation only	\$325.55
75662	Angiography, external carotid, cerebral, bilateral, selective; supervision and interpretation	\$325.55
75665	Angiography, carotid, cerebral, unilateral; supervision and interpretation only	\$325.55
75671	Angiography, carotid, cerebral, bilateral; supervision and interpretation only	\$325.55
75676	Angiography, carotid, cervical, unilateral; supervision and interpretation only	\$325.55
75680	Angiography, carotid, cervical, bilateral; supervision and interpretation only	\$325.55
75685	Angiography, vertebral, cervical, and/or intracranial, radiological supervision and interpretation	\$325.55
75705	Angiography, spinal, selective; supervision and interpretation only	\$325.55
75710	Angiography, extremity, unilateral; supervision and interpretation only	\$325.55
75716	Angiography, extremity, bilateral; supervision and interpretation only	\$325.55
75722	Angiography, renal, unilateral, selective (including flush aortogram); supervision and interpretation	\$325.55
75724	Angiography, renal, bilateral, selective (including flush aortogram); supervision and interpretation only	\$325.55

CPT Code	CPT Description	Outpatient UB-04 Rate Effective April 1, 2010
75726	Angiography, visceral; selective or supraseductive, supervision and interpretation only	\$325.55
75731	Angiography, adrenal, unilateral, selective; supervision and interpretation only	\$325.55
75733	Angiography, adrenal, bilateral, selective; supervision and interpretation only	\$325.55
75736	Angiography, pelvic; selective or supraseductive, supervision and interpretation only	\$325.55
75741	Angiography, pulmonary, unilateral, selective; supervision and interpretation only	\$325.55
75743	Angiography, pulmonary, bilateral, selective; supervision and interpretation only	\$325.55
75746	Angiography, pulmonary; by nonselective catheter or venous injection, supervision and interpretation	\$325.55
75756	Angiography, internal mammary; supervision and interpretation only	\$325.55
75774	Angiography, selective, each additional vessel studied after basic exam; supervision and interp.	\$325.55
75791	Angiography, arteriovenous shunt (e.g., dialysis patient fistula/graft), complete evaluation of dialysis access, including fluoroscopy, image documentation and report (includes injections of contrast and all necessary imaging from the arterial anastomosis and adjacent artery through entire venous outflow including the inferior or superior vena cava), radiological supervision and interpretation	\$159.64
75801	Lymphangiography, extremity only, unilateral; supervision and interpretation only	\$140.03
75803	Lymphangiography, extremity only, bilateral; supervision and interpretation only	\$140.03
75805	Lymphangiography, pelvic/abdominal, unilateral; supervision and interpretation only	\$157.45
75807	Lymphangiography, pelvic/abdominal, bilateral; supervision and interpretation only	\$157.45
75809	Shuntogram for investigation of previously placed shunt	\$20.42
75810	Splenoportography; supervision and interpretation only	\$325.55
75820	Venography, extremity, unilateral; supervision and interpretation only	\$24.45
75822	Venography, extremity, bilateral; supervision and interpretation only	\$38.35
75825	Venography, caval, inferior, with serialography; supervision and interpretation only	\$325.55
75827	Venography, caval, superior, with serialography; supervision	\$325.55

CPT Code	CPT Description	Outpatient UB-04 Rate Effective April 1, 2010
	and interpretation only	
75831	Venography, renal, unilateral, selective; supervision and interpretation only	\$325.55
75833	Venography, renal, bilateral, selective; supervision and interpretation only	\$325.55
75840	Venography, adrenal, unilateral, selective; supervision and interpretation only	\$325.55
75842	Venography, adrenal, bilateral, selective; supervision and interpretation only	\$325.55
75860	Venography, venous sinus (e.g., petrosal and inferior sagittal) or jugular, catheter, radiological supervision and interpretation	\$325.55
75870	Venography, superior sagittal sinus; supervision and interpretation only	\$325.55
75872	Venography, epidural; supervision and interpretation only	\$325.55
75880	Venography, orbital; supervision and interpretation only	\$24.45
75885	Percutaneous transhepatic portography with hemodynamic evaluation; supervision and interpretation	\$325.55
75887	Percutaneous transhepatic portography without hemodynamic evaluation; supervision and interpretation	\$325.55
75889	Hepatic venography wedged or free, with hemodynamic evaluation; supervision and interpretation only	\$325.55
75891	Hepatic venography, wedged or free, without hemodynamic evaluation; supervision and interpretation only	\$325.55
75893	Venous sampling thru catheter without angiography (e.g., for parathyroid hormone, renin)	\$325.55
75894	Transcatheter therapy, embolization (e.g., particulate or liquid), incl. angiography; super./interp.	\$623.80
75896	Transcatheter therapy, infusion (e.g., thrombolysis other than coronary), incl. angiography; super./in	\$542.14
75898	Angiogram through existing catheter for follow-up study for transcatheter therapy, embolization or infusion	\$27.18
75900	Exchange of a previously placed intravascular catheter during thrombolytic therapy with contrast monitoring, radiological supervision and interpretation	\$559.57
75901	Mechanical removal of pericatheter obstructive material (e.g., fibrin sheath) from central venous device via separate venous access, radiologic supervision and interpretation	\$43.85
75902	Mechanical removal of intraluminal (intracatheter) obstructive material from central venous device through device lumen, radiologic supervision and interpretation	\$43.85

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75940	Percutaneous placement of IVC filter; supervision and interpretation only	\$325.55
75960	Transcatheter introduction of intravascular stent(s), (except coronary, carotid, and vertebral vessel), percutaneous and/or open, radiological supervision and interpretation, each vessel	\$397.16
75961	Transcatheter retrieval, percutaneous, of fractured venous or arterial catheter	\$271.33
75962	Percutaneous transluminal angioplasty, any method, peripheral artery; supervision and inter. only	\$406.81
75964	Percutaneous transluminal angioplasty, any method, each add. peripheral artery; super. and inter. only	\$217.00
75966	Percutaneous transluminal angioplasty, any method, renal or other vis. artery; super. and inter. only	\$406.81
75968	Percutaneous transluminal angioplasty, any method, each add. visceral artery; supervision and inter.	\$217.00
75970	Transcatheter biopsy; supervision and interpretation only	\$298.25
75978	Percutaneous transluminal angioplasty, venous (e.g., subclavian stenosis); supervision and interpretation only	\$406.81
75980	Percutaneous transhepatic biliary drainage with contrast monitoring; supervision and interpretation	\$140.03
75982	Percutaneous placement of drainage catheter for combined internal and external biliary drainage	\$157.45
75984	Change of percutaneous tube or drainage catheter with contrast monitoring (e.g., genitourinary system, abscess), radiological supervision and interpretation	\$50.45
75989	Radiological guidance (i.e., fluoroscopy, ultrasound, or computed tomography), for percutaneous drainage (e.g., abscess, specimen collection), with placement of catheter, radiological supervision and interpretation	\$81.26
75992	Transluminal atherectomy peripheral artery	\$406.81
75993	Transluminal atherectomy each additional peripheral artery	\$217.00
75994	Transluminal atherectomy, renal	\$406.81
75995	Transluminal atherectomy visceral	\$406.81
75996	Transluminal atherectomy each additional renal visceral	\$217.00
76000	Fluoroscopy (separate procedure), up to one hour physician time, other than 71023 or 71034	\$33.55
76001	Fluoroscopy, phys. time more than one hour, assisting a non-radiologic phys. (e.g., nephrostolithotomy, ERCP, bronchoscopy, transbronchial biopsy)	\$68.02
76010	Radiologic examination from nose to rectum for foreign body, single film, child	\$13.65

CPT Code	CPT Description	Outpatient UB-04 Rate Effective April 1, 2010
76080	Radiologic examination, fistula or sinus tract study; supervision and interpretation only	\$27.18
76098	Radiological examination, breast surgical specimen	\$10.80
76100	Radiologic examination, single plane body section (e.g., tomography), other than with urography	\$32.25
76101	Radiologic examination, complex motion (i.e., hypercycloidal) body section (e.g., mastoid polytomography) other than with urography; unilateral	\$36.54
76102	Radiologic exam, complex motion (hypercycloidal) body sect (mastoid polytom) other than with urography; bilateral	\$44.86
76120	Cineradiography, except where specifically included	\$27.18
76125	Cineradiography to complement routine examination	\$20.42
76376	3D rendering with interpretation and reporting of computed tomography, magnetic resonance imaging, ultrasound, or other tomographic modality; not requiring image postprocessing on an independent workstation	\$89.99
76377	3D rendering with interpretation and reporting of computed tomography, magnetic resonance imaging, ultrasound, or other tomographic modality; requiring image postprocessing on an independent workstation	\$93.39
76380	Computed tomography, limited or localized follow-up study	\$90.62
76390	Magnetic resonance spectroscopy	\$286.42
76506	Echoencephalography, real time with image documentation (gray scale) (for determination of ventricular size, delineation of cerebral contents, and detection of fluid masses or other intracranial abnormalities), including A-mode encephalography as secondary component where indicated	\$36.54
76510	Ophthalmic ultrasound, diagnostic; B-scan and quantitative A-scan performed during the same patient encounter	\$57.48
76511	Ophthalmic ultrasound, diagnostic; quantitative A-scan only	\$53.59
76512	Ophthalmic ultrasound, diagnostic; B-scan (with or without superimposed non-quantitative A-scan)	\$48.34
76513	Ophthalmic ultrasound, echography immersion (water bath) BD scan	\$39.54
76514	Ophthalmic ultrasound, echography, diagnostic; corneal pachymetry, unilateral or bilateral (determination of corneal thickness)	\$1.70
76516	Ophthalmic biometry by ultrasound echography, A-mode	\$32.25
76519	Ophthalmic biometry by ultrasound echography, A-mode; with intraocular lens power calculation	\$32.25

CPT Code	CPT Description	Outpatient UB-04 Rate Effective April 1, 2010
76529	Ophthalmic ultrasonic foreign body localization	\$35.25
76536	Ultrasound, soft tissues of head and neck (e.g., thyroid, parathyroid, parotid), real time with image documentation	\$36.54
76604	Ultrasound, chest (includes mediastinum), real time with image documentation	\$33.55
76645	Ultrasound, breast(s) (unilateral or bilateral), real time with image documentation	\$27.18
76700	Ultrasound, abdominal, real time with image documentation; complete	\$50.97
76705	Echography, abdominal, B-scan and/or real time w/image documentation; limited (e.g., single organ, quadrant, follow-up)	\$36.54
76770	Ultrasound, retroperitoneal (e.g., renal, aorta, nodes), real time with image documentation; complete	\$50.97
76775	Echography, retroperitoneal (e.g., renal, aorta, nodes), B-scan; limited	\$36.54
76776	Ultrasound, transplanted kidney, real time and duplex Doppler with image documentation	\$78.78
76800	Echography, spinal canal and contents	\$36.54
76801	Ultrasound, pregnant uterus, real time with image documentation, fetal and maternal evaluation, first trimester (14 weeks, 0 days), transabdominal approach; single or first gestation	\$28.40
76802	Ultrasound, pregnant uterus, real time with image documentation, fetal and maternal evaluation, first trimester (14 weeks, 0 days), transabdominal approach; each additional gestation (list separately in addition to code for primary procedure)	\$19.86
76805	Ultrasound, pregnant uterus, real time with image documentation, fetal and maternal evaluation, after first trimester (> or = 14 weeks, 0 days), transabdominal approach; single or first gestation	\$54.22
76810	Ultrasound, pregnant uterus, real time with image documentation, fetal and maternal evaluation, after first trimester (> or = 14 weeks, 0 days), transabdominal approach; each additional gestation (list separately in addition to code for primary procedure)	\$108.29
76811	Ultrasound, pregnant uterus, real time with image documentation, fetal and maternal evaluation plus detailed fetal anatomic examination, transabdominal approach; single or first gestation	\$96.20
76812	Ultrasound, pregnant uterus, real time with image documentation, fetal and maternal evaluation plus detailed fetal anatomic examination, transabdominal approach; each	\$31.95

CPT Code	CPT Description	Outpatient UB-04 Rate Effective April 1, 2010
	additional gestation (list separately in addition to code for primary procedure)	
76815	Ultrasound, pregnant uterus, real time with image documentation, limited (e.g., fetal heart beat, placental location, fetal position and/or qualitative amniotic fluid volume), one or more fetuses	\$36.54
76816	Ultrasound, pregnant uterus, real time with image documentation, follow-up (e.g., re-evaluation of fetal size by measuring standard growth parameters and amniotic fluid volume, re-evaluation of organ system(s) suspected or confirmed to be abnormal on a previous scan), transabdominal approach, per fetus	\$28.74
76817	Ultrasound, pregnant uterus, real time with image documentation, transvaginal	\$39.84
76818	Fetal biophysical profile	\$41.87
76819	Fetal biophysical profile; without stress or non-stress testing	\$42.61
76820	Doppler velocimetry, fetal; umbilical artery	\$43.46
76821	Doppler velocimetry, fetal; middle cerebral artery	\$43.46
76825	Echocardiography, fetal, real time with image documentation (2D) with or without M-mode recording	\$50.97
76826	Echocardiography fetal cardiovascular system	\$18.34
76827	Doppler echocardiography, fetal, pulsed wave and/or continuous wave with spectral display; complete	\$46.31
76828	Doppler echocardiography fetal cardiovascular system	\$29.03
76830	Echography, transvaginal	\$39.54
76831	Saline infusion sonohysterography (SIS), including color flow Doppler, when performed	\$39.02
76856	Ultrasound, pelvic (nonobstetric), real time with image documentation; complete	\$39.54
76857	Echography, pelvic (non-obstetric), B-scan and/or real time w/image doc.; limited or follow-up (e.g., for follicles)	\$27.18
76870	Echography, scrotum and contents	\$39.54
76872	Ultrasound, transrectal	\$39.54
76873	Echography, transrectal; prostate volume study for brachytherapy treatment planning (separate procedure)	\$56.55
76880	Ultrasound, extremity, nonvascular, real time with image documentation	\$36.54
76885	Echography of infant hips, real time with imaging documentation; dynamic (e.g., requiring manipulation)	\$39.02

CPT Code	CPT Description	Outpatient UB-04 Rate Effective April 1, 2010
76886	Echography of infant hips, real time with imaging documentation; limited, static (e.g., not requiring manipulation)	\$36.28
76930	Ultrasonic guidance for pericardiocentesis; supervision and interpretation only	\$39.54
76932	Ultrasonic guidance for endomyocardial biopsy; supervision and interpretation only	\$39.54
76936	Ultrasound guided compression repair of arterial pseudo-aneurysm or arteriovenous fistulae (includes diagnostic ultrasound evaluation, compression of lesion and imaging)	\$167.92
76940	Ultrasound guidance for, and monitoring of, parenchymal tissue ablation	\$43.38
76942	Ultrasonic guidance for needle biopsy; supervision and interpretation only	\$39.54
76946	Ultrasonic guidance for amniocentesis; supervision and interpretation only	\$39.54
76948	Ultrasonic guidance for aspiration of ova; supervision and interpretation only	\$39.54
76950	Echography for placement of radiation therapy fields, B-scan	\$33.55
76965	Gastrointestinal endoscopic ultrasound, radiological supervision and interpretation	\$142.36
76970	Ultrasound study follow-up (specify)	\$27.18
76975	Gastrointestinal endoscopic ultrasound, radiological super and interpretation	\$39.54
76977	Ultrasound bone density measurement and interpretation, peripheral site(s), any method	\$22.86
77001	Fluoroscopic guidance for central venous access placement/replacement (cath only or complete), or removal (inc fluoro guidance for vasc access and cath manipulation, any nec contrast inj thru access site/cath w/venography superv/interpr, position)	\$65.43
77002	Fluoroscopic guidance for needle placement (e.g., biopsy, aspiration, injection, localization device)	\$27.18
77003	Fluoroscopic guidance and localization of needle or catheter tip for spine or paraspinous diagnostic or therapeutic injection procedures (epidural, transforaminal epidural, subarachnoid, or sacroiliac joint), including neurolytic agent destruction	\$16.57
77011	Computed tomography guidance for stereotactic localization	\$502.29
77012	Computed tomography guidance for needle placement (e.g., biopsy, aspiration, injection, localization device), radiological supervision and interpretation	\$53.06

CPT Code	CPT Description	Outpatient UB-04 Rate Effective April 1, 2010
77014	Computed tomography guidance for placement of radiation therapy fields	\$110.07
77021	Magnetic resonance guidance for needle placement (e.g., for biopsy, needle aspiration, injection, or placement of localization device), radiological supervision and interpretation	\$234.93
77031	Stereotactic localization guidance for breast biopsy or needle placement (e.g., for wire localization or for injection), each lesion, radiological supervision and interpretation	\$38.35
77032	Mammographic guidance for needle placement, breast (e.g., for wire localization or for injection), each lesion, radiological supervision and interpretation	\$11.39
77051	Computer-aided detection (computer algorithm analysis of digital image data for lesion detection) with further physician review for interpretation, with or without digitization of film radiographic images; diagnostic mammography (list separately in addition to code for primary procedure)	\$4.55
77052	Computer-aided detection (computer algorithm analysis of digital image data for lesion detection) with further physician review for interpretation, with or without digitization of film radiographic images; screening mammography (list separately in addition to code for primary procedure)	\$4.55
77053	Mammary ductogram or galactogram, single duct, radiological supervision and interpretation	\$14.75
77054	Mammary ductogram or galactogram, multiple ducts, radiological supervision and interpretation	\$39.83
77055	Mammography; unilateral	\$34.80
77056	Mammography; bilateral	\$44.79
77057	Screening mammography, bilateral (2-view film study of each breast)	\$30.29
77058	Magnetic resonance imaging, breast, without and/or with contrast material(s); unilateral	\$535.31
77059	Magnetic resonance imaging, breast, without and/or with contrast material(s); bilateral	\$537.44
77072	Bone age studies	\$9.10
77073	Bone length studies (orthoroentgenogram, scanogram)	\$14.98
77074	Radiologic examination, osseous survey; limited (e.g., for metastases)	\$32.22
77075	Radiologic examination, osseous survey; complete (axial and appendicular skeleton)	\$52.45
77076	Radiologic examination, osseous survey, infant	\$45.53

CPT Code	CPT Description	Outpatient UB-04 Rate Effective April 1, 2010
77077	Joint survey, single view, 2 or more joints (specify)	\$14.61
77078	Computed tomography, bone mineral density study, 1 or more sites; axial skeleton (e.g., hips, pelvis, spine)	\$117.58
77079	Computed tomography, bone mineral density study, 1 or more sites; appendicular skeleton (peripheral) (e.g., radius, wrist, heel)	\$17.83
77080	Dual-energy X-ray absorptiometry (DXA), bone density study, 1 or more sites; axial skeleton (e.g., hips, pelvis, spine)	\$21.41
77081	Dual-energy X-ray absorptiometry (DXA), bone density study, 1 or more sites; appendicular skeleton (peripheral) (e.g., radius, wrist, heel)	\$17.05
77082	Dual-energy X-ray absorptiometry (DXA), bone density study, 1 or more sites; vertebral fracture assessment	\$10.06
77083	Radiographic absorptiometry (e.g., photodensitometry, radiogrammetry), 1 or more sites	\$9.02
77084	Magnetic resonance (e.g., proton) imaging, bone marrow blood supply	\$353.85
77280	Radiation therapy simulator aided field setting; simple	\$89.84
77285	Intermediate	\$144.06
77290	Radiation therapy simulator aided field setting; complex	\$168.10
77295	Therapeutic radiology simulation-aided field setting; by three-dimensional reconstruction of tumor	\$722.41
77300	Basic radiation dosimetry calculation, central axis depth dose, TDF, NSD, gap calculation, off axis factor, tissue inhomogeneity factors, calculation of non-ionizing radiation surface and depth dose	\$34.58
77301	Intensity modulated radiotherapy plan, including dose-volume histograms for target and critical structure partial tolerance specifications	\$705.07
77305	Teletherapy, isodose plan (whether hand or computer cal.); simple (one or two parallel opposed unmodified ports directed to a single area of interest)	\$48.12
77310	Teletherapy, iso dose plan (whether hand or computer calculated); intermediate (three or more treatment ports directed to a single area of interest)	\$60.21
77315	Complex (mantle or inverted y, tangential ports, the use of wedges, compensators, complex blocking, rotational beam considerations)	\$68.79
77321	Special teletherapy port plan, particles, hemibody, total body	\$104.26
77326	Brachytherapy isodose plan; simple (calculation made from single plane, one to four sources/ribbon application, remote	\$61.25

CPT Code	CPT Description	Outpatient UB-04 Rate Effective April 1, 2010
	afterloading brachytherapy, 1 to 8 sources)	
77327	Brachytherapy isodose plan; intermediate (multiplane dosage calculations, application involving 5-10 sources/ribbon application, remote afterloading brachytherapy, 9 to 12 sources)	\$89.84
77328	Complex (multiplane isodose plan, volume implant calculations, over 10 sources/ribbons used, special spatial reconstruction, remote afterloading brachytherapy, over 12 sources)	\$128.19
77331	Special dosimetry	\$13.13
77332	Treatment devices, design and construction; simple block, simple bolus	\$34.58
77333	Intermediate	\$49.15
77334	Complex	\$83.85
77338	Multi-leaf collimator (MLC) device(s) for intensity modulated radiation therapy (IMRT), design and construction per IMRT plan	\$180.87
77421	Stereoscopic X-ray guidance for localization of target volume for the delivery of radiation therapy	\$88.47
77470	Special treatment procedure (e.g., total body irradiation, hemibody irradiation, per oral, endocavitary or interoperative cone irradiation)	\$287.97
77750	Infusion or instillation of radioelement solution (includes three months' follow-up care)	\$35.47
77761	Intracavitary radioelement application; simple	\$65.02
77762	Intracavitary radioelement application; intermediate	\$93.35
77763	Intracavitary radioelement application; complex	\$116.10
77776	Interstitial radioelement application; simple	\$56.18
77777	Interstitial radioelement application; intermediate	\$109.48
77778	Interstitial radioelement application; complex	\$132.48
77785	Remote afterloading high dose rate radionuclide brachytherapy; 1 channel	\$80.89
77786	Remote afterloading high dose rate radionuclide brachytherapy; 2-12 channels	\$198.21
77787	Remote afterloading high dose rate radionuclide brachytherapy; over 12 channels	\$372.09
77789	Surface application of radioelement	\$11.58
77790	Supervision, handling, loading of radioelement	\$13.13

CPT Code	CPT Description	Outpatient UB-04 Rate Effective April 1, 2010
78000	Thyroid uptake; single determination	\$24.97
78001	Thyroid uptake; multiple determinations	\$33.55
78003	Thyroid uptake; stimulation, suppression or discharge (not including initial uptake studies)	\$24.97
78006	Thyroid imaging, with uptake; single determination	\$61.77
78007	Thyroid imaging, with uptake; multiple determinations	\$66.57
78010	Thyroid imaging only	\$46.93
78011	Thyroid imaging; with vascular flow	\$62.28
78015	Thyroid carcinoma metastases imaging; limited area	\$66.57
78016	Thyroid carcinoma metastases imaging; limited area; with additional studies	\$90.10
78018	Thyroid carcinoma metastases imaging; whole body	\$140.29
78020	Thyroid carcinoma metastases uptake (list separately in addition to code for primary procedure)	\$3.88
78070	Parathyroid imaging	\$46.93
78075	Adrenal imaging, cortex and/or medulla	\$140.29
78102	Bone marrow imaging; limited area	\$52.67
78103	Bone marrow imaging; multiple areas	\$81.78
78104	Bone marrow imaging; whole body	\$105.19
78110	Blood or plasma volume, radioisotope technique; single sampling	\$24.45
78111	Blood or plasma volume, radioisotope technique; multiple sampling	\$66.57
78120	Red cell mass determination; single sampling	\$44.86
78121	Red cell mass determination; multiple sampling	\$75.01
78122	Whole blood volume determination, including separate measurement of plasma volume and red cell vol.	\$119.09
78130	Red cell survival study (e.g., radiochromium)	\$73.71
78135	With differential organ/tissue kinetics (e.g., splenic and/or hepatic sequestration)	\$125.86
78140	Red cell splenic and/or hepatic sequestration	\$101.67
78185	Spleen imaging only, with or without vascular flow	\$60.99
78190	Kinetics, study of platelet survival, with or without differential organ/tissue localization	\$147.83
78191	Platelet survival study	\$189.55

CPT Code	CPT Description	Outpatient UB-04 Rate Effective April 1, 2010
78195	Lymphatics and lymph glands imaging	\$105.19
78201	Liver imaging; static	\$60.99
78202	Liver imaging; with vascular flow	\$74.49
78205	Liver imaging (spect)	\$152.64
78206	Liver imaging (spect); with vascular flow	\$160.05
78215	Liver and spleen imaging; static	\$75.78
78216	Liver and spleen imaging; with vascular flow	\$90.10
78220	Liver function study with hepatobiliary agents, with serial images	\$96.20
78223	Hepatobiliary ductal system imaging, including gallbladder	\$94.65
78230	Salivary gland imaging	\$56.18
78231	Salivary gland imaging; with serial views	\$81.78
78232	Salivary gland function study	\$91.39
78258	Esophageal motility	\$74.49
78261	Gastric mucosa imaging	\$105.96
78262	Gastroesophageal reflux study	\$109.74
78264	Gastric emptying study	\$106.48
78270	Vitamin B-12 absorption studies; without intrinsic factor	\$40.06
78271	Vitamin B-12 absorption studies (e.g., Schilling test); with intrinsic factor	\$42.64
78272	Vitamin B-12 absorption studies combined, with and without intrinsic factor	\$59.95
78278	Acute gastrointestinal blood loss imaging	\$125.86
78290	Intestine imaging (e.g., ectopic gastric mucosa, Meckel's localization, volvulus)	\$78.52
78291	Peritoneal-venous shunt patency test	\$79.04
78300	Bone imaging; limited area (e.g., skull, pelvis)	\$64.50
78305	Bone imaging; multiple areas	\$94.65
78306	Bone imaging; whole body	\$110.51
78315	Bone imaging by three phase technique	\$123.38
78320	Bone imaging tomographic (spect)	\$152.64
78350	Bone density (bone mineral content) study; single photon absorptiometry	\$19.64

CPT Code	CPT Description	Outpatient UB-04 Rate Effective April 1, 2010
78428	Cardiac shunt detection	\$58.25
78445	Vascular flow study, imaging (i.e., angiography, venography)	\$47.97
78451	Myocardial perfusion imaging, tomographic (spect) (including attenuation correction, qualitative or quantitative wall motion, ejection fraction by first pass or gated technique, additional quantification, when performed); single study, at rest or stress	\$111.48
78452	Myocardial perfusion imaging, tomographic (spect) (including attenuation correction, qualitative or quantitative wall motion, ejection fraction by first pass or gated technique, additional quantification, when performed); multiple studies, at rest and/or stress	\$215.57
78453	Myocardial perfusion imaging, planar (including qualitative or quantitative wall motion, ejection fraction by first pass or gated technique, additional quantification, when performed); single study, at rest or stress (exercise or pharmacologic)	\$103.97
78454	Myocardial perfusion imaging, planar (including qualitative or quantitative wall motion, ejection fraction by first pass or gated technique, additional quantification, when performed); multiple studies, at rest and/or stress (exercise or pharmacologic)	\$87.40
78456	Acute venous thrombosis imaging, peptide	\$107.26
78457	Venous thrombosis imaging (e.g., venogram); unilateral	\$68.79
78458	Venous thrombosis imaging (e.g., venogram); bilateral	\$103.75
78459	Myocardial imaging, positron emission tomography (PET), metabolic evaluation	\$811.03
78466	Myocardial imaging, infarct avid, planar; qualitative or quantitative	\$68.02
78468	Myocardial imaging, infarct avid, planar; with ejection fraction by first pass technique	\$94.65
78469	Myocardial imaging, infarct avid, planar; tomographic spect with or without quantification	\$135.22
78472	Cardiac blood pool imaging, gated equilibrium; planar, single study, at rest or stress, wall motion study plus ejection fraction	\$142.51
78473	Cardiac blood pool imaging, gated equilibrium; multiple studies, wall motion study plus ejection fraction, at rest and stress	\$213.48
78481	Cardiac blood pool imaging, first pass technique; single study, at rest or with stress, wall motion study plus ejection fraction	\$135.22

CPT Code	CPT Description	Outpatient UB-04 Rate Effective April 1, 2010
78483	Cardiac blood pool imaging, first pass technique; multiple studies, at rest and with stress, wall motion study plus ejection fraction	\$203.35
78491	Myocardial imaging, positron emission tomography (PET), perfusion; single study at rest or stress	\$811.03
78492	Myocardial imaging, positron emission tomography (PET), perfusion; multiple studies at rest and/or stress	\$811.03
78494	Cardiac blood pool imaging, gated equilibrium, spect, at rest, wall motion study plus ejection fraction, with or without quantitative processing	\$151.83
78496	Cardiac blood pool imaging, gated equilibrium, single study, at rest, with right ventricular ejection fraction by first pass technique (list separately in addition to code for primary procedure)	\$45.67
78580	Pulmonary perfusion imaging; particulate	\$88.80
78584	Pulmonary perfusion imaging, particulate, with ventilation; single breath	\$82.55
78585	Pulmonary perf imaging, particulate, with ventilation; rebreathing and washout, w/wo single breath	\$145.61
78586	Pulmonary ventilation imaging, aerosol; single projection	\$67.09
78587	Pulmonary ventilation imaging, aerosol; multiple projections e.g., anterior, posterior, lateral views	\$72.42
78588	Pulmonary perfusion imaging, particulate, with ventilation imaging, aerosol, one or multiple projections	\$94.54
78591	Pulmonary ventilation imaging, gaseous, single breath, single projection	\$73.71
78593	Pulmonary ventilation imaging, gaseous, with rebreathing and washout with or without single breath; single projection	\$89.32
78594	Pulmonary ventilation imaging, gaseous, with rebreathing and washout with or without single breath; multiple projections	\$128.71
78596	Pulmonary quantitative differential function (ventilation/perfusion) study	\$182.93
78600	Brain imaging, less than 4 static views	\$74.49
78601	Brain imaging, less than 4 static views; with vascular flow	\$87.88
78605	Brain imaging, minimum 4 static views	\$87.88
78606	Brain imaging, minimum 4 static views; with vascular flow	\$99.97
78607	Brain imaging, tomographic (spect)	\$169.40
78608	Brain imaging, positron emission tomography (PET); metabolic evaluation	\$811.03

CPT Code	CPT Description	Outpatient UB-04 Rate Effective April 1, 2010
78609	Brain imaging, positron emission tomography (PET); perfusion evaluation	\$811.03
78610	Brain imaging, vascular flow study only	\$40.83
78630	Cerebrospinal fluid flow, imaging (not including introduction of material); cisternography	\$130.15
78635	Ventriculography	\$65.80
78645	Cerebrospinal fluid flow, imaging; shunt evaluation	\$88.80
78650	Cerebrospinal fluid flow, imaging; CSF leakage	\$119.87
78660	Dacryocystography (lacrimal flow study)	\$54.74
78700	Kidney imaging morphology	\$78.52
78701	Kidney imaging; with vascular flow	\$91.91
78707	Kidney imaging morphology; with vascular flow and function, single study without pharmacological intervention	\$115.58
78708	Kidney imaging morphology; with vascular flow and function, single study, with pharmacological intervention (e.g., angiotensin converting enzyme inhibitor and/or diuretic)	\$114.29
78709	Kidney imaging morphology; with vascular flow and function, multiple studies, with and without pharmacological intervention (e.g., angiotensin converting enzyme inhibitor and/or diuretic)	\$114.29
78710	Kidney imaging morphology; tomographic (spect)	\$152.64
78725	Kidney function study only	\$46.16
78730	Urinary bladder residual study (list separately in addition to code for primary procedure)	\$37.84
78740	Ureteral reflux study	\$54.74
78761	Testicular imaging with vascular flow	\$82.55
78800	Radiopharmaceutical localization of tumor or distribution of radiopharmaceutical agent(s); limited area	\$87.88
78801	Tumor localization (e.g., gallium, selenomethionine); multiple areas	\$109.22
78802	Radiopharmaceutical localization of tumor or distribution of radiopharmaceutical agent(s); whole body, single day imaging	\$143.02
78803	Tumor localization (spect)	\$169.40
78804	Radiopharmaceutical localization of tumor or distribution of radiopharmaceutical agent(s); whole body, requiring two or more days' imaging	\$291.83

CPT Code	CPT Description	Outpatient UB-04 Rate Effective April 1, 2010
78805	Abscess localization; limited area	\$87.88
78806	Abscess localization; whole body	\$166.29
78807	Radionuclide localization of abscess, spect	\$169.40
78811	Positron emission tomography (PET) imaging; limited area (e.g., chest, head/neck)	\$811.03
78812	Positron emission tomography (PET) imaging; skull base to mid-thigh	\$811.03
78813	Positron emission tomography (PET) imaging; whole body	\$811.03
78814	Positron emission tomography (PET) with concurrently acquired computed tomography (CT) for attenuation correction and anatomical localization imaging; limited area (e.g., chest, head/neck)	\$811.03
78815	Positron emission tomography (PET) with concurrently acquired computed tomography (CT) for attenuation correction and anatomical localization imaging; skull base to mid-thigh	\$811.03
78816	Positron emission tomography (PET) with concurrently acquired computed tomography (CT) for attenuation correction and anatomical localization imaging; whole body	\$811.03
79005	Radiopharmaceutical therapy, by oral administration	\$69.90
79101	Radiopharmaceutical therapy, by intravenous administration	\$69.90
79200	Radiopharmaceutical therapy, by intracavitary administration	\$69.90
79403	Radiopharmaceutical therapy, radiolabeled monoclonal antibody by intravenous infusion	\$111.85
79440	Radiopharmaceutical therapy, by intra-articular administration	\$69.90
79445	Radiopharmaceutical therapy, by intra-arterial particulate administration	\$70.20

Contact Information

Questions regarding this bulletin may be directed to Customer Assistance at (317) 655-3240 or toll free at 1-800-577-1278.

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PROVIDER BULLETIN

BT 201007

MARCH 9, 2010

To: Home Health Agencies

Subject: Reduction in Home Health Reimbursement

Overview

The Office of Medicaid Policy and Planning (OMPP) is promulgating an emergency rule to avoid an anticipated budgetary shortfall and to remain within the available Medicaid appropriation. The result is a reduction in reimbursement for home health services reimbursed under *405 IAC 1-4.2*.

General

Reimbursement for home health services with a "from" date of service on or after April 1, 2010, through June 30, 2011, will be reduced by 5 percent. The reduction will apply prior to subtracting any applicable third-party liability (TPL) payments.

Home health agencies will be reimbursed based on the following schedule:

Table 1 – Reimbursement Schedule for Home Health Agencies

Service	Current Rate	New Rate – 5% Percent Reduction Effective for Dates of Service on or after April 1, 2010
Overhead	\$33.04 per provider per recipient per day	\$31.39 per provider per recipient per day
Registered Nurse (RN) – 99600 TD	\$39.19 per hour	\$37.23 per hour
Licensed Practical Nurse (LPN) – 99600 TE	\$26.42 per hour	\$25.10 per hour
Home Health Aide – 99600	\$19.10 per hour	\$18.15 per hour
Physical Therapy – G0151	\$14.59 per 15-minute increment	\$13.86 per 15-minute increment
Occupational Therapy – G0152	\$14.79 per 15-minute increment	\$14.05 per 15-minute increment
Speech Therapy – G0153	\$15.41 per 15-minute increment	\$14.64 per 15-minute increment

Contact Information

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PROVIDER BULLETIN

BT 201008

MARCH 9, 2010

To: Nonstate-Owned Intermediate Care Facilities for the Mentally Retarded and Community Residential Facilities for the Developmentally Disabled

Subject: Reduction in Reimbursement

Overview

The Office of Medicaid Policy and Planning (OMPP) is promulgating an emergency rule to avoid an anticipated budgetary shortfall and to remain within the available Medicaid appropriation. The result is a reduction in reimbursement for nonstate-owned intermediate care facilities for the mentally retarded (ICF/MR) and community residential facilities for the developmentally disabled (CRF/DD) reimbursed under 405 IAC 1-12.

General

Reimbursement for nonstate-owned ICF/MR and CRF/DD services with a "from" date of service on or after April 1, 2010, through June 30, 2011, will be reduced by 3 percent. Notifications will be sent to each provider by Myers and Stauffer that will include the reduced facility *per diem* rate effective April 1, 2010. All subsequent facility rate adjustments with effective dates on or after April 1, 2010, through June 30, 2011, will likewise be reduced by 3 percent.

Contact Information

Questions regarding this bulletin may be directed to Customer Assistance at (317) 655-3240 or toll free at 1-800-577-1278.

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P R O V I D E R B U L L E T I N

B T 2 0 1 0 0 6

M A R C H 9 , 2 0 1 0

To: Dental Providers**Subject: Reduction in Dental Reimbursement**

Note: This bulletin is obsolete. Please see [BT201012](#) for the updated version of this bulletin.

Overview

The Office of Medicaid Policy and Planning (OMPP) is promulgating an emergency rule to avoid an anticipated budgetary shortfall and to remain within the available Medicaid appropriation. The result is a reduction in reimbursement for dental procedures.

General

Reimbursement for dental services with a "from" date of service on or after April 1, 2010, through June 30, 2011, will be reduced by 5 percent. Table 1 lists all dental codes, the current rate, and the new rate effective April 1, 2010, through June 30, 2011. Table 2 lists dental codes that are currently manually priced that will also be subject to a 5 percent reduction effective with dates of service on or after April 1, 2010. The Indiana Health Coverage Programs (IHCP) intends to establish rates for the services in Table 2, and providers will be given advance notice of the new rates.

Dental providers will be able to access the reduced fee schedule at www.indianamedicaid.com on and after April 1, 2010.

Table 1 – Dental Codes and New Rate Information

Procedure Code	Description	Current Rate	New Rate Effective April 1, 2010	Age Range	Tooth Range
D0120	Periodic oral exam	\$22.58	\$21.45		
D0140	Exam – limited, problem focused	\$37.08	\$35.23		
D0145	Oral evaluation, pt < 3yr	\$35.50	\$33.73		
D0150	Exam – comprehensive	\$35.50	\$33.73		
D0160	Exam – detailed, problem	\$50.00	\$47.50		
D0170	Re-eval, est pt, problem focus	\$20.00	\$19.00		

Procedure Code	Description	Current Rate	New Rate Effective April 1, 2010	Age Range	Tooth Range
D0210	Intraoral – complete series	\$72.25	\$68.64		
D0220	Intraoral – periapical – first film	\$13.25	\$12.59		
D0230	Intraoral – periapical – each additional film	\$10.00	\$9.50		
D0240	Intraoral – occlusal film	\$18.50	\$17.58		
D0250	Extraoral – first film	\$17.75	\$16.86		
D0260	Extraoral – each additional film	\$11.25	\$10.69		
D0270	Bitewing – single film	\$17.29	\$16.43		
D0272	Bitewings – two films	\$24.81	\$23.57		
D0273	Bitewings – three films	\$27.75	\$26.36		
D0274	Bitewings – four films	\$35.17	\$33.41		
D0290	Postero – anterior and lateral skull and facial bone, survey film	\$51.50	\$48.93		
D0310	Sialography	\$61.75	\$58.66		
D0330	Panoramic film	\$64.52	\$61.29		
D0340	Cephalometric film	\$34.25	\$32.54		
D0486	Accession of brush biopsy	\$68.71	\$65.27		
D1110	Prophylaxis – adult	\$47.75	\$45.36		
D1120	Prophylaxis – child	\$34.50	\$32.78		
D1203	Topical application of fluoride – child	\$22.25	\$21.14		
D1204	Topical app fluoride – adult	\$22.25	\$21.14		
D1206	Topical fluoride varnish	\$22.25	\$21.14		
D1351	Sealant – per tooth	\$29.35	\$27.88		
D1510	Space maintainer – fixed – unilateral	\$194.34	\$184.62		
D1515	Space maintainer – fixed – bilateral	\$278.54	\$264.61		
D1520	Space maintainer – removable – unilateral	\$154.75	\$147.01		
D1525	Space maintainer – removable – bilateral	\$145.75	\$138.46		
D1550	Recementation of space maintainer	\$36.50	\$34.68		

Procedure Code	Description	Current Rate	New Rate Effective April 1, 2010	Age Range	Tooth Range
D1555	Removal of fixed space maintainer	\$36.50	\$34.68		
D2140	Amalgam – one surface, primary or permanent	\$56.88	\$54.04		A-T
D2140	Amalgam – one surface, primary or permanent	\$61.90	\$58.81		01-32
D2150	Amalgam – two surfaces, primary or permanent	\$71.93	\$68.33		A-T
D2150	Amalgam – two surfaces, primary or permanent	\$81.14	\$77.08		01-32
D2160	Amalgam – three surfaces, primary or permanent	\$86.71	\$82.37		A-T
D2160	Amalgam – three surfaces, primary or permanent	\$96.47	\$91.65		01-32
D2161	Amalgam – four or more surfaces, primary or permanent	\$93.13	\$88.47		A-T
D2161	Amalgam – four or more surfaces, primary or permanent	\$116.27	\$110.46		01-32
D2330	Resin – one surface – anterior	\$79.18	\$75.22		
D2331	Resin – two surface – anterior	\$96.47	\$91.65		
D2332	Resin – three surface – anterior	\$111.58	\$106.00		
D2335	Composite resin crown – anterior-primary	\$154.74	\$147.00		
D2390	Ant resin-based cmpst crown	\$140.00	\$133.00		01-32
D2390	Ant resin-based cmpst crown	\$138.75	\$131.81		A-T
D2391	Resin-based cmp 1 srf posterior	\$55.50	\$52.73		01-32
D2391	Resin-based cmp 1 srf posterior	\$51.00	\$48.45		A-T
D2392	Resin-based cmp 2 srf posterior	\$72.75	\$69.11		01-32
D2392	Resin-based cmp 2 srf posterior	\$64.50	\$61.28		A-T
D2393	Resin-based cmp 3 srf posterior	\$86.50	\$82.18		01-32
D2393	Resin-based cmp 3 srf	\$77.75	\$73.86		A-T

Procedure Code	Description	Current Rate	New Rate Effective April 1, 2010	Age Range	Tooth Range
	posterior				
D2394	Resin-based comp 4 srf posterior	\$104.25	\$99.04		01-32
D2394	Resin-based comp 4 srf posterior	\$83.50	\$79.33		A-T
D2910	Recement inlay, onlay or partial coverage restoration	\$56.00	\$53.20		
D2920	Recement crowns	\$58.27	\$55.36		
D2930	Prefabricated stainless steel crown – primary tooth	\$155.86	\$148.07		
D2931	Prefabricated stainless steel crown – permanent tooth	\$185.69	\$176.41		
D2932	Prefabricated resin crown	\$138.75	\$131.81		
D2933	Prefabricated stainless steel crown with resin window	\$161.75	\$153.66		
D2934	Prefab steel crown primary	\$155.86	\$148.07		
D2940	Sedative filling	\$60.78	\$57.74		
D2980	Crown repair, by report	\$160.25	\$152.24		
D3220	Therapeutic pulpotomy (excluding final restoration)	\$105.11	\$99.85		
D3222	Partial pulpotomy for apexogenesis – permanent tooth with incomplete root development	\$105.11	\$99.85		
D3230	Pulpal therapy (resorbable filling) – anterior, primary tooth (excluding final restoration)	\$136.06	\$129.26		
D3240	Pulpal therapy (resorbable filling) – posterior, primary tooth (excluding final)	\$115.50	\$109.72		
D3310	Endodontic therapy, anterior tooth (excluding final restoration)	\$377.52	\$358.64		
D3320	Endodontic therapy, bicuspid tooth (excluding final restoration)	\$464.23	\$441.02		
D3330	Endodontic therapy, molar (excluding final restoration)	\$569.32	\$540.85		
D3351	Apexification/recalcification	\$240.50	\$228.48		

Procedure Code	Description	Current Rate	New Rate Effective April 1, 2010	Age Range	Tooth Range
D3352	Apexification/recalcification – interim medication replacement	\$49.50	\$47.03		
D3353	Apexification/recalcification – final visit includes completed root canal	\$49.50	\$47.03		
D3410	Apicoectomy/periradicular surgery – anterior	\$352.00	\$334.40		
D3430	Retrograde filling – per root	\$108.25	\$102.84		
D4210	Gingivectomy/plasty per quad	\$371.38	\$352.81		
D4211	Gingivectomy/plasty per one to three tooth	\$127.42	\$121.05		
D4341	Periodontal scaling and root planing – four or more teeth per quadrant	\$154.74	\$147.00		
D4342	Periodontal scaling and root planing – one to three teeth, per quadrant	\$52.03	\$49.43		
D4355	Full mouth debridement to enable comprehensive evaluation and diagnosis	\$98.14	\$93.23		
D5110	Complete upper (denture)	\$436.35	\$414.53	0-20	
D5110	Complete upper (denture)	\$391.25	\$371.69	21-999	
D5120	Complete lower (denture)	\$439.56	\$417.58	0-20	
D5120	Complete lower (denture)	\$394.13	\$374.42	21-999	
D5130	Immediate upper	\$391.25	\$371.69		
D5140	Immediate lower	\$394.13	\$374.42		
D5211	Upper partial – acrylic base	\$365.81	\$347.52	0-20	
D5211	Upper partial – acrylic base	\$656.00	\$623.20	21-999	
D5212	Lower partial – acrylic base	\$371.38	\$352.81	0-20	
D5212	Lower partial – acrylic base	\$333.00	\$316.35	21-999	
D5213	Maxillary partial denture – cast metal framework with resin denture bases	\$656.00	\$623.20	0-20	
D5213	Maxillary partial denture – cast metal framework with resin denture bases	\$328.00	\$311.60	21-999	
D5214	Lower partial –	\$788.25	\$748.84	0-20	

Procedure Code	Description	Current Rate	New Rate Effective April 1, 2010	Age Range	Tooth Range
	predominantly base cast base with acrylic saddles				
D5214	Lower partial – predominantly base cast base with acrylic saddles	\$333.00	\$316.35	21-999	
D5225	Maxillary partial denture – flexible base	\$656.00	\$623.20	0-20	
D5225	Maxillary partial denture – flexible base	\$328.00	\$311.60	21-999	
D5226	Mandibular partial denture – flexible base	\$788.25	\$748.84	0-20	
D5226	Mandibular partial denture – flexible base	\$333.00	\$316.35	21-999	
D5510	Repair broken – complete denture base	\$105.50	\$100.23		
D5520	Replace missing or broken teeth – complete denture (each tooth)	\$83.25	\$79.09		
D5610	Repair resin denture base	\$100.00	\$95.00		
D5620	Repair cast framework	\$159.75	\$151.76		
D5630	Repair or replace broken clasp	\$144.25	\$137.04		
D5640	Replace broken teeth – per tooth	\$83.25	\$79.09		
D5650	Add tooth to existing partial denture	\$111.00	\$105.45		
D5660	Add clasp to existing partial	\$155.50	\$147.73		
D5730	Reline upper complete denture	\$194.25	\$184.54		
D5731	Reline lower complete denture (chairside)	\$194.25	\$184.54		
D5740	Reline upper partial denture (chairside)	\$126.25	\$119.94		
D5741	Reline lower partial denture (chairside)	\$69.50	\$66.03		
D5750	Reline complete maxillary denture laboratory	\$249.75	\$237.26		
D5751	Reline complete mandibular denture (laboratory)	\$249.75	\$237.26		
D5760	Reline maxillary partial denture (laboratory)	\$200.00	\$190.00		

Procedure Code	Description	Current Rate	New Rate Effective April 1, 2010	Age Range	Tooth Range
D5761	Reline mandibular partial denture (laboratory)	\$144.50	\$137.28		
D5952	Pediatric speech aid	\$1,352.25	\$1,284.64		
D7111	Extraction, coronal remnants – deciduous tooth	\$72.25	\$68.64		
D7140	Extraction, erupted tooth, or exposed root (elevation and/or forceps removal)	\$77.24	\$73.38		
D7210	Surgical removal of erupted tooth requiring elevation of mucoperiosteal flap and removal of bone	\$154.20	\$146.49		
D7220	Removal of impacted tooth – soft tissue	\$185.69	\$176.41		
D7230	Removal of impacted tooth – partially bony	\$247.59	\$235.21		
D7240	Removal of impacted tooth – completely bony	\$321.76	\$305.67		
D7241	Removal of impacted tooth – completely bony, with unusual surgical complications	\$333.00	\$316.35		
D7250	Surgical removal of residual tooth roots (cutting procedure)	\$185.69	\$176.41		
D7260	Oroantral fistula closure	\$355.75	\$337.96		
D7270	Tooth reimplantation and/or stabilization of accidentally evulsed or displaced tooth	\$216.25	\$205.44		
D7280	Surgical access of an unerupted tooth	\$158.50	\$150.58		
D7285	Biopsy of oral tissue – hard	\$210.50	\$199.98		
D7286	Biopsy of oral tissue – soft	\$172.59	\$163.96		
D7288	Brush biopsy – transepithelial sample collection	\$35.00	\$33.25		
D7310	Alveoloplasty in conjunction with extractions – four or more teeth or tooth spaces, per quadrant	\$185.69	\$176.41		
D7311	Alveoloplasty in conjunction with extractions – one to	\$157.89	\$150.00		

Procedure Code	Description	Current Rate	New Rate Effective April 1, 2010	Age Range	Tooth Range
	three teeth or tooth spaces, per quadrant				
D7320	Alveoloplasty not in conjunction with extractions – four or more teeth or tooth spaces, per quadrant	\$247.59	\$235.21		
D7321	Alveoloplasty not in conjunction with extractions – one to three teeth or tooth spaces, per quadrant	\$198.94	\$188.99		
D7410	Excision of benign lesion up to 1.25cm	\$111.48	\$105.91		
D7411	Excision of benign lesion greater than 1.25cm	\$477.75	\$453.86		
D7440	Excision of malignant tumor, lesion diameter up to 1.2cm	\$152.00	\$144.40		
D7441	Excision of malignant tumor, lesion diameter over 1.25 cm	\$171.00	\$162.45		
D7450	Removal of benign odontogenic cyst or tumor – lesion diameter up to 1.25cm	\$233.00	\$221.35		
D7451	Removal of benign odontogenic	\$347.75	\$330.36		
D7460	Removal of benign nonodontogenic cyst or tumor – lesion diameter up to 1.25cm	\$162.25	\$154.14		
D7461	Removal of benign nonodontogenic cyst or tumor-lesion diameter greater than 1.25cm	\$360.50	\$342.48		
D7471	Removal of lateral exostosis (maxilla or mandible)	\$270.50	\$256.98		
D7510	Incision and drainage of abscess – intraoral soft tissue	\$87.50	\$83.13		
D7520	Incision and drainage of abscess – extraoral soft tissue	\$96.25	\$91.44		
D7560	Maxillary sinusotomy for removal of tooth fragment or foreign body	\$153.50	\$145.83		
D7620	Maxilla – closed reduction (teeth immobilized if present)	\$486.00	\$461.70		

Procedure Code	Description	Current Rate	New Rate Effective April 1, 2010	Age Range	Tooth Range
D7640	Mandible – closed reduction (teeth immobilized if present)	\$1,313.25	\$1,247.59		
D7660	Malar and/or zygomatic arch – closed reduction	\$143.25	\$136.09		
D7670	Alveolus – closed reduction, may include stabilization of teeth	\$311.25	\$295.69		
D7710	Maxilla – open reduction	\$542.75	\$515.61		
D7720	Maxilla – closed reduction	\$435.25	\$413.49		
D7730	Mandible – open reduction	\$2,522.25	\$2,396.14		
D7750	Malar and/or zygomatic arch – open reduction	\$744.00	\$706.80		
D7760	Malar and/or zygomatic arch – closed reduction	\$143.25	\$136.09		
D7770	Alveolus – open reduction	\$495.00	\$470.25		
D7780	Facial bones – complicated reduction	\$1,173.00	\$1,114.35		
D7810	Open reduction of dislocation	\$487.00	\$462.65		
D7820	Closed reduction of dislocation	\$335.25	\$318.49		
D7910	Facial bones – complicated reduction	\$117.66	\$111.78		
D7911	Suture of recent small wound up to 5cm	\$117.75	\$111.86		
D7912	Suture – over 5cm	\$245.50	\$233.23		
D7951	Sinus augmentation with bone or bone substitutes	\$259.66	\$246.68		
D7960	Frenulectomy (frenectomy or frenotomy) – separate procedure	\$205.25	\$194.99		
D7980	Sialolithotomy	\$244.75	\$232.51		
D7982	Sialodochoplasty	\$243.50	\$231.33		
D7983	Closure of salivary fistula	\$238.50	\$226.58		
D8210	Removable appliance therapy	\$455.00	\$432.25		
D9220	Deep sedation/general anesthesia – first 30 minutes	\$107.25	\$101.89		

Procedure Code	Description	Current Rate	New Rate Effective April 1, 2010	Age Range	Tooth Range
D9221	Deep sedation/general anesthesia – first 30 minutes	\$25.00	\$23.75		
D9230	Analgesia	\$30.95	\$29.40		
D9241	Intravenous conscious sedation/analgesia – first 30 minutes	\$107.25	\$101.89		
D9242	Intravenous conscious sedation/analgesia – each additional 15 minutes	\$25.00	\$23.75		
D9248	Non-intravenous conscious sedation	\$38.50	\$36.58		
D9920	Behavior management, by report	\$46.75	\$44.41		

Table 2 – Manually Priced Dental Procedure Codes

Dental Code	Description
D3346	Retreatment of previous root canal therapy – anterior
D3347	Retreatment of previous root canal – bicuspid
D3348	Retreatment of previous root canal therapy – molar
D3421	Apicoectomy/periradicular surgery – bicuspid (first root)
D3425	Apicoectomy/periradicular surgery – molar first root
D3426	Apicoectomy/periradicular surgery each additional root
D4240	Gingival flap proc w/planin
D4241	Gingival flap procedure, including root planing – one to three contiguous teeth or tooth bounded spaces per quadrant
D4260	Osseous surgery, per quadrant
D5281	Removable unilateral partial denture – one piece cast metal (including clasps and teeth)
D5951	Feeding aid
D6930	Recent bridge
D6980	Bridge repair, by report
D7261	Primary closure of a sinus perforation
D7282	Mobilization of erupted or malpositioned tooth to aid eruption
D7412	Excision of benign lesion, complicated
D7413	Excision of malignant lesion up to 1.25cm
D7414	Excision of malignant lesion greater than 1.25cm
D7415	Excision of malignant lesion, complicated
D7472	Removal of torus palatinus

D7473	Removal of torus mandibularis
D7485	Surgical reduction of osseous tuberosity
D7511	Incision/drain abscess intra
Dental Code	Description
D7521	Incision and drainage of abscess -- extraoral soft tissue
D7610	Maxilla -- open reduction (teeth immobilized if present)
D7630	Mandible -- open reduction (teeth immobilized if present)
D7650	Malar and/or zygomatic arch -- open reduction
D7671	Alveolus -- open reduction, may include stabilization of teeth
D7680	Facial bones -- complicated reduction with fixation and multiple surgical approaches
D7740	Mandible -- closed reduction
D7771	Alveolus, closed reduction stabilization of teeth
D7972	Surgical reduction of fibrous tuberosity
D8010	Limited orthodontic treatment of the primary dentition
D8020	Limited orthodontic treatment of the transitional dentition
D8030	Limited orthodontic treatment of the adolescent dentition
D8040	Limited orthodontic treatment of the adult dentition
D8050	Interceptive orthodontic treatment of the primary dentition
D8060	Interceptive orthodontic treatment of the transitional dentition
D8070	Comprehensive orthodontic treatment of the transitional dentition
D8080	Comprehensive orthodontic treatment of the adolescent dentition
D8090	Comprehensive orthodontic treatment of the adult dentition
D8220	Fixed appliance therapy
D9120	Fixed partial denture sectioning

Contact Information

Questions regarding this bulletin may be directed to Customer Assistance at (317) 655-3240 or toll free at 1-800-577-1278.

If you need additional copies of this bulletin, please download them from the IHCP Web site at http://www.indianamedicaid.com/ihcp/Publications/bulletin_results.asp. To receive e-mail notification of future IHCP publications, subscribe to the IHCP E-mail Notifications at http://www.indianamedicaid.com/ihcp/mailling_list/default.asp.

IHCP *bulletin*

INDIANA HEALTH COVERAGE PROGRAMS BT201011 APRIL 15, 2010



Reimbursement Rates for DDRS Waiver Services

This bulletin is for Providers of Home and Community Based Medicaid Waiver Services for the Developmentally Disabled, Autism and Support Services Waivers.

The information contained in this document applies specifically to the Medicaid Home and Community Based Services (HCBS) waivers administered by the Division of Disability and Rehabilitative Services (DDRS), which includes the Developmental Disabilities (DD) waiver, Autism (AU) waiver and Support Services (SSW) waiver.

The Family and Social Services Administration (FSSA) Office of Medicaid Policy and Planning (OMPP) finds revising these rates to be necessary in order to avoid a budgetary shortfall and to remain within available Medicaid appropriation.

These waiver rates are effective for the period June 1, 2010, through June 30, 2011 for the DDRS administered HCBS waiver services as indicated in the chart below.

DDRS Waiver Rates Effective June 1, 2010, through June 30, 2011

Waiver Type			Insite Code	Service Description	Natl. Code	Modifiers			Rate	Unit
AU	DD	SSW				1	2	3		
•	•		RH10	Residential Habilitation Services (Less than 35 hrs/week)	T2016	U 7	U 5	U A	\$23.24	1.00 / Hour
•	•		RH20	Residential Habilitation Services (Over 35 hrs/week)	T2016	U 7	U 5		\$19.52	1.00 / Hour
•	•	•	CH10	Community Habilitation, Individual	T2020	U 7	U 5		\$23.24	1.00 / Hour
•	•	•	RSPO	Respite Care Services	S5151	U 7	U 5		\$23.24	1.00 / Hour
•	•	•	FH10	Facility Habilitation, Individual	T2020	U 7	U 5	U A	\$23.24	1.00 / Hour

IHCP *bulletin*

INDIANA HEALTH COVERAGE PROGRAMS BT201012 APRIL 15, 2010



Revised: Reduction in dental reimbursement

Overview

The Indiana Health Coverage Programs (IHCP) released bulletin [BT201006](#) on March 9, 2010, that explained the need for rate changes to avoid budgetary shortfalls. HP recently discovered that the rates for four dental procedure codes with associated age ranges were incorrect prior to the rate change. As a result, the revised rates published in the bulletin were also incorrect.

The following codes and rates are impacted. These codes are highlighted in the table below with blue, bold-faced lettering.

- D5110
- D5120
- D5211
- D5212

The rates associated with these codes have been corrected in the IndianaAIM system. HP apologizes for any inconvenience caused by this error. Providers with claims affected by this error will be notified by letter of the reprocessing timeline.

General

Reimbursement for dental services with a "from" date of service on or after April 1, 2010, through June 30, 2011, will be reduced by 5 percent. Table 1 lists all dental codes, the current rate, and the new rate effective

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INDIANA HEALTH COVERAGE PROGRAMS BT201012 APRIL 15, 2010

Dental reimbursement

April 1, 2010, through June 30, 2011, Table 2 lists dental codes that are currently manually priced that will also be subject to a 5 percent reduction effective with dates of service on or after April 1, 2010. The IHCP intends to establish rates for the services in Table 2, and providers will be given advance notice of the new rates.

Dental providers will be able to access the reduced fee schedule at www.indianamedicaid.com on and after April 1, 2010.

Table 1 – Dental Codes and New Rate Information

Procedure Code	Description	Current Rate	New Rate Effective April 1, 2010	Age Range	Tooth Range
D0120	Periodic oral exam	\$22.58	\$21.45		
D0140	Exam – limited, problem focused	\$37.08	\$35.23		
D0145	Oral evaluation, pt < 3yr	\$35.50	\$33.73		
D0150	Exam – comprehensive	\$35.50	\$33.73		
D0160	Exam – detailed, problem	\$50.00	\$47.50		
D0170	Re-eval, est pt, problem focus	\$20.00	\$19.00		
D0210	Intraoral – complete series	\$72.25	\$68.64		
D0220	Intraoral – periapical – first film	\$13.25	\$12.59		
D0230	Intraoral – periapical – each additional film	\$10.00	\$9.50		
D0240	Intraoral – occlusal film	\$18.50	\$17.58		
D0250	Extraoral – first film	\$17.75	\$16.86		
D0260	Extraoral – each additional film	\$11.25	\$10.69		
D0270	Bitewing – single film	\$17.29	\$16.43		
D0272	Bitewings – two films	\$24.81	\$23.57		
D0273	Bitewings – three films	\$27.75	\$26.36		
D0274	Bitewings – four films	\$35.17	\$33.41		
D0290	Postero – anterior and lateral skull and facial bone, survey film	\$51.50	\$48.93		

IHCP *bulletin*

INDIANA HEALTH COVERAGE PROGRAMS BT201012 APRIL 15, 2010

Table 1 – Dental Codes and New Rate Information

Procedure Code	Description	Current Rate	New Rate Effective April 1, 2010	Age Range	Tooth Range
D0310	Sialography	\$61.75	\$58.66		
D0330	Panoramic film	\$64.52	\$61.29		
D0340	Cephalometric film	\$34.25	\$32.54		
D0486	Accession of brush biopsy	\$68.71	\$65.27		
D1110	Prophylaxis – adult	\$47.75	\$45.36		
D1120	Prophylaxis – child	\$34.50	\$32.78		
D1203	Topical application of fluoride – child	\$22.25	\$21.14		
D1204	Topical app fluoride – adult	\$22.25	\$21.14		
D1206	Topical fluoride varnish	\$22.25	\$21.14		
D1351	Sealant – per tooth	\$29.35	\$27.88		
D1510	Space maintainer – fixed – unilateral	\$194.34	\$184.62		
D1515	Space maintainer – fixed-bilateral	\$278.54	\$264.61		
D1520	Space maintainer – removable- unilateral	\$154.75	\$147.01		
D1525	Space maintainer – removable- bilateral	\$145.75	\$138.46		
D1550	Recementation of space maintainer	\$36.50	\$34.68		
D1555	Removal of fixed space maintainer	\$36.50	\$34.68		
D2140	Amalgam – one surface, primary or permanent	\$56.88	\$54.04		A-T
D2140	Amalgam – one surface, primary or permanent	\$61.90	\$58.81		01-32
D2150	Amalgam – two surfaces, primary or permanent	\$71.93	\$68.33		A-T
D2150	Amalgam – two surfaces, primary or permanent	\$81.14	\$77.08		01-32
D2160	Amalgam – three surfaces, primary or permanent	\$86.71	\$82.37		A-T
D2160	Amalgam – three surfaces, primary or permanent	\$96.47	\$91.65		01-32

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INDIANA HEALTH COVERAGE PROGRAMS BT201012 APRIL 15, 2010

Procedure Code	Description	Current Rate	New Rate Effective April 1, 2010	Age Range	Tooth Range
D2161	Amalgam -- four or more surfaces, primary or permanent	\$93.13	\$88.47		A-T
D2161	Amalgam -- four or more surfaces, primary or permanent	\$116.27	\$110.46		01-32
D2330	Resin -- one surface -- anterior	\$79.18	\$75.22		
D2331	Resin -- two surface -- anterior	\$96.47	\$91.65		
D2332	Resin -- three surface -- anterior	\$111.58	\$106.00		
D2335	Composite resin crown -- anterior- primary	\$154.74	\$147.00		
D2390	Ant resin-based cmpst crown	\$140.00	\$133.00		01-32
D2390	Ant resin-based cmpst crown	\$138.75	\$131.81		A-T
D2391	Resin-based cmp 1 srf posterior	\$55.50	\$52.73		01-32
D2391	Resin-based cmp 1 srf posterior	\$51.00	\$48.45		A-T
D2392	Resin-based cmp 2 srf posterior	\$72.75	\$69.11		01-32
D2392	Resin-based cmp 2 srf posterior	\$64.50	\$61.28		A-T
D2393	Resin-based cmp 3 srf posterior	\$86.50	\$82.18		01-32
D2393	Resin-based cmp 3 srf posterior	\$77.75	\$73.86		A-T
D2394	Resin-based cmp 4 srf posterior	\$104.25	\$99.04		01-32
D2394	Resin-based cmp 4 srf posterior	\$83.50	\$79.33		A-T
D2910	Recement inlay, onlay or partial coverage restoration	\$56.00	\$53.20		
D2920	Recement crowns	\$58.27	\$55.36		
D2930	Prefabricated stainless steel crown -- primary tooth	\$155.86	\$148.07		
D2931	Prefabricated stainless steel crown -- permanent tooth	\$185.69	\$176.41		
D2932	Prefabricated resin crown	\$138.75	\$131.81		
D2933	Prefabricated stainless steel crown with resin window	\$161.75	\$153.66		
D2934	Prefab steel crown primary	\$155.86	\$148.07		
D2940	Sedative filling	\$60.78	\$57.74		
D2980	Crown repair, by report	\$160.25	\$152.24		

IHCP *bulletin*

INDIANA HEALTH COVERAGE PROGRAMS BT201012 APRIL 15, 2010

Procedure Code	Description	Current Rate	New Rate Effective April 1, 2010	Age Range	Tooth Range
D3220	Therapeutic pulpotomy (excluding final restoration)	\$105.11	\$99.85		
D3222	Partial pulpotomy for apexogenesis – permanent tooth with incomplete root development	\$105.11	\$99.85		
D3230	Pulpal therapy (resorbable filling) – anterior, primary tooth (excluding final restoration)	\$136.06	\$129.26		
D3240	Pulpal therapy (resorbable filling) – posterior, primary tooth (excluding final)	\$115.50	\$109.72		
D3310	Endodontic therapy, anterior tooth (excluding final restoration)	\$377.52	\$358.64		
D3320	Endodontic therapy, bicuspid tooth (excluding final restoration)	\$464.23	\$441.02		
D3330	Endodontic therapy, molar (excluding final restoration)	\$569.32	\$540.85		
D3351	Apexification/recalcification	\$240.50	\$228.48		
D3352	Apexification/recalcification – interim medication replacement	\$49.50	\$47.03		
D3353	Apexification/recalcification – final visit includes completed root canal	\$49.50	\$47.03		
D3410	Apicoectomy/periradicular surgery – anterior	\$352.00	\$334.40		
D3430	Retrograde filling – per root	\$108.25	\$102.84		
D4210	Gingivectomy/plasty per quad	\$371.38	\$352.81		
D4211	Gingivectomy/plasty per one to three tooth	\$127.42	\$121.05		
D4341	Periodontal scaling and root planing – four or more teeth per quadrant	\$154.74	\$147.00		
D4342	Periodontal scaling and root planing – one to three teeth, per quadrant	\$52.03	\$49.43		
D4355	Full mouth debridement to enable comprehensive evaluation and diagnosis	\$98.14	\$93.23		
D5110	Complete upper (denture)	\$782.50	\$743.38	0-20	
D5110	Complete upper (denture)	\$436.35	\$414.53	21-999	

IHCP *bulletin*

INDIANA HEALTH COVERAGE PROGRAMS BT201012 APRIL 15, 2010

Procedure Code	Description	Current Rate	New Rate Effective April 1, 2010	Age Range	Tooth Range
D5120	Complete lower (denture)	\$788.25	\$748.84	0-20	
D5120	Complete lower (denture)	\$439.56	\$417.58	21-999	
D5130	Immediate upper	\$391.25	\$371.69		
D5140	Immediate lower	\$394.13	\$374.42		
D5211	Upper partial – acrylic base	\$656.00	\$623.20	0-20	
D5211	Upper partial – acrylic base	\$365.81	\$347.52	21-999	
D5212	Lower partial – acrylic base	\$788.25	\$748.84	0-20	
D5212	Lower partial – acrylic base	\$371.38	\$352.81	21-999	
D5213	Maxillary partial denture – cast metal framework with resin denture bases	\$656.00	\$623.20	0-20	
D5213	Maxillary partial denture – cast metal framework with resin denture bases	\$328.00	\$311.60	21-999	
D5214	Lower partial – predominantly base cast base with acrylic saddles	\$788.25	\$748.84	0-20	
D5214	Lower partial – predominantly base cast base with acrylic saddles	\$333.00	\$316.35	21-999	
D5225	Maxillary partial denture – flexible base	\$656.00	\$623.20	0-20	
D5225	Maxillary partial denture – flexible base	\$328.00	\$311.60	21-999	
D5226	Mandibular partial denture – flexible base	\$788.25	\$748.84	0-20	
D5226	Mandibular partial denture – flexible base	\$333.00	\$316.35	21-999	
D5510	Repair broken – complete denture base	\$105.50	\$100.23		
D5520	Replace missing or broken teeth – complete denture (each tooth)	\$83.25	\$79.09		
D5610	Repair resin denture base	\$100.00	\$95.00		
D5620	Repair cast framework	\$159.75	\$151.76		
D5630	Repair or replace broken clasp	\$144.25	\$137.04		
D5640	Replace broken teeth – per tooth	\$83.25	\$79.09		
D5650	Add tooth to existing partial denture	\$111.00	\$105.45		

IHCP *bulletin*

INDIANA HEALTH COVERAGE PROGRAMS BT201012 APRIL 15, 2010

Procedure Code	Description	Current Rate	New Rate Effective April 1, 2010	Age Range	Tooth Range
D5660	Add clasp to existing partial	\$155.50	\$147.73		
D5730	Reline upper complete denture	\$194.25	\$184.54		
D5731	Reline lower complete denture (chairside)	\$194.25	\$184.54		
D5740	Reline upper partial denture (chairside)	\$126.25	\$119.94		
D5741	Reline lower partial denture (chairside)	\$69.50	\$66.03		
D5750	Reline complete maxillary denture laboratory	\$249.75	\$237.26		
D5751	Reline complete mandibular denture (laboratory)	\$249.75	\$237.26		
D5760	Reline maxillary partial denture (laboratory)	\$200.00	\$190.00		
D5761	Reline mandibular partial denture (laboratory)	\$144.50	\$137.28		
D5952	Pediatric speech aid	\$1,352.25	\$1,284.64		
D7111	Extraction, coronal remnants – deciduous tooth	\$72.25	\$68.64		
D7140	Extraction, erupted tooth, or exposed root (elevation and/or forceps removal)	\$77.24	\$73.38		
D7210	Surgical removal of erupted tooth requiring elevation of mucoperiosteal flap and removal of bone	\$154.20	\$146.49		
D7220	Removal of impacted tooth – soft tissue	\$185.69	\$176.41		
D7230	Removal of impacted tooth – partially bony	\$247.59	\$235.21		
D7240	Removal of impacted tooth – completely bony	\$321.76	\$305.67		
D7241	Removal of impacted tooth – completely bony, with unusual surgical complications	\$333.00	\$316.35		
D7250	Surgical removal of residual tooth roots (cutting procedure)	\$185.69	\$176.41		
D7260	Oroantral fistula closure	\$355.75	\$337.96		
D7270	Tooth reimplantation and/or stabilization of accidentally evulsed	\$216.25	\$205.44		

IHCP *bulletin*

INDIANA HEALTH COVERAGE PROGRAMS BT201012 APRIL 15, 2010

Procedure Code	Description or displaced tooth	Current Rate	New Rate Effective April 1, 2010	Age Range	Tooth Range
D7280	Surgical access of an unerupted tooth	\$158.50	\$150.58		
D7285	Biopsy of oral tissue -- hard	\$210.50	\$199.98		
D7286	Biopsy of oral tissue -- soft	\$172.59	\$163.96		
D7288	Brush biopsy -- transepithelial sample collection	\$35.00	\$33.25		
D7310	Alveoplasty in conjunction with extractions -- four or more teeth or tooth spaces, per quadrant	\$185.69	\$176.41		
D7311	Alveoplasty in conjunction with extractions -- one to three teeth or tooth spaces, per quadrant	\$157.89	\$150.00		
D7320	Alveoplasty not in conjunction with extractions -- four or more teeth or tooth spaces, per quadrant	\$247.59	\$235.21		
D7321	Alveoplasty not in conjunction with extractions -- one to three teeth or tooth spaces, per quadrant	\$198.94	\$188.99		
D7410	Excision of benign lesion up to 1.25cm	\$111.48	\$105.91		
D7411	Excision of benign lesion greater than 1.25cm	\$477.75	\$453.86		
D7440	Excision of malignant tumor, lesion diameter up to 1.2cm	\$152.00	\$144.40		
D7441	Excision of malignant tumor, lesion diameter over 1.25 cm	\$171.00	\$162.45		
D7450	Removal of benign odontogenic cyst or tumor --lesion diameter up to 1.25cm	\$233.00	\$221.35		
D7451	Removal of benign odontogenic	\$347.75	\$330.36		
D7460	Removal of benign nonodontogenic cyst or tumor -- lesion diameter up to 1.25cm	\$162.25	\$154.14		
D7461	Removal of benign nonodontogenic cyst or tumor-lesion diameter greater than 1.25cm	\$360.50	\$342.48		
D7471	Removal of lateral exostosis (maxilla or mandible)	\$270.50	\$256.98		
D7510	Incision and drainage of abscess --	\$87.50	\$83.13		

IHCP *bulletin*

INDIANA HEALTH COVERAGE PROGRAMS BT201012 APRIL 15, 2010

Procedure Code	Description	Current Rate	New Rate Effective April 1, 2010	Age Range	Tooth Range
	intraoral soft tissue				
D7520	Incision and drainage of abscess – extraoral soft tissue	\$96.25	\$91.44		
D7560	Maxillary sinusotomy for removal of tooth fragment or foreign body	\$153.50	\$145.83		
D7620	Maxilla – closed reduction (teeth immobilized if present)	\$486.00	\$461.70		
D7640	Mandible – closed reduction (teeth immobilized if present)	\$1,313.25	\$1,247.59		
D7660	Malar and/or zygomatic arch – closed reduction	\$143.25	\$136.09		
D7670	Alveolus – closed reduction, may include stabilization of teeth	\$311.25	\$295.69		
D7710	Maxilla – open reduction	\$542.75	\$515.61		
D7720	Maxilla – closed reduction	\$435.25	\$413.49		
D7730	Mandible – open reduction	\$2,522.25	\$2,396.14		
D7750	Malar and/or zygomatic arch – open reduction	\$744.00	\$706.80		
D7760	Malar and/or zygomatic arch – closed reduction	\$143.25	\$136.09		
D7770	Alveolus – open reduction	\$495.00	\$470.25		
D7780	Facial bones – complicated reduction	\$1,173.00	\$1,114.35		
D7810	Open reduction of dislocation	\$487.00	\$462.65		
D7820	Closed reduction of dislocation	\$335.25	\$318.49		
D7910	Facial bones – complicated reduction	\$117.66	\$111.78		
D7911	Suture of recent small wound up to 5cm	\$117.75	\$111.86		
D7912	Suture – over 5cm	\$245.50	\$233.23		
D7951	Sinus augmentation with bone or bone substitutes	\$259.66	\$246.68		
D7960	Frenulectomy (frenectomy or frenotomy) – separate procedure	\$205.25	\$194.99		
D7980	Sialolithotomy	\$244.75	\$232.51		
D7982	Sialodochoplasty	\$243.50	\$231.33		

IHCP *bulletin*

INDIANA HEALTH COVERAGE PROGRAMS BT201012 APRIL 15, 2010

Procedure Code	Description	Current Rate	New Rate Effective April 1, 2010	Age Range	Tooth Range
D7983	Closure of salivary fistula	\$238.50	\$226.58		
D8210	Removable appliance therapy	\$455.00	\$432.25		
D9220	Deep sedation/general anesthesia – first 30 minutes	\$107.25	\$101.89		
D9221	Deep sedation/general anesthesia – first 30 minutes	\$25.00	\$23.75		
D9230	Analgesia	\$30.95	\$29.40		
D9241	Intravenous conscious sedation/analgesia – first 30 minutes	\$107.25	\$101.89		
D9242	Intravenous conscious sedation/analgesia – each additional 15 minutes	\$25.00	\$23.75		
D9248	Non-intravenous conscious sedation	\$38.50	\$36.58		
D9920	Behavior management, by report	\$46.75	\$44.41		

Table 2 – Manually Priced Dental Procedure Codes

Dental Code	Description
D3346	Retreatment of previous root canal therapy – anterior
D3347	Retreatment of previous root canal – bicuspid
D3348	Retreatment of previous root canal therapy – molar
D3421	Apicoectomy/periradicular surgery – bicuspid (first root)
D3425	Apicoectomy/periradicular surgery – molar first root
D3426	Apicoectomy/periradicular surgery each additional root
D4240	Gingival flap proc w/planin
D4241	Gingival flap procedure, including root planing – one to three contiguous teeth or tooth bounded spaces per quadrant
D4260	Osseous surgery, per quadrant
D5281	Removable unilateral partial denture – one piece cast metal (including clasps and teeth)
D5951	Feeding aid
D6930	Recement bridge
D6980	Bridge repair, by report
D7261	Primary closure of a sinus perforation

IHCP *bulletin*

INDIANA HEALTH COVERAGE PROGRAMS BT201012 APRIL 15, 2010

Dental Code	Description
D7282	Mobilization of erupted or malpositioned tooth to aid eruption
D7412	Excision of benign lesion, complicated
D7413	Excision of malignant lesion up to 1.25cm
D7414	Excision of malignant lesion greater than 1.25cm
D7415	Excision of malignant lesion, complicated
D7472	Removal of torus palatinus
D7473	Removal of torus mandibularis
D7485	Surgical reduction of osseous tuberosity
D7511	Incision/drain abscess intra
D7521	Incision and drainage of abscess -- extraoral soft tissue
D7610	Maxilla -- open reduction (teeth immobilized if present)
D7630	Mandible -- open reduction (teeth immobilized if present)
D7650	Malar and/or zygomatic arch -- open reduction
D7671	Alveolus -- open reduction, may include stabilization of teeth
D7680	Facial bones -- complicated reduction with fixation and multiple surgical approaches
D7740	Mandible -- closed reduction
D7771	Alveolus, closed reduction stabilization of teeth
D7972	Surgical reduction of fibrous tuberosity
D8010	Limited orthodontic treatment of the primary dentition
D8020	Limited orthodontic treatment of the transitional dentition
D8030	Limited orthodontic treatment of the adolescent dentition
D8040	Limited orthodontic treatment of the adult dentition
D8050	Interceptive orthodontic treatment of the primary dentition
D8060	Interceptive orthodontic treatment of the transitional dentition
D8070	Comprehensive orthodontic treatment of the transitional dentition
D8080	Comprehensive orthodontic treatment of the adolescent dentition
D8090	Comprehensive orthodontic treatment of the adult dentition
D8220	Fixed appliance therapy
D9120	Fixed partial denture sectioning

Questions?

If you have questions about this bulletin, please contact Customer Assistance at (317) 655-3240 in the Indianapolis local area or toll-free at 1-800-577-1278.

IHCP *bulletin*

INDIANA HEALTH COVERAGE PROGRAMS BT201010 APRIL 6, 2010



CHANGE IN REIMBURSEMENT RATE METHODOLOGY

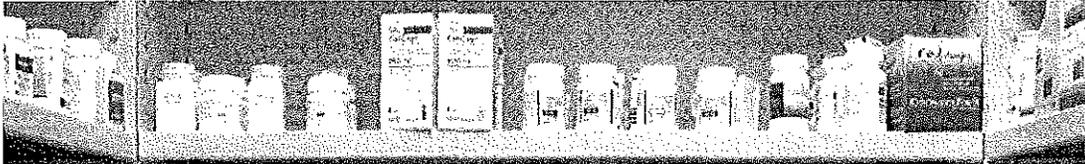
The Indiana Health Coverage Programs (IHCP) announces a change in the methodology for setting reimbursement rates for physician-administered drugs, also referred to as procedure-coded drugs. The Office of Medicaid Policy and Planning (OMPP) is promulgating regulations on an emergency basis to avoid an anticipated budgetary shortfall and to remain within the available Medicaid appropriation. Furthermore, the benchmark for current reimbursement rates for physician-administered drugs, Average Wholesale Price (AWP), will no longer be available in the near future. The result is a permanent change in reimbursement for physician-administered drugs billed on the paper CMS-1500, electronic 837P, paper UB-04, and electronic 837I claim types.

The rates will be available on the Myers and Stauffer Web site at <http://in.msic.com> no later than Thursday, April 8, 2010.

General

For dates of service on or after May 1, 2010, the reimbursement rate methodology is changing for physician-administered procedure-coded drugs. Currently, the reimbursement rate for most physician-administered drugs is the lowest Average Wholesale Price for a National Drug Code (NDC) corresponding to the procedure code. For dates of service on or after May 1, 2010, the new pricing methodology for physician-administered drugs that require an NDC will be 105 percent of the lowest Wholesale Acquisition Cost (WAC) for an NDC corresponding to the procedure code, as reported by First DataBank. In rare cases where no

Continue



REIMBURSEMENT METHODOLOGY

WAC pricing exists, the IHCP will use Medicare's pricing, which is currently the Average Sales Price (ASP) plus 6 percent (ASP+6 percent). If both WAC pricing and Medicare pricing are unavailable, other pricing metrics may be used as determined by the Office of Medicaid Policy and Planning.

Claim details for physician-administered procedure-coded drugs requiring an NDC and priced using the WAC or Medicare methodology will not be subject to the 5 percent reduction currently in effect for hospital outpatient and outpatient crossover claims through June 30, 2011. However, physician-administered drugs that are not priced using the WAC or Medicare methodology, such as blood factor and parenteral nutrition, will continue to be subject to the 5 percent reduction. See [BT200943](#), dated November 24, 2009, for additional information regarding the outpatient hospital services reduction. Physicians who furnish blood factor products may refer to provider bulletin [BT200833](#), dated July 31, 2008, for pricing information.

QUESTIONS?

If you have questions about this bulletin, please contact Customer Assistance at (317) 655-3240 in the Indianapolis local area or toll-free at 1-800-577-1278.

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eTruth

Struggle for survival at Goshen housing agency



by: Justin Leighty
Posted: 4/20/2010

GOSHEN -- The Goshen Housing Authority's board and staff continue to struggle to make the nonprofit housing agency survive.

At the agency's board meeting Tuesday morning, chairman Jason Lehman looked at a \$35,000 list of bills for April and lamented, "We don't have \$35,000. We're going to have to figure out which one of these we're going to have to cut." That's about \$10,000 more than the housing authority has to pay monthly bills, Lehman said.

The news gets worse. The agency now has three full-time staff members and is about to lose a part-time staff member because of state cuts to a program that allowed that man to help out, said Bonnie Westphal, acting director of the agency.

That and increased paperwork requirements -- from various state and federal agencies breathing down the housing authority's neck -- has prompted the agency's board to cut the hours the office is open to the public.

Starting Monday, the office hours will be 9 a.m. to 12:30 p.m. and 1:30 to 4:30 p.m. Monday and Friday, and 1:30 to 4:30 p.m. Wednesdays. There will be no open office hours Tuesdays or Thursdays.

"We're between a rock and a hard place. We're already working 10-hour days," Westphal said.

With two people going on vacation soon, the authority will be closed the entire first week of May.

In the meantime, staff members are trying to get records in shape to satisfy the U.S. Department of Housing and Urban Development. They went through two letters addressing more than 26 concerns identified by HUD when looking at the operations of the housing authority.

The Indiana Housing and Community Development Agency also wanted the GHA to pay back more than \$11,000 this week. It didn't happen.

Westphal also said the agency may have to pay back part of the health benefits the Family and Social Services Administration paid to cover benefits for an employee who left the GHA.

"Nothing's easy," Lehman said.

The agency plans to sell a van it owns to get rid of loan payments and hopefully raise a little cash. It's also working with the city to try to find cost-saving measures and is utilizing crews from the county's work-release center to do some manual labor and save money that way.

The board started meeting weekly after representatives of HUD and IHCD, met with them last month to detail problems uncovered by audits performed by both agencies. After that meeting, the group fired Bob Brenneman, who had been the agency's director.

The board will meet again next week.

State reimbursement cut may sting

Officials see drop in care levels

By Eric Bradner

Sunday, November 15, 2009

INDIANAPOLIS — Hospitals are afraid that Indiana's recent decision to decrease Medicaid payments in an effort to cut costs might be the tremor before the earthquake.

The move, forced by a recession that has sent state government revenue into a free fall, could foreshadow a bigger long-term problem that might arise because of national health care reform legislation.

Indiana's Family and Social Services Administration notified hospitals last week that it will reduce Medicaid reimbursement rates by 5 percent in order to cope with sagging tax collections.

The state's 5 percent reduction will cause Evansville hospitals some pain. St. Mary's Medical Center expects to lose \$1 million. The Women's Hospital projects losing \$1.2 million.

But those losses pale in comparison to what could happen if the federal government underfunds health care reform legislation in the name of fiscal responsibility.

Though the final details aren't clear, it looks as though the bill will expand eligibility for Medicaid, the state-federal program for the low-income uninsured.

States typically foot the bill for 40 percent or so of Medicaid's cost. Therefore, if Medicaid eligibility is expanded and the number of Americans enrolled in the program goes up, then the cost to states will increase as well unless the federal government covers the new costs completely.

The federal government would do so for several years under both the bill that recently passed the U.S. House and the bill that passed the Senate Finance Committee, but after that, Republican Gov. Mitch Daniels spokeswoman Jane Jankowski said "it is anyone's guess what the match rate might be."

Several governors have called the Medicaid expansion an "unfunded mandate," but the bottom line is that eventually, it likely will be up to states to help foot the bill for expanded coverage.

This is where hospitals get worried. The extra cost could put states in a financial pinch. And while it's much too soon to know exactly what that will mean, it appears that in order to spend more money on Medicaid, Indiana will have to save money elsewhere.

"How do we think we could even make this happen?" asked Christina Ryan, the chief executive officer of The Women's Hospital, which is under the Deaconess Health System umbrella in Evansville. "Where is this money going to come from?"

Daniels will have left office and it'll be up to another governor to decide, but if the state faces a similar problem in the future, hospital executives said history could repeat itself and the state could reduce reimbursement rates again.

"I'm extremely concerned," said Harry Smith, the president of Deaconess Hospital.

He said that other than those who can't pay at all, Medicaid covers by far the lowest percentage of the hospital's costs. As a result, private insurers are charged even more.

"An expansion of that is not going to help out," Smith said. "What it means is that we are going to receive payment that is less than it costs to provide services."

Tim Flesch, the president and chief executive officer of St. Mary's Medical Center, said that while he supports the expansion of Medicaid as one means of extending coverage to the uninsured, he is aware of the potential strain on state budgets.

"Clearly, merely reducing provider reimbursement as a means of funding coverage expansion is a concern and will impede achieving the dual goal of expanding coverage and access," he said.

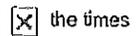
Since the federal government can run a deficit and states cannot, it would be better for Indiana's finances if Congress elected to have the feds pay the full bill for expanded Medicaid eligibility. But that might not pass muster with people like Sen. Evan Bayh, the Indiana Democrat who for months has said he is worried about the overall cost of health care reform.

Conservatives say this is another reason why now is not the time for health care reform. Liberals say it's an argument for a better-funded package, which is an argument for more dramatic changes than current bills propose.

Either way, how a Medicaid expansion will affect states and the doctors and hospitals in them remains an important piece of the discussion to watch because too little funding, hospitals say, could spoil the ultimate goals of health care reform legislation.

"Inadequate reimbursement will limit access to preventive and primary care, forcing continued reliance on costly urgent and emergency care," Flesch said.

Eric Bradner can be reached at (317) 631-7405 or by e-mail at bradner@courierpress.com.



State agencies to take another 5% hit, projects delayed

State plans cuts to weather revenue shortfall

By Dan Carden - dan.carden@uwi.com, (317) 637-9078 | Posted: Saturday, November 7, 2009 12:00 am

INDIANAPOLIS | Indiana's already-trim state government is about to go on a crash diet to cope with a continuing decline in revenue.

Gov. Mitch Daniels on Friday ordered a 5 percent cut in state agency budgets, on top of the 5 percent cut he ordered in July.

The state also will reduce payments to some Medicaid providers (doctors are not expected to be affected), indefinitely delay construction projects at state buildings and cancel 2010 pay raises for state employees.

The Republican governor said he does not expect to lay off state workers but would not rule out layoffs in the future. Daniels said state employees will be encouraged to take voluntary, unpaid days off.

The measures are expected to save between \$300 million and \$400 million over the remaining 20 months of the budget period.

"I hope many of them will be temporary. I hope some of them can be reversed sometime during the two-year budget cycle," Daniels said. "But it's at least as likely they will have to be followed by more actions."

The problem is state revenue.

Last month, Indiana took in \$997.1 million in tax revenue. But state spending is based on a revenue forecast predicting Indiana would get \$46.1 million more.

Since the budget year began in July, state revenue is \$309.2 million less than forecast.

"We think the actions we have taken will cover that shortfall," Daniels said. "We're hoping that's all it will take."

Compared to October 2008, last month's revenue from individual income taxes is down 13 percent and sales tax is down 8.5 percent.

Since the fiscal year began in July, income tax revenue is 19 percent less than last year and sales tax revenue is 11 percent less.

Only gambling revenue is higher than forecast. But that surplus is just \$15 million.

The governor said there won't be any cuts to police or schools, yet.

"Public safety and public education are the very top priorities," Daniels said. "We're doing everything else first."

House Speaker Patrick Bauer, D-South Bend, agreed the governor's cuts are "unavoidable."

However, Bauer said other pools of money, such as funds remaining from the \$3.8 billion lease of the Indiana Toll Road, should be spent on projects to stimulate Indiana's economy.

"I think we ought to spend that on Indiana jobs, here in Indiana," Bauer said.

The state agency cuts account for more than half of the anticipated budget savings. With the latest cut, state agencies will be operating on 80 percent of the budget they had in July 2008.

Budget officials did not identify the specific sites and values of the delayed construction projects. University projects won't be affected, Daniels said.

The fund sweeps will take money leftover from earlier projects or attached to programs that don't use all their funds and transfer that money to the state's general fund. The money will not be paid back.

The state Family and Social Services Administration will announce Monday how the Medicaid payment reductions will work. Doctors are not expected to be affected.

Illinois borrows instead of cutting

Gov. Pat Quinn announced last week he wants to borrow another \$900 million to start paying off the state's \$3.5 billion in late bills.

The \$900 million would have to be paid back by June 30.

Illinois Comptroller Dan Hynes, Quinn's opponent in the Feb. 2 Democratic gubernatorial primary, would have to sign off on the short-term loan.

Illinois already borrowed \$1 billion in May and \$1.25 billion in August to cover revenue shortfalls. Those loans are also due June 30.

Health care and social service providers are already waiting up to 61 business days, or three months, to get paid by the state, according to the comptroller.

Indiana's Constitution prohibits the Hoosier State from engaging in similar short-term borrowing.

■

November 12, 2009

Our Opinion

State may have to shift gears

State government has been forced into the same tough spot that many private businesses have languished in for a year or more. It hurts without question, but it's also necessary.

Workers in the private sector know all too well the pain of pay freezes, loss of overtime, furloughs and potential layoffs. Those realities are now hitting state employees, many of whom are understandably upset.

Yet, with revenues falling well short of forecasts, the state, under Gov. Mitch Daniels' direction, has little choice but to continue to slash spending. And for agencies to reach the goal of \$250 million in new cuts, they will have to trim payroll costs.

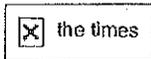
The cuts won't stop there, however. The Family and Social Services Administration put hospitals on notice this week to expect \$10.6 million in Medicaid cutbacks beginning Jan. 1. Hospital administrators pledged that the trims won't affect patient care, but the loss of revenue must be offset in some form, meaning health-care workers could feel a trickle-down effect.

As tough as the current situation is, an even larger challenge may loom ahead. It's unlikely that state revenues will rebound before the larger economy recovers substantially. With slow economic growth expected in 2010, the shortfall in tax collections is likely to continue.

Fortunately, Indiana, because of sound fiscal management in recent years, should be able to avoid some of the hard choices that other states have been forced to make this year, including broad tax increases and deep cuts in education funding.

The state still has significant reserves. Gov. Mitch Daniels has been understandably reluctant to tap into that money out of concern that the recession will drag on. That approach, however, may need to change in the next few months as Indiana passes through the worst of the fiscal storm.

With several indicators pointing toward an emerging, albeit slow, recovery, state government may be entering its hardest days now.



State is hurting, but don't make poor suffer even more

Posted: Friday, February 5, 2010 12:00 am

Indiana's Family and Social Services Administration began implementation of OASIS, a new way of allocating funds for people on the developmental disabilities, support services and autism Medicaid waivers. I work at two agencies and have worked with people of all disabilities for 12 years.

One agency provides a workshop so people with disabilities can make a very small paycheck that provides them a little spending money along with a purpose, hope and dignity doing jobs according to their abilities. They live at poverty level, and most are unable to get jobs in the community. Many have come from state institutions that have closed where they did not have human rights, were abused and cost the state millions in tax dollars. Many have grown tremendously, learning from classes, gaining skills, healing from their pasts and being amazing wonderful contributing members of our communities.

Eighty percent of those with disabilities were not born that way but became disabled from injuries or medical issues and could be you or I someday.

My agency has lost \$37,000 to \$40,000 a week in funding and has had to eliminate as many positions as possible, cut hours and benefits, eliminate classes and some services, and is greatly struggling. They raise funds in every way imaginable. Many service providers will close.

Yes, our state and economy are hurting, but please don't attack the weak and poor already.

- Bridget Cletcher, Valparaiso

■



State Halts Help For Caregivers

Posted:

Wednesday, February 17, 2010 10:42 PM EST

Updated: February 18, 2010 12:07 AM EST

story by Jennifer Cahill

EVANSVILLE - It's more bad news for children in Indiana. After cuts to foster care providers, now the state has suspended a program that reimburses caregivers of those with developmental disabilities.

And NEWS 25 learns the 200 affected Hoosier families didn't get any warning, just a notice, effective immediately.

"She would have been here this morning for two and a half hours," says Evansville mom, Lori Culbertson, of her son Landon's respite worker. "She sent me a message and said I'm so sorry."

For Culbertson and her 10-year-old son Landon, who is autistic, the news was like losing a family member.

Landon's respite worker has been visiting him once a week, two hours at a time, for over a year as part of Indiana's Caregiver Support program.

Monday, the state put it on hold, effective immediately.

"We never intended this to be the backbone of someone's care. It never existed before we instituted it in 2007," explains Indiana Family and Social Services spokesman, Marcus Barlow.

Culbertson says she provides the backbone of her son's care. But the visits helped him...

"They would do art projects together, she would bring him workbooks. She really took an interest in teaching him new skills, academically"

...and they helped her recharge.

"Stress on the caregiver of any child with a developmental disability, no matter what it is, is huge. It helps relieve some of that stress and gives the caregiver a break to go to the grocery store, to do laundry, or just recharge," Culbertson says.

So why the sudden decision, with zero notice?

"The decision had just been made, and we wanted to get the information out as quickly as possible," Barlow says.

The state says use of the program was overwhelming this year and the money is gone.

The program will pick back up on July 1st and families will have to re-apply on a first-come first-serve basis, as long as the state puts it in the budget.

"We expect it, but in this current fiscal climate, we can't really project anything," Barlow says.

Culbertson is now searching for an alternative.

"I'm hoping someone can step forward, and at least take on a few kids. That's better than nothing."



NEWS 25 learned those with developmental disabilities who qualify for the program are also on state Medicaid waiver waiting lists. Those lists are so long it often takes years to get the services.

To reach Culbertson, you can email her at the following address: careofindiana@yahoo.com



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State funding cut for Linton's retirement community project

Tuesday, October 13, 2009
By Timberly Ferree, Staff Writer

Linton and four other Hoosier cities have lost state funding for their Neighborhood Naturally Occurring Retirement Community (NNORC) programs.

NNORC is about making the community more livable as its residents age. The goal is to make it possible for more people to stay in their homes and prevent long term care in a nursing home.

Linton's NNORC community which is dubbed "Shepherd Community" was chosen for the NNORC grant because there are less than 2,000 individuals and at least 40 percent of them are age 60 or older.

Linton Mayor Tom Jones confirmed the news.

"They (state) cut them all. They dropped the funding...I do understand with times as they are they have to cut something," he said.

But, the work on Linton's NNORC "Shepherd Community" is still meaningful.

"I think all the work everybody put in was not done in vain. I think it was very good work," Jones said.

Linton's Shepherd Community was presented with the Generations Age of Excellence "Livable Communities" Award, Jones also noted.

Sheri Phillips, director of healthy aging programs at Vincennes University -- Generations, provided additional details on the matter.

"We (Linton) received two sets of grants. One in 2008 which was a planning grant...and the second grant was awarded for January to June 2009 for implementation," she said.

Both grants were \$75,000.

The most recent grant helped fund 16 home modifications within the Linton's NNORC area.

The modifications focused on improved mobility and identified and/or removed safety hazards within and around the residents' homes.

"In addition to home safety, we also did partner with Ride Solutions to offer vouchers to people over 60 who live in the NNORC. Transportation is very important for people to remain independent," she added.

But, it's always hard to predict future funding.

"We were hopeful that the Division of Aging would re-approve or extend the grant so that we could continue providing services," Phillips added.

Just recently, word was that additional funding was quite possible.

"In September, we received word that it was possible that we would be re-approved to focus on sustainability. But, then we received word late that day that funding was retracted," she explained.

The Division of Aging did confirm that NNORC funding was cut on Friday.

"(Now) The strategy has changed. Now we're looking at alternative ways to sustain the work that has been complete. Hopefully, we'll still be able to provide some kind of service," Phillips said.

But, there's still a positive in the matter.

"The good news is that since Greene County is part of the Generations service area we will continue Meals on Wheels, 2-1-1, case management services...and we'll still provide healthy aging programs..."

Currently, fitness programs are available at the Jasonville Senior Center and the Glenburn Community and Wellness Center in Linton, she noted.

"We still have the EngAGE committee and we want to look at how we can possibly continue to do home safety assessments..." she said. "We may try to raise community support and we're also partnering with the Indiana University Center for Aging and Community."

Linton's NNORC boundaries are designated with signs.

"We purchased the signs out of our grant, as a marketing tool and to say this community is dedicated to making a difference and that won't stop even though the funding is cut," Phillips added.

The cities of Gary, Huntington, Martindale-Brightwood and South Bend also lost NNORC funding.

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Story URL: <http://gcdailyworld.com/story/1578396.html>

www.chicagotribune.com/news/chi-ap-in-burmeserefugees-h,0,1881232.story

chicagotribune.com

State cuts to end health program for Ind. Burmese

Associated Press

9:47 AM CDT, May 23, 2010

FORT WAYNE, Ind.

State plans to cut funding to a program that coordinates care for Fort Wayne's Medicaid-eligible Burmese population are raising concerns that those with serious illnesses such as HIV and hepatitis will go untreated or inundate emergency rooms for care.

The Indiana Family and Social Services Administration since 2007 has paid Indianapolis-based Advantage Health Solutions to coordinate health care for eligible Burmese residents. But budget constraints are forcing the state to end the program that supporters say has increased refugees' willingness to seek care.

"The great tragedy will be that many of the people using Advantage to help them get their care will be lost, hitting the emergency departments or going untreated after July 1," said Meg Distler, executive director for the St. Joseph Community Health Foundation, which helps coordinate the program.

Many of Fort Wayne's Burmese residents don't understand English and are poorly educated and lack awareness of health care or how to take medicine or keep appointments, advocates say.

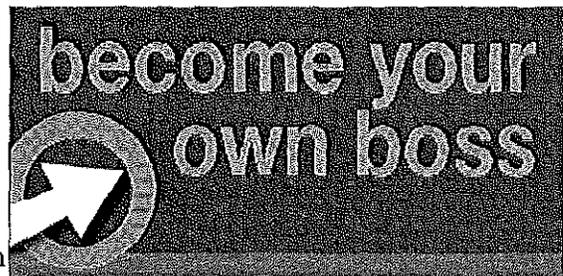
Allen County Health Commissioner Deborah McMahan said the Advantage program, which cost more than \$100,000 a year, provided transportation and translation services and helped coordinate care to overcome those barriers. She stressed that a one-size-fits-all approach to health care doesn't always work, especially with those unfamiliar with American culture.

"We invited them here," she said of the area's estimated 5,000 Burmese residents. "We should be able to assist them."

FSSA spokesman Marcus Barlow said the key is to educate the Burmese population so they know to coordinate care with their health plan instead of Advantage.

New language-translation technology might help, said Lutheran Community liaison Barb Schoppman.

But Fort Wayne Mayor Tom Henry has told FSSA officials that ending the Advantage program without a strong follow-up strategy could put public health at risk and cost the state more than it spends now on refugee health care.



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BizBuySell® Chicago Tribune

He told FSSA Secretary Anne Murphy in a February letter that Fort Wayne has seen a significant impact on its schools, housing and other institutions because of the influx of Burmese.

"No segment of the community has been more burdened by this population than the health system," he wrote.

Minn Myint Nan Tin, executive director of Fort Wayne's Burmese Advocacy Center, said her agency will work with refugees to improve access to transportation, education and medicine when the Advantage program ends.

"It will be more difficult, but we don't want to give them fish. We want to teach them how to fish," she said.

Information from: The News-Sentinel, <http://www.news-sentinel.com>

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Advertisement



Some health care help ends for refugees

State ends funding on July 1

Updated: Monday, 24 May 2010, 5:42 PM EDT

Published : Monday, 24 May 2010, 5:42 PM EDT

- [Drew Blair](#)

FORT WAYNE, Ind. (WANE) - A state funded program that assists Burmese refugees coordinate health care needs will end this summer.

The Indiana Family and Social Services Administration's 18-month contract with Advantage Health Solutions ends on July 1. The Indiana-based group helps arrange health care providers, translation and transportation services for Burmese refugees.

The program, which cost more than \$100,000 a year, was designed to be a temporary transition and education tool according to the FSSA. Spokesman Marcus Barlow said the service should have helped community members learn how the American health system works allowing them would then be able to spread that knowledge to others.

"It's not responsible to keep [the program] going indefinitely. It was just intended for a certain amount of time to get people used to the services, people [to know] services exist," Barlow said.

According to Burmese advocates and health officials action is needed to prevent leaving thousands of Burmese community members without medical care. Meg Distler, Executive Director for the St. Joseph Community Health Foundation said cutting the Advantage program cold turkey would set the community up for a lot of confusion.

"The American health care system is very tough to navigate for any American," Distler said. "You take someone who doesn't speak the language, who is not familiar with the system... it's a very challenging system to learn."

Distler said local organizations and agencies are actively working with the state to figure out a way to transition from the Advantage program to none at all, "we need the state having an active role working with our health care providers... to work through the kinks in the system."

INDYSTAR.COM

October 12, 2009

Resource for elderly losing state resources

Program that helps keep seniors in their homes is hit with budget cuts

By Shari Rudavsky

shari.rudavsky@indystar.com

A few simple home modifications, such as a handrail to grab on to when climbing into and out of the bathtub, convinced seniors Charles and Frances Ray they could remain in their Eastside home.

The couple had considered moving into a senior citizens facility until they learned about the Martindale-Brightwood Golden Ages Neighborhood Naturally Occurring Retirement Community program, which helped elderly people stay in their homes.

Forty-two Martindale-Brightwood seniors received home modifications or other assistance through the program. But funding was cut because of the state's budget woes, leaving about 150 people on a waiting list.

Four other state-funded naturally occurring retirement communities -- in Gary, Huntington, Linton and South Bend -- also lost funding.

Stephen Smith, president of the Indiana Health Care Association, an organization of nursing homes, said the state's decision to cut funding for the program was misguided.

"This was an extremely poor decision," said Smith, who helped implement Indiana's program.

He said the strategy of Indiana's program, called Communities for Life, was to invest more in community care so less would be needed for institutional care. As the number of elderly rises dramatically because of aging baby boomers, nursing home costs are expected to soar.

Medicare pays for the first 100 days of an elderly person's stay in a nursing home. After that, Medicaid becomes the only source of payment for the low-income elderly. Indiana spends about \$1 billion a year on nursing home costs for the elderly through Medicaid.

In the past two years, each of the five community programs in Indiana has received \$105,000 from the state. The funds paid for wheelchair ramps, handrails, transportation to the grocery store, sidewalks so people in wheelchairs could be mobile, crime prevention programs and neighborhood cleanups.

State officials say they support the program's concept but that the budget cuts were necessary.

"Any available dollar that is out there right now has to be evaluated in our agency's larger picture," said Megan Ornellas, chief financial officer for the Family and Social Services Administration.

Ornellas said a drop in state revenue and an increase in Medicaid enrollment left FSSA little choice.

"The desire of the (Indiana) Division of Aging was to look at ways to rebalance that so the funds

weren't all flowing towards nursing home care but also flowing to community-based care that might be more cost-effective and certainly more desirable," said Ellen Miller, executive director of the University of Indianapolis Center for Aging & Community, which oversees the state's five retirement community programs.

Shirley Webster, Golden Ages project coordinator, isn't giving up.

A senior herself and a neighborhood resident, she thinks other organizations could help the Martindale-Brightwood program.

"We still think we're going to be able to do this in some way, even if we don't have state dollars," she said.

A second retirement community program in Indianapolis, on the Northside, receives federal and private funds.

The Elder-Friendly Communities offers services such as home modifications and repair, transportation and lawn care.

In the Northside program, younger retirees pitch in by driving older neighbors to the grocery store or changing hard-to-reach light bulbs.

"We call it a virtual assisted-living facility," said Lori Moss, director of the Albert and Sara Reuben Senior Resource Center, which oversees the program.

On a recent morning, Frances Ray demonstrated how something as simple as a bathtub handrail can help a senior feel safe at home.

Fully dressed, Ray, 71, stepped into and out of the tub, tugging one leg up as she clutched the handrail. The front steps on her porch also pose a challenge, she said, again showing how she steps carefully to avoid a fall. Her husband, 69, has had hip surgeries.

She'd like to add handrails along the porch steps, but for now, she's happy about the tub handrails.

"Without it, it was really bad," she said.

For Martindale-Brightwood seniors such as Jimmie Luton, who at 92 suffers from little other than carpal tunnel in both hands, new knobs on her kitchen cabinets would help make it easier to open the doors.

Luton has lived in her home since 1929. She often thinks about the people who used to live in the neighborhood.

"The people that have once lived here have all passed and gone," she said. "No, don't give me no nursing home, please."

Additional Facts

Martindale-Brightwood

The community began as two separate settlements.

Brightwood, the eastern section of the neighborhood, was incorporated in 1876 and remained an

independent community until 1897, when it was annexed by Indianapolis. It was the railroad center of Indianapolis that attracted European immigrant workers and residents.

The Martindale area to the west, settled in 1874, also was an industrial hub. It was a mostly working-class neighborhood with a high percentage of African-American residents.

By 1960, African-Americans accounted for 50 percent of Martindale-Brightwood's total population.

» **Total population:** 9,334 (2000 census data).

» **Total households:** 3,120.

» **Median household income:** \$25,000.

Other facts:

» 93 percent of residents are African-American.

» The neighborhood has about 100 religious institutions of various denominations.

» It is home to the campus of Martin University.

» Resident Bernard McFarland was the recipient of a home makeover earlier this year by the "Extreme Makeover: Home Edition" television crew, which also spruced up the neighborhood by planting more than 1,000 trees, paving the alleys and touching up several homes.

Sources: Martindale-Brightwood Community Development Corp.; Polis Center; U.S. Census Bureau



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Article published Oct 24, 2009

REAL program growing

\$1.5 million grant will help caregivers.

By **TOM MOOR** *Tribune Staff Writer*

SOUTH BEND -- A REAL Services program that helps care for the elderly still living at home will grow even larger, despite the state's decision to recently cut funding.

The state-funded program, called a Naturally Occurring Retirement Community, lasted from June 2007 to June 2009 and provided basic services to the homeowners, from installing ramps and railings in the bathroom to providing wheelchair ramps and rides to the grocery store. Funding also was cut for four other locations statewide.

The new grant, which REAL Services received in July, is through the Harry and Jeannette Weinberg Foundation. The grant is for \$1.5 million over the next three years and will target family caregivers. REAL Services was one of 15 organizations out of 500 that applied nationwide to receive the funding.

"We'll be talking with caregivers of older adults to see what their needs are and assist them in training provided by Memorial Home Care," said Becky Zaseck, REAL Services CEO and president. "This is really exciting for us."

South Bend residents living in ZIP code 46619, which is on the city's west side, are eligible for the service. The grant has the potential to serve up to 1,000, while the state-funded grant could serve only about 300. The training will help family caregivers learn how to provide a bath, transfer a loved one more confidently and provide transportation.

REAL Services employees will be talking with caregivers of the elderly to find out what their needs are and will assist in training with Memorial Home Care.

"It's going to help caregivers physically care for them better," Zaseck said.

Zaseck added that home modifications also may be available through the grant.

"This grant is going to help us serve more people," she said. "We've worked with about 43 caregivers already. We've had a wonderful response from the community." The other four state-funded retirement communities that lost funding will have to find other means to run the programs.

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fox59.com /news/wxin-state-budget-cuts-programs-111609,0,5950185.story

WXIN

Problem gamblers suffer with state budget cuts

Family and Social Services Administration officials say new programs for Hoosier retirees face the same fate.

Fox59.com

4:19 PM EST, November 16, 2009

State budget cuts will eliminate planned programs for Indiana's problem gamblers. Family and Social Services Administration officials say new programs for Hoosier retirees face the same fate.

"We believe the programs we have in place are addressing those individuals that really need that help." FSSA spokesperson Marcus Barlow said.

When fiscal year income in the state came in \$309 million below budgetary forecasts cuts became inevitable.

FSSA said last week it was planning to cut Medicaid reimbursements to hospitals by 5%, but now those addicted to gambling and Indiana's oldest citizens will have no new options in 2010.

"FSSA is not going to fill 400 vacancies that we have right now. A few of our programs in the division on aging we've said we're not going to add new people to those programs and those are the things we are trying to do to save money," Barlow said.

Revenue from gaming in the state is beating the budgetary forecasts, but that \$15 million of unexpected money is not being shared with Indiana's problem gambler programs for the foreseeable future

The state's problem gambling help line gets approximately 1500 calls a year.

In 2008 nearly 300 Hoosiers asked for professional treatment to help conquer their gambling addiction issues.

The Indiana FSSA cuts announced so far only represent a portion of the 10% budget cuts ordered this month by Governor Mitch Daniels.

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INDYSTAR.COM

November 11, 2009

Pain of budget cuts is hitting home

Some predict drop in hospital care; prison guards lose automatic OT

By Mary Beth Schneider
mary.beth.schneider@indystar.com

State budget cuts will begin to take a tangible toll on Hoosiers, from the pay in prison guards' pockets to possibly the level of service people receive at hospitals.

Faced with withering revenues, Gov. Mitch Daniels last week ordered state agencies to slash their expenses by 10 percent this fiscal year, on top of 10 percent cuts made last year.

On Tuesday, the Family and Social Services Administration announced that it will reach some of its goal by cutting the amount it pays hospitals for caring for Medicaid patients by 5 percent beginning Jan. 1, a move that will save the state \$10.6 million in this fiscal year.

Also this week, the state Department of Correction told correctional officers that a bookkeeping change spreading their pay period over two weeks instead of one will mean no more of the automatic five hours of overtime they've come to expect, saving the state \$5 million annually.

And other state employees, including those in the Department of Natural Resources, are being asked to voluntarily cut their own hours, on top of a pay freeze that is saving the state more than \$25 million.

In all, the state is looking for cuts of \$250 million. Failure could mean Daniels has to order even more stringent measures, including layoffs.

Douglas Leonard, president of the Indiana Hospital Association, which lobbies on behalf of hospitals, said the Medicaid cuts will hurt not only hospitals, which already are underfunded, but possibly also patients.

"These cuts represent a significant blow to the ability of Indiana's hospitals to serve their communities," he said in a statement. "Hospitals will be forced to make difficult decisions about what types of services they can provide."

It's unclear just what those decisions might entail, but when less revenue is coming in, hospitals are bound to make cost-cutting changes that could affect patients -- and not just those on Medicaid.

Johnny Smith, spokesman for St. Vincent Health, which runs St. Vincent Hospital and 17 other facilities, could not immediately say what a 5 percent cut in Medicaid reimbursement rates will mean to the hospitals' bottom line.

"It is a setback for us," he said. "Being such a large system, we support such a large Medicaid population. And Medicaid doesn't cover the full cost of care. At times, it can be as (low) as only 20 percent."

But at St. Vincent and, he said, "hopefully at hospitals all around, the missions will not change, and

that's truly to continue to serve the underserved population, regardless of folks' ability to pay."

Anne Murphy, secretary of FSSA, said in a statement that the cuts will save money "without cutting vital services. Our commitment is to the 1.2 million Hoosiers that receive benefits from us, and the cuts announced today will not take away from our clients receiving the benefits to which they are entitled."

Matt Gutwein, chief executive officer of Marion County Health and Hospital Corp., the parent organization of Wishard Memorial Hospital, said the cuts will not affect either care or plans for a new \$754 million Wishard complex.

"That's not going to prohibit us from providing needed care to our patients," Gutwein said. "We support the state's goals of remaining fiscally solvent and are eager to work with the state as we always have been."

Dan Sellers, the corporation's chief financial officer, said Wishard Health Services received roughly \$68 million in Medicaid hospital reimbursements in 2009. A 5 percent across-the-board cut could mean a reduction of \$3.4 million. Sellers noted that's a small portion of the roughly \$500 million that Wishard is expecting in revenue for 2010.

"These are the kinds of things hospitals across the country deal with every day," he said. "Reimbursements fluctuate."

Leonard, the hospital association's president, said Medicaid payments to hospitals already "often amount to less than 50 cents for every dollar of care provided."

This gap, now widening more, "is simply unsustainable," he said.

"Like the state, hospitals are also hurting," Leonard said. "We are treating more Medicaid and uninsured patients and seeing fewer patients with better-paying commercial health insurance."

In addition to the Medicaid cuts, FSSA said it would save \$13.6 million by not filling vacancies and by combining some county offices, so that vocational rehabilitation and developmental disability services are provided in the same office.

Another \$9.8 million will be saved by cutting or reducing some contracts.

Marcus Barlow, spokesman for FSSA, said the state will stop accepting new clients in the Residential Community Assistance Program, which helps about 1,400 elderly Hoosiers; will end the state's Naturally Occurring Retirement Communities program, which helps five communities for the elderly in Indianapolis, Linton, South Bend, Gary and Huntington; and will renegotiate other contracts, including with groups and companies that provide crisis counseling and quality assurance.

In addition to the FSSA cuts, other state agencies are looking for ways to trim costs.

In the Department of Correction, correctional officers will be paid over a two-week period. That will allow the state to calculate overtime pay over 14 days instead of seven, DOC Commissioner Ed Buss said in a video presentation to DOC employees.

Under the new system, which takes effect Jan. 1, DOC officers will get OT after working 84 hours in a two-week period, said DOC spokesman Doug Garrison. Federal law allows for police to not receive overtime until they have worked 171 hours in a 28-day period; for a two-week pay period that equates

to about 85 hours before overtime kicks in.

Coming on top of Daniels' announcement that state pay will be frozen for the second year in a row, the loss of overtime stings.

Garrison said there is "no question that this is a pay cut."

But, he said, in the past officers were routinely paid five hours of OT every two weeks for working their normal shift, because of the way the 12-hour shifts fall.

Buss said in the video that this change allows the state to keep those popular 12-hour shifts for correctional officers while avoiding layoffs seen in other states.

"We will not resort to the broad sweeping actions of other states. However, tough times call for strong leadership and tough decisions," Buss said in the video. "Although this change saves dramatically, it is not only about cost. It is the right thing to do for the taxpayers of Indiana."

News From Terre Haute, Indiana- TribStar.com

May 27, 2010

Officials gather to discuss future of mental health funding

Brian Boyce
The Tribune-Star

TERRE HAUTE — As funding structures change in the field of mental health, officials predict their emphasis will shift from treatment to recovery.

“This is a difficult time for all of us in mental health,” Steve McCaffrey, CEO of Mental Health America of Indiana, said Thursday afternoon at the onset of a town hall discussion about Medicaid changes. Gina Eckert of Indiana’s State Division of Mental Health, Galen Goode, CEO of the Hamilton Center, and state Reps. Nancy Michaels (D-Greencastle) and Clyde Kersey (D-Terre Haute) all participated in the discussion in the Vigo County Public Library’s lower level.

But as Eckert and Goode explained throughout the two-hour presentation, the complexity of funding vehicles for mental illness is so great that adaptation has become a way of life for the organizations. As McCaffrey noted during his opening comments, studies commissioned by President George W. Bush showed that the mental health system in America is so fragmented that a complete overhaul was necessary anyway.

Recovery, Eckert explained, is a long-term journey for the mentally ill, with an emphasis on living a meaningful life within the community instead of state-run hospitals. The days of locking patients up and walking away is over for a number of reasons, moral and financial, she explained.

“A lot of service doesn’t necessarily mean the right service,” she said, explaining that a patient kept inside one of the state’s six psychiatric hospitals might receive a lot of services, but putting that person into less-expensive community-based programming would not only cost less but be more beneficial to all involved. “Less services might mean less money, but that might not be so bad.”

The concept of using state psychiatric hospitals for long-term stays is probably over, she said, noting that the new effort will be on removing the stigma associated with being labeled “mentally ill.” Landlords and employers will be approached on the matter, she said, as both groups will need to be open to giving the patients a chance in spite of their illness.

McCaffrey showed the group one of the television advertisements planned for the media campaign. Featuring Hollywood actors, the advertisement emphasizes awareness and tolerance.

Eckert said that in her life, the day is scheduled around work, family and church. Many of the mental health industry’s clients have lives which revolve around therapy and doctors. This has to change, she said, pointing out that offering these people employment or volunteering opportunities can be just as

beneficial as therapy and inpatient services the state can't afford anymore.

And while some program dollars will be cut, others are being shifted and blended. The proposed "hybrid" model for welfare distribution, which will replace the IBM-contracted services currently utilized by the state's welfare divisions, should actually bring money back to the mental health facilities, Goode said. With the confusion and errors caused by the privatization, many of the Hamilton Center's long-term patients found themselves bounced off Medicaid for failing to register or apply, largely because of issues stemming from their mental deficiencies. With the state bouncing the patients on and off Medicaid, the Hamilton Center found itself writing off \$800,000 in services, he said.

"We can't wait for the hybrid," he said.

And in the long-run, helping the mentally ill recover reduces costs across many sectors, McCaffrey said. About 80 percent of the inmates inside Indiana's Department of Corrections have addiction problems, he said. But the prison system doesn't rehabilitate the addicts, it simply warehouses them.

"The way not to need a new prison is to provide better treatment to prevent its need," he said, noting the cost of a new prison is about \$30 million.

Brian Boyce can be reached at 812-231-4253 or brian.boyce@tribstar.com.

Reporter-Times.com**MHMC discusses Medicaid reimbursement reduction**

Aaron Blevins
November 25, 2009

ablevins@reportert.com

MARTINSVILLE

In an effort to combat revenue shortfalls, the state Family and Social Services Administration has reduced Medicaid reimbursements to hospitals by 5 percent, and Morgan Hospital and Medical Center addressed the issue at its recent board of trustees meeting.

Hospital Chief Executive Officer and President Tom Laux said Medicaid had been paying 50 percent of the hospital's direct costs from treating Medicaid beneficiaries. He said it also paid for 70 percent of the nurses' salaries.

"It's a sign of the times. ...It just makes it more difficult to provide health care to people who are Medicaid beneficiaries," Laux said Monday.

According to a press release from the FSSA, the alterations were the first round in a series of actions meant to respond to revenue shortfalls that have resulted from the recession and subsequent increases in Medicaid enrollment.

Included in the changes are administrative cuts of \$13.6 million and the hospital reimbursement adjustments, which totalled \$10.6 million, according to the release.

Due to Susan Havers resigning as the hospital's chief financial officer, interim CFO Scott Andritsch gave the financial report for October. He said MHMC had a consolidated operating margin of \$236,722, which was favorable to budget by \$391,040.

Compared to October of last year, when the stock market dropped considerably, the consolidated income from operations was \$386,662, Andritsch said. He said inpatient volumes were 6.3 percent higher than budgeted, and outpatient visits were 7.8 percent lower.

The interim CFO said the outpatient payor mix was 35 percent Medicare, 23 percent Medicaid, 35 percent commercial and 7 percent self pay. Patient revenues surpassed the budget by \$180,763, and the net revenue of \$4.6 million was higher than budgeted by \$140,968, Andritsch said.

However, the hospital only saw a return of 32.9 percent, he said.

"We continue to struggle with that," Andritsch said.

Total operating expenses were 5.7 percent favorable to budget, he said. Andritsch said total revenue is down \$2.7 million while operating expenses are down \$2.9 million compared to last year.

"The staff here should really be commended (for the decrease in operating expenses)," he said.

Total cash on hand was up 11 days from last year, and accounts receivable days outstanding are 49.6, “which, when you compare that to the industry average, is really outstanding,” Andritsch said.

Board of trustees president Kevin Sump referred to the FSSA’s recent decision and MHMC’s revenue return of 32.9 percent.

“And they think there’s fat,” he said. “That’s a scary thought.”

Newly-elected board secretary Rick Hendrickson commended the hospital on its financial efforts during the economic slowdown.

“It’s a better report than I would have expected,” he said.

Laux also discussed the hospital’s annual Christmas party and said MHMC will be cutting costs on that event as well. He said the party can often carry a \$18,000 price tag.

In other business, board members:

— Appointed John Hirt to The Foundation Board and approved The Foundation’s bylaws.

— Discussed the H1N1 flu. Board members heard that the hospital had not received any additional vaccine from the Morgan County Health Department since October.

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Medicaid: Hospitals cry foul

Tough decisions on services await

By Eric Bradner

Thursday, November 12, 2009

INDIANAPOLIS — Indiana's plan to cut the amount hospitals are paid to care for Medicaid patients could deal a blow to women's and mental health care in Evansville, area hospital officials said Wednesday.

With the program already called a loss leader, new Medicaid reimbursement rates taking effect next year will force hospitals to look to those with private insurance to make up more of the gap between payments and services provided, Southwestern Indiana hospital executives said.

"My reaction — is shock a strong enough word?" said Christina Ryan, chief executive officer for The Women's Hospital, which is under the Deaconess Health System's umbrella.

She said with 38 percent of patients treated at the hospital on Medicaid, the reduction will mean a \$1.2 million cut from next year's bottom line.

"It's going to be very hard to make that up," Ryan said. "We want to continue to provide care to the moms and of course babies, but this comes at the worst possible time. Each time I take care of one of those patients, we lose money. No business can continue to do that."

Ryan said The Women's Hospital will have to look for more clients with private insurance. She said that would be difficult, though, since the hospital already delivers the third-most babies in Indiana.

Medicaid payments account for 8 percent of Deaconess Hospital's gross revenue, said Harry Smith, the hospital's president. He said as it is, Deaconess collects only 18 cents to 20 cents in Medicaid payments per dollar of services provided.

"It just got worse," he said. "It's another hit to services that we can't afford to have hits to."

Indiana's Family and Social Services Administration announced earlier this week that hospitals will see a 5 percent reduction in Medicaid reimbursement rates next year. Other doctors' offices will be spared the cuts.

Smith said emergency room and mental health patients account for many of Deaconess Hospital's Medicaid patients. Elsewhere, he said, services for women and children rely heavily on Medicaid payments.

"We're going to have to make choices. In the long run, we're going to have to assess what the community needs are," Smith said. "It's a blow. I don't know any other way to describe it. We're going to have to make choices."

Meanwhile, at St. Mary's Medical Center, President and Chief Executive Tim Flesch expressed similar concerns. He said Medicaid covers much less than the cost of services provided.

"St. Mary's is concerned these cuts have the potential to affect our ability to properly serve our community. We have made it our mission to provide quality care for the uninsured and underinsured patients in the Evansville region," he said in a statement.

"We hope these cuts are temporary. We also hope to work with the state in the future, to fix the shortfalls of our Medicaid program."

Though budgets are being slashed, Indiana's state-run medical savings account program for low-income adults has opened up 5,000 more slots for people without children.

The federal government has told the state that its Healthy Indiana Plan can enroll no more than 34,000 childless adults. The FSSA closed off the program to those adults earlier this year when it reached capacity. Thousands of people have been on a waiting list.

The FSSA says the additional slots have been created by people dropping out of the program. It creates a medical savings account worth \$1,100 a year, and when medical costs exceed that amount, benefits of at least \$300,000. It also provides some free health services.

n The Associated Press contributed to this report.



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Wednesday, November 11, 2009

Medicaid cuts worry hospitals in area

Staff and WireReports

Wednesday, November 11, 2009

Area hospitals are concerned about the types of services they can offer needy and disabled patients after learning that the state's human services agency will slash Medicaid reimbursements to save money.

Schneck Medical Center has estimated that its reduction in reimbursement will be \$200,000 in 2010 - for treating an ever increasing number of Medicaid patients, said Stephanie Furlow, director of marketing and public relations.

The cuts by Indiana's Family and Social Services Administration will force hospitals to make difficult choices on which services they can provide, said Doug Leonard, president of the Indiana Hospital Association and former chief executive officer of Columbus Regional Hospital.

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Indiana's NewsCenter Fort Wayne, Indiana

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Medicaid Cuts To Hurt Indiana Hospitals

Originally printed at <http://www.indianasnewscenter.com/news/local/70002487.html>

FORT WAYNE, Ind. (Indiana's NewsCenter) - Cutbacks designed to help the Indiana state budget could forcing Hoosier hospitals to make some difficult choices on what services they provide.

\$34 million in cuts ordered by the Indiana family and social services administration include a five percent cut in Medicaid reimbursements to hospitals.

Parkview Hospital administrators say they've been making do with no Medicaid reimbursement hikes since the early 1990's.

Parkview Chief Financial Officer Jeff Francis says, "They also haven't um...earlier this year they had some cuts already announced, so this is on top of some cuts that were announced the beginning of July."

Francis says they will have to find cost savings elsewhere, or ask privately insured customers to pay more to make up the difference.

The state figures to save more than \$10 million through the new round of cost cutting.

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Medicaid cuts hit hard at local hospitals

(<http://www.post-trib.com/news/1881558,medi-cuts-1113,article>)

November 13, 2009

BY MARK TAYLOR, POST-TRIBUNE CORRESPONDENT

Northwest Indiana's acute care hospitals already faced higher numbers of uninsured and unemployed patients, decreased revenues and greater competition from physician entrepreneurs.

Now they face further challenges as Indiana plans to cut Medicaid reimbursements to hospitals.

Indiana Families and Social Services Administration announced Tuesday it would cut the state Medicaid match by 5 percent -- an estimated \$10.6 million -- to Indiana hospitals.

Indiana Medicaid paid the state's hospitals \$524.6 million for inpatient and outpatient care, with the state contributing approximately 25 percent of that total and the federal government the remaining 75 percent. The 5 percent cut would come from the state.

Local health systems said the Medicaid cuts will hurt their ability to deliver care to poor and uninsured patients and those Medicaid recipients.

Loren Chandler, vice president and chief financial officer for two-hospital Methodist Hospitals in Gary and Merrillville, said the financial impact of the cuts will exceed \$1.1 million at Methodist. Chandler said while FSSA said it's only cutting the state portion of what Medicaid pays to hospitals, he believes that hospitals like his also suffer commensurately by not receiving the remaining 75 percent of the federal Medicaid match.

"For us that \$1.1 million is a pretty big number," said Chandler, who pointed out that Methodist Hospital in Gary is a safety net hospital that receives about \$22 million annually for treating Medicaid patients and another \$40.7 million in disproportionate share payments.

Disproportionate share hospital money is paid by Medicaid to hospitals treating a higher percentage than expected of uninsured and indigent patients.

"We're in conversation with FSSA and will continue to work closely with them to make sure those supplemental payments (DSH) continue," he said. "We're looking at Methodist Hospital in Gary in particular to make sure these cuts don't impact us too dramatically. I can't tell yet which services we would project to eliminate, but we will continue to provide the highest quality of care."

Chandler said the weak economy has battered many hospitals. But after years of struggling with sometimes severe financial losses, Methodist stands to turn a profit this year and will likely record an 8 percent operating profit margin and \$2 million net profit.

Gene Diamond, regional president of the northern region of five-hospital Sisters of St. Francis Health Services, said he is still assessing the impact.

"Our reading is it's not an across the board cut and physicians won't be affected," Diamond said. "But safety net hospitals will be hit especially hard. In our system that would be St. Anthony Memorial Hospital in Michigan City and St. Margaret Mercy Healthcare Centers in Hammond will be affected more since they receive disproportionate share hospital (DSH) money."

Diamond said St. Francis will be forced to further reduce expenses.

"It's not clear yet how big of a reduction this will be," he said. "It isn't a drastic cut, but it comes at a time when we can least afford it and are scrambling to make ends meet."

Douglas Leonard, president of the Indiana Hospital Association, said the Medicaid cuts "represent a significant blow to the ability of Indiana's hospitals to serve their communities. Hospitals will be forced to make difficult

decisions about what types of services they can provide."

Leonard said he hopes the cuts will be temporary and pointed out that Medicaid payments to hospitals already amount to less than 50 cents for every dollar of care provided.

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E-edition:
The complete
Kokomo Tribune



Local hospitals facing tough choices

By Ken de la Bastide
Tribune enterprise editor

November 16, 2009 11:33 pm

— Additional cuts in Medicaid reimbursements from the state could have an impact on the type of services that will be provided.

With the continued decline in state revenues, the Indiana Family and Social Services Administration announced last week it was cutting Medicaid reimbursements by 5 percent, which is expected to save the state \$10 million.

"These cuts represent a significant blow to the ability of Indiana's hospitals to serve their communities," Douglas Leonard, president of the Indiana Hospital Association, said in a press release.

Leonard said the association hopes the cuts are temporary and the group wants to work with the state to address long-term inadequacies in Medicaid funding.

"Medicaid payments to hospitals often amount to less than 50 cents for every dollar of care provided," he said. "The gap between the cost of providing care and government payments received continues to widen and is simply unsustainable."

Like the state, Leonard said hospitals are feeling the impact of the economic downturn.

"We are treating more Medicaid and uninsured patients and seeing fewer patients with better-paying commercial health insurance," he said.

James Alender, president of Howard Regional Health System, said there are many unknowns as to what types of programs will be impacted by the reduction in reimbursement.

"We have been trying to get a clarification," he said. "We don't have it."

Alender said the reimbursement reduction only affects hospitals and not physician reimbursement.

"Many physicians don't take Medicaid patients because of the reimbursement," he said. "A concern is if the health reform legislation only reimburses at the Medicaid level, more patients will be forced to use emergency rooms, which is our most expensive form of care."

Alender said Howard is looking at the cost of delivery and the services it can provide.

There has been no increase in Medicaid rates since 1993, and that is worsening the problem for hospitals caring for people without health insurance coverage, he said.

"As a not-for-profit, we are required and we want to provide the health care," Alender said. "It is non-sustainable under the current reimbursement. The math doesn't work."

Kathy Young, president of St. Joseph Hospital, said her facility will have to examine how it can best absorb the decrease in funding. She said the previous level of Medicaid funding often reimbursed only 20 to 30 percent of the cost.

"As a not-for-profit, mission-driven organization, St. Joseph Hospital is in a unique position," she said. "Our primary focus has been and always will be to provide quality health care, regardless of our patients' ability to pay. The cuts in Medicaid reimbursement will not change our commitment to serving those who are most in need."

In this economy, the demand for Medicaid services continues to grow, even as payment for those services is reduced, Young said.

"The math doesn't work, which makes it increasingly difficult to meet the needs of the community," she said. "These changes may force us to take another look at our overall program offerings in order to fulfill our mission and meet the most vital needs of our community."

• Ken de la Bastide is the Kokomo Tribune enterprise editor. He can be reached at 765- 454-8580 or via e-mail at ken.delabastide@kokomotribune.com

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Evening News and Tribune

May 11, 2010

LifeSpring will eliminate 50 jobs

Layoffs related to state cuts, CEO says

By *DAVID A. MANN*
David.Mann@newsandtribune.com

JEFFERSONVILLE — Mental health care provider LifeSpring will cut about 50 jobs in July.

The cuts are due to a significant decrease in projected revenue during the next fiscal year, according to a press release from the Jeffersonville-based organization.

The company has about 315 employees in a six-county area, including Clark and Floyd counties, according to Terry L. Stawar, president and chief executive officer. The cuts are being made to a range of positions and pay grades. Psychiatrists, social workers, case managers and even secretarial and support staff are among those losing jobs.

In response to a new state funding model, the organization also will be modifying several clinical programs, the release said. About 24 residential treatment beds for men and women with co-occurring mental health and substance abuse disorders will be phased out.

Two major changes lead to the reduction in revenue.

For one, Indiana's Division of Mental Health and Addiction has changed the Medicaid Rehabilitation Option program, from which LifeSpring receives about \$6 million in net revenues. The changes will reduce income by up to \$3 million by limiting the number of eligible clients and the number of services the organization can provide, the release said.

Special authorizations now will be needed for additional services. And some services, such as partial hospitalization, will be eliminated. Payment rates from the program are being significantly lowered. And increased staff qualifications are being required in order to bill the program.

"It's very discouraging," said Stawar, noting that up to 1,500 of the organization's about 8,000 clients could lose services as a result of the changes.

Secondly, the state also seized the federal Medicaid Assistance Program — allocated from the American Recovery and Reinvestment Act, commonly called the stimulus bill — which LifeSpring had been receiving, and will use it to balance the state budget by spending it in other areas, Stawar said. This means a reduction of about \$750,000 for LifeSpring this year and more than \$900,000 next year.

Both changes considered, LifeSpring is projecting an up to 25 percent reduction in funding, and these are "permanent cuts," Stawar said.

He said it was a total loss of services, not a situation wherein money was being moved to other programs. He said he understood that the state has many budget problems facing it, but added "we know that this is probably not the population to try and balance the budget on."

The Indiana Council for Community Mental Health Centers fought to delay these changes until alternative funding could be identified, the release said. A call placed to the organization's executive director was not returned by press time.

Stawar said LifeSpring can mitigate some of the loss to its \$20 million annual budget. For instance, it can use more group, rather than individual, therapies, he said. Nonpsychiatrists can be used in more situations and many resources can be saved for the most crucial problems.

LifeSpring provides services to metal health and substance abuse patients in Clark, Floyd, Washington, Scott, Harrison and Jefferson counties. Its main offices have been located on Spring Street in Jeffersonville since 2003.

A phone call placed to the Indiana's Family and Social Services Administration — which oversees the Division of Mental Health and Addiction — was not returned by press time Monday.

BY THE NUMBERS

50

Approximate jobs to be cut at LifeSpring

315

LifeSpring employees in a six-county area

8,000

Approximate number of LifeSpring clients

1,500

Number of clients who could lose services because of cuts

ON THE WEB

- LifeSpring — www.lifespr.com



LifeSpring mental facility to cut jobs

Center's funding down by millions

BY BEN ZION HERSHBERG • BHERSHBERG@COURIER-JOURNAL.COM • MAY 10, 2010

The LifeSpring community mental health center in Southern Indiana plans to cut 50 of its 315 jobs by July 1 because it expects to receive about \$3 million to \$4 million less this year from Medicaid reimbursements and economic stimulus funding than was planned.

The cuts mean the nonprofit agency will see 1,000 to 1,500 fewer patients than the about 8,000 annually it has cared for in recent years, said its president, Terry L. Stawar.

"This is one of the major tragedies that we've had to face," said Stawar.

In addition to seeing fewer patients, Stawar said, LifeSpring is closing three of its residential homes for patients in Floyd and Clark counties, eliminating about two dozen beds. LifeSpring also operates in Jefferson, Washington, Scott and Harrison counties.

The closings will be phased in by the end of September so patients can be placed elsewhere or return home, Stawar said.

Stawar said the projected shortfall is largely the result of changes in the Medicaid Rehabilitation Option program, which provides federally funded reimbursements for mental health care. The program recently has provided about \$6million of LifeSpring's roughly \$20million annual budget.

Because the state and federal governments are tightening eligibility requirements for the program, LifeSpring expects to lose \$2million to \$3million in those reimbursements, Stawar said.

Eligibility will depend on the diagnosis and severity of a patient's illness, Stawar said. For example, he said patients diagnosed with dementia or depression at a low severity may now not be eligible for LifeSpring care, even though they might have been in the past. But those with more severe illnesses like schizophrenia or bipolar disorder should remain eligible.

LifeSpring also had expected about \$750,000 this year and \$900,000 next year in federal stimulus funding based on what it received last year, Stawar said. But that money won't be available because the state is using the stimulus funds for other purposes this year, Stawar said.

Marcus Barlow, a spokesman for the state's Family and Social Services Administration, said the state hadn't promised community mental health programs federal stimulus funding this year, and agencies were warned not to include such funding in their continuing operating budgets.

The tightening of eligibility requirements is to ensure that community mental health patients receive services appropriate for their conditions, Barlow said. He said the move had been discussed for about two years before going into effect now.

In some cases, Barlow said, managers of the federal program believed patients were getting inappropriate care so agencies could receive higher reimbursements.

Stephen McCaffrey, president and CEO of Mental Health America of Indiana (formerly the Mental Health Association of Indiana), said Monday that federal authorities also made the decision to change eligibility for the program so a service qualifies for payment only if the patient is improving.

The state then implemented a new rule to be consistent with the federal changes.

But some officials at community mental health centers became concerned about the impact on their agencies and clients and went to state lawmakers for help.

Sen. Connie Lawson, R-Danville, asked McCaffrey to head a committee to try to resolve issues between the state and community mental health centers regarding the changes.

McCaffrey said the group has been meeting every two weeks and already has been "very successful" in making changes that should help keep some people with mental illnesses eligible. But the biggest help will come when the state applies for a waiver of the federal rules, said McCaffrey.

Meanwhile, he said, state officials "have committed that people who will fall in this gap between the new rules and the start date of the (Medicaid waiver) will be supported."

Stawar said the state can't seek a waiver from the federal rules until the middle of next year. The federal health care reform act also could provide funding for more Medicaid mental health patients, Stawar said, but that money won't be available for about three years.

Kathy Neuner, vice president of inpatient clinical care at Clark Memorial Hospital, said that when psychiatric patients are discharged from Clark Memorial, they generally are referred to LifeSpring for continuing outpatient care. If such care is less available, patients could be readmitted to the hospital more frequently, she said.

The cutbacks also could bring more patients to Clark Memorial's emergency room, she said.

Reporter Lesley Stedman Weidenbener contributed to this story. Reporter Ben Hershberg can be reached at (812) 949-4032.

TheIndyChannel.com

Lawmakers, Agencies Question Deep Budget Cuts

All State Agencies Told To Cut 15 Percent

POSTED: 6:24 pm EDT April 22, 2010

UPDATED: 7:18 pm EDT April 22, 2010

INDIANAPOLIS -- Some lawmakers are challenging Gov. Mitch Daniels on his calls for more budget cuts, while officials at state agencies said they're worried about where they'll trim this time.

In an e-mail sent to state agencies this week, Budget Director Christopher Ruhl said the agencies will be expected to cut 15 percent from its spending for the fiscal year that starts July 1, citing dramatically reduced state tax revenue, 6News' Kara Kenney reported.

State Sen. Vi Simpson, D-Bloomington, on Thursday questioned how the governor can support such widespread cuts when the state does not have a list of cuts already made and how much they've saved.

"The public and their elected representatives have a right to know the amount of cuts made to specific programs and which Hoosier populations are being negatively impacted by those decisions," she said in a statement. "The people of Indiana should have a voice in that discussion."

Since July 1, 2009, 222 state employees have been laid off due to budget cuts.

Officials at some state agencies are now trying to figure out whether they'll have to layoff more people, cut salaries, cut benefits or help fewer people with programs and services.

John Dickerson, an advocate for the developmentally disabled, said budget cuts can mean clients have to share rooms or they get less one-on-one attention.

"We thought it would be 10 percent (cut) again, but it's up to 15 percent, so we have to figure out where the rest will be coming from," he said.

Julia Huffman, chief operating officer for Noble, an agency that helps the developmentally disabled, said they have already made cuts to vocational services.

"These are scary times, but we've tried to remain positive through this," she said.

Indiana Democratic Party Chairman Dan Parker said the governor can find other ways to cut than across the board.

"I think a lot of contracts need to be looked at. A lot of out-of-state contracts," said Parker. "I think the governor needs to keep telling us what state we are in terms of our finances. There's really no analysis of this is how much money is in the bank, and this is how much money we've got."

Meanwhile, Chris Spangle, of the Indiana Libertarian Party said the cuts are necessary.

"You can't raise taxes at a time when Hoosiers are looking for work," he said. "The government is not always the answer."

State revenues are down 9.4 percent from last year, about \$867 million less than the budget forecast.

The governor's office had no comment on the issue on Thursday.

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November 10, 2009

Indiana trims Medicaid payments to hospitals

By Mary Beth Schneider

Hospitals would get 5 percent less money from the state for caring for Medicaid patients under cuts announced today by the state.

Gov. Mitch Daniels last week called for emergency budget cuts as the state's revenue continues to fall short of projections. State tax collections already are a half-billion dollars short of what was collected at this time last year.

To make the cuts, Daniels said state employees would not be getting pay raises, and asked agencies to come up with cuts, including the Family and Social Services Administration which administers Medicaid in Indiana.

Under cuts announced today, FSSA said it would save \$10.6 million in the current fiscal year by cutting Medicaid reimbursement rates to hospitals.

The Indiana Hospital Association said it would comment later today on those cuts. In addition, FSSA said it would save \$13.6 million by not filling vacancies and by combining some county offices. Another \$9.8 million will be saved by putting a moratorium on new clients in the state's Residential Community Assistance Program, which currently has about 1,400 people in the program, and by ending the state's Naturally Occurring Retirement Communities contract, which helps five elderly communities in Indiana in Indianapolis, Linton, South Bend, Gary and Huntington.

Marcus Barlow, a spokesman for FSSA, said the state also is negotiating lower contract rates with vendors. That does not include Affiliated Computer Services and other vendors with whom the state has contracted to provide welfare services, he said, although the state does expect that the shift to a new hybrid system, following the cancellation of the state's contract with IBM, will save money.

In addition to the FSSA cuts, other state agencies are looking at ways to trim costs.

In the Department of Correction, correctional officers will be paid over a two-week period, rather than a one-week period. That will allow the state to calculate overtime pay over 14 days instead of seven, and result in savings of \$5 million annually, DOC Commissioner Ed Buss said in a video presentation to DOC employees.

Under the new system, DOC officers will get OT after working 84 hours in a two-week period.

DOC spokesman Doug Garrison said that there is "no question that this is a pay cut."

But, he said, in the past officers were routinely paid five hours of OT every two weeks for working their normal shift, because of the way the 12-hour shifts fall.

Buss said in the video that this change allows the state to keep those popular 12-hour shifts for correctional officers while avoiding layoffs.

"Tough times call for strong leadership and tough decisions," Buss says in the video.

HEALTHCARE FINANCE **NEWS**

Indiana cuts Medicaid provider payments

November 11, 2009 | Richard Pizzi, Editor

INDIANAPOLIS – The Indiana Family and Social Services Administration announced a \$10.6 million Medicaid provider payment cut Tuesday.

The provider rate adjustment includes a 5 percent Medicaid reimbursement reduction for hospitals.

Indiana FSSA Secretary Anne Murphy blamed the cuts on revenue shortfalls as a result of the recession and increases in Medicaid enrollment.

"The reductions we are announcing today cut spending without cutting vital services," she said. "Our commitment is to the 1.2 million Hoosiers that receive benefits from us, and the cuts announced today will not take away from our clients receiving the benefits to which they are entitled."

FSSA budget cuts include \$13.6 million in internal administrative cuts, which includes not filling employment vacancies, as well as contract reductions of \$9.8 million. The latter reductions include cuts to the Residential Community Assistance Program (RCAP) moratorium for new clients, elimination of the Naturally Occurring Retirement Communities (NORC) contract and lower negotiated rates with vendors.

The Indiana Hospital Association criticized the FSSA action.

"These cuts represent a significant blow to the ability of Indiana's hospitals to serve their communities," said IHA President Douglas Leonard. "Hospitals will be forced to make difficult decisions about what types of services they can provide. We hope that the cuts will be temporary and that we can work with the state in the future to address the long-term inadequacies of our Medicaid program."

www.chicagotribune.com/business/sns-ap-in-indiana-government-layoffs,0,1440008.story

chicagotribune.com

Ind. state government begins layoffs after revenue drop; 33 people out of work

DEANNA MARTIN

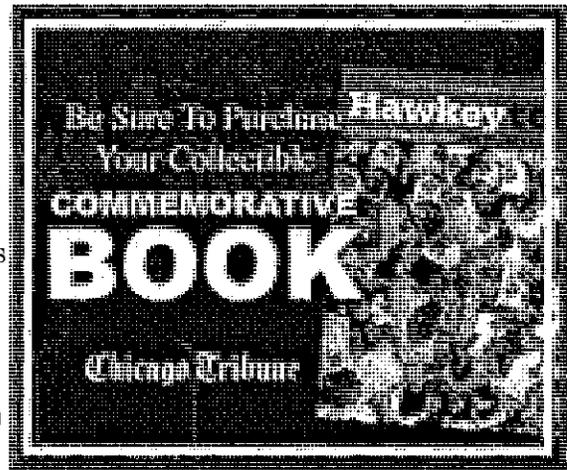
Associated Press Writer

2:12 PM CST, November 13, 2009

INDIANAPOLIS (AP) — Indiana's Department of Administration has laid off 33 workers because of dwindling state revenues, the department's commissioner said Friday.

About 12 of those worked on capital projects that have been put on hold, while others maintained Indiana Government Center facilities or worked with the state's vehicle fleet, said Commissioner Mark Everson. Some of them will work their last day Friday, and others will finish up in the next two weeks.

Everson said the layoffs would save the state \$900,000 during the current fiscal year that ends in June, and \$1.6 million annually.



"This is a regrettable but necessary action given the difficult circumstances facing the state," Everson said.

Gov. Mitch Daniels last week ordered state agencies to cut costs by 10 percent during this fiscal year. Daniels has also offered voluntary unpaid leave to workers and denied them annual pay raises.

State tax collections fell \$309 million below expectations during the first four months of the fiscal year. Daniels, a Republican, said that without cuts the state's surplus — which stood at \$1.3 billion in July — would be wiped out by next August.

He indicated earlier this month that he had hoped to avoid layoffs among the state's 30,000 employees.

Daniels' spokeswoman Jane Jankowski said Friday that she knew of no other layoffs but that more were possible.

"Of course the governor is very hopeful that agencies will do all they can to minimize separations," she said.

David Warrick, the leader of the union that represented state employees before Daniels took office in 2005 and stopped their collective bargaining rights, said he did not recall any state government employee layoffs in the last 30 years and that the state should find other ways to cut costs.

"When times are tough, you need the public services," said Warrick, executive director of the American Federation of State, County and Municipal Employees, Council 62.

Everson said about 17 people have left the Department of Administration since he became commissioner in January and that with the layoffs his department will be down to 209 employees — a loss of about 20 percent of staff.

"We're just slimming down in every way we can to reduce costs," Everson said.

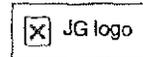
The Department of Administration oversees state purchasing, the state vehicle and aviation fleet, real estate transactions and the Government Center campus in downtown Indianapolis. The department is also hoping to save money by consolidating some government offices and reconsidering leased office space around Indianapolis.

The state's two-year budget enacted in June cut most agency spending by 10 percent from the previous budget, and now agencies must reduce spending by another 10 percent. Daniels has said individual agency heads have the freedom to determine how the cuts are made.

The state's largest agency, the Family and Social Services Administration, said it does not plan to lay off any of its 4,800 workers. It does plan to leave about 400 positions vacant, however, to save money.

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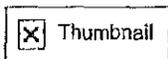
Published: January 3, 2010 3:00 a.m.

Hospitals tighten belts

As Medicaid income drops, health providers seek greater efficiency

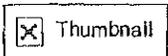
Sherry Slater

The Journal Gazette



Photos by Cathie Rowand | The Journal Gazette

Jodi Stouder, a certified pharmacy technician at Lutheran Hospital, puts drugs onto a cart that will restock a dispensing machine. Lutheran Health Network hopes becoming more efficient can help offset a loss of state Medicaid revenue.



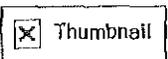
□

Lutheran Health Network's drug-dispensing robot, purchased in 2000, can fill up to 10,000 doses a day.



□

Schatzlein



Cathie Rowand | The Journal Gazette

Brad Armstrong, front, enters data at Parkview Hospital's emergency department. Medicaid provides 14 percent of Parkview Health's income.

At a glance

□ Medicaid is a health insurance program provided by the state and federal governments to men, women and children, based on need.

□The state's program is supervised by the Indiana Family and Social Services Administration and run by each county's Division of Family and Children.

□The state sets limits for how much income and other resources applicants can have and still participate in the program.

□Local offices are responsible for determining eligibility.

□Different Medicaid programs provide different levels of coverage.

FORT WAYNE – Indiana hospitals will receive millions of dollars less this year from the state for treating poor children, pregnant women and people with disabilities.

But without generous year-end bonus packages or other obvious places to cut spending, executives are looking at improving efficiency to trim costs.

State legislators' November decision to reduce Medicaid reimbursements by 5 percent for the next 18 months is one in a series of disappointments that has pushed health care providers to run leaner organizations, they said.

Local hospital executives say Indiana has underpaid Medicaid reimbursements for years, failing to increase the rates since 1993.

Mike Schatzlein, CEO of Lutheran Health Network, said that even before this 5 percent cut, the state was paying only about 20 percent of actual treatment costs.

"We're already essentially donating the care to Medicaid patients, anyway," he said. The 5 percent cut, scheduled to last until June 30, 2011, "hurts, but it's not a back-breaker. We will get over it."

"It's not going to affect our ability to care for those patients or other patients," Schatzlein said.

Marcus Barlow, spokesman for the Indiana Family and Social Services Administration, said the agency had to make cuts because the state has seen its tax income plummet during the deep and enduring recession. Medicaid reimbursements were one of the last places the agency looked to save money, he said.

"A 5 percent cut isn't something we wanted to do, but nobody's becoming insolvent because of this," he said.

Complaining about reimbursement rates is a little "disingenuous," Barlow said, because when the state implemented the Healthy Indiana Plan in 2007, hospitals began receiving relatively generous payments for treating more patients who previously didn't have medical insurance. That change increased hospitals' income, he said.

Jeff Francis, Parkview Health's chief financial officer, said 14 percent of the non-profit organization's total revenue is from Medicaid, including state payments to hospitals and physicians' offices. Parkview Health expected an operating margin of about \$45 million this year – that's the revenue left after expenses are paid, spokesman John Perlich said. He didn't provide total 2009 revenue.

Although 14 percent is a relatively small amount of the organization's income, a 5 percent cut from that wedge of the revenue pie equals "several million dollars," Francis said.

Medicaid reimbursements account for less than 10 percent of Lutheran Health's overall revenue. The network, part of Tennessee-based Community Health Systems Inc., doesn't publicly report separate financial results, spokesman Geoff Thomas said. The percentage varies by individual hospital, Schatzlein said.

The rival health care executives were adamant about what won't be compromised to cut costs: patient care.

"Our whole mission is to make sure we take care of the patient," Francis said.

That means Lutheran Health is "definitely not" looking at higher ratios of patients to nurses. The organization doesn't plan to cut any type of positions. And it won't release patients before they're healthy enough to go home. Some medical advances allow patients to recover faster and be released from the hospital sooner, Francis said.

Acceptable ways to trim costs include renegotiating contracts with some suppliers, something Lutheran Health did after commodity prices fell, and trying to make sure the staff uses appropriate supplies rather than something more expensive, he said.

Administrators are also looking at cutting "work-arounds," including situations where staff members have to click three or four computer screens to reach the one they need. A direct link saves time, Francis said.

"We've had to redouble our efforts (at cost-cutting) because of changes in the economy" that have left more people uninsured and on Medicaid, he said.

More than 49,500 Allen county residents were covered by Medicaid as of December 2007, according to the Family and Social Services Administration. The state's fiscal 2007 Medicaid budget was more than \$5.1 billion, the most recent number available from the Henry J. Kaiser Family Foundation.

The current budget, fiscal 2010, totals \$7.3 billion, with \$4.8 billion coming from the federal government and \$2.5 billion from the state, Barlow said.

The Lutheran Health staff takes time to help the uninsured apply for Medicaid. The organization's staff treats such patients – even though they don't know whether the person will be approved and, thus, don't know whether they will be paid for the service.

Schatzlein, the CEO, said getting paid is "not the point" of helping people fill out the paperwork, so he doesn't worry about adequate return on the staff time invested. He's looking to cut other fat from everyday routines.

If you can improve a process while keeping customers and employees happy and cutting costs, "that is free money," he said.

Schatzlein steals from lean manufacturing's playbook. If you reduce the variation, you control quality and cut costs, he said. He's convinced it can also be done successfully in a service industry that deals with people who have many different needs.

For example: organizing an operating room and preparing a patient for surgery. Although surgeries vary, parts of the process can be standardized, which saves time, improves safety and allows caregivers to focus on specific needs of each patient.

“That increases reliability and safety and also reduces waste and excessive cost,” he said.

Lutheran Health’s pharmacy robot is a good example, he said. Bar-coded medicines are stored, dispensed and checked by the robot, increasing safety and letting nurses interact more personally with patients. The robot, bought for \$800,000 in 2000, operates 24 hours a day and can fill up to 10,000 doses a day.

Another opportunity for efficiency lies in getting patients ready for surgery, Schatzlein said. The organization studies all the steps a nurse must take to retrieve supplies and paperwork. It does something called a “spaghetti diagram” by placing chalk or ink on the bottom of a nurse’s shoes and then studying the pattern created.

By rearranging supplies and procedures, administrators can reduce the number of steps taken by up to 90 percent, he said.

“Processes are a holy grail thing for me,” he said.

Fifteen years of successive growth – as measured in admissions – has also allowed Lutheran Health to absorb some cost increases and revenue decreases, he said.

Lutheran Health Network admitted 43,366 patients to its eight hospitals in 2008. During the same period, Parkview Health reported 31,466 admissions.

Francis, Parkview Health’s CFO, said his employer is a member of the Indiana Hospital Association, a lobbying group that has been asking state officials to increase Medicaid reimbursement rates. The hospitals have been underpaid since long before the recession hit, he said.

When asked whether the state has been balancing its budget on the backs of hospitals, Francis said: “It definitely seems like that.”

But the health care executive knows he won’t get much sympathy from others in this economic environment.

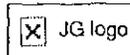
“It’s a challenge all the time” to cut costs, Francis said. “But that’s no different than most other companies.”

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Source: Indiana Legal Services Inc.

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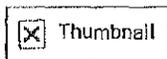
Published: November 11, 2009 3:00 a.m.

Hospitals feel state's budget pain

Agency cutting Medicaid reimbursement, senior aid

Niki Kelly

The Journal Gazette



File photo

INDIANAPOLIS – Hospitals in Indiana will see a 5-percent cut in Medicaid reimbursement rates next year and programs meant to help the elderly stay in their homes will be curtailed as part of \$34 million in spending reductions announced Tuesday.

The Indiana Family and Social Services Administration will cut \$13.6 million, including not filling vacancies and consolidating Division of Disability and Rehabilitative Services offices.

The hospital Medicaid change will save \$10.6 million, and an additional \$9.8 million will come from scaling back several initiatives and negotiating lower rates with vendors.

"The reductions we are announcing today cut spending without cutting vital services," Secretary Anne Murphy said. "Our commitment is to the 1.2 million Hoosiers that receive benefits from us, and the cuts announced today will not take away from our clients receiving the benefits to which they are entitled."

The cuts were made in response to repeated shortfalls in state tax collections.

The Indiana Hospital Association released a statement saying that Medicaid payments often amount to less than 50 cents for every dollar of care provided and that the growing gap is unsustainable.

"These cuts represent a significant blow to the ability of Indiana's hospitals to serve their communities. Hospitals will be forced to make difficult decisions about what types of services they can provide," said Douglas Leonard, president of the association.

"We understand that the economic downturn has contributed to dramatic revenue shortfalls for our state government and that tough fiscal decisions must be made. Like the state, hospitals are also hurting – we are treating more Medicaid and uninsured patients and seeing fewer patients with better-paying commercial health insurance."

Mike Schatzlein, CEO of Lutheran Health Network, said he has been following the issue closely because St. Joseph Hospital has a disproportionate number of Medicaid patients and expected a cut.

"The state does have a significant budgetary issue, ... and from their perspective, the money isn't there," he said. "We will have to tighten our belts, but we are not going to deny anybody care."

Schatzlein said the larger issue of concern to him is the difficulty in getting patients approved for Medicaid in the first place under the troubled privatization system that Gov. Mitch Daniels canceled effective in December.

"We need to fix this eligibility thing," he said. "All I know is the patients can't get qualified and we can't get paid for those services, so that is a bigger concern for me."

In another area, FSSA decided to end the Naturally Occurring Retirement Communities pilot program. In five areas with high concentrations of senior citizens – including Huntington – the program paid for projects meant to make it easier for the elderly to stay in their homes, including home repairs.

Holly Saunders, executive director of the Huntington County Council on Aging, said she found out several weeks ago that the state was discontinuing the program. She agreed with the move but disliked that the state had approved funding and then rescinded it a week later.

"We're in a recession, and it's unfortunate, but hard decisions have to be made," she said.

FSSA also will cap the Residential Community Assistance Program – another effort aimed at helping senior citizens stay in their homes by providing room and board assistance.

Marcus Barlow, spokesman for the agency, said 1,400 Hoosiers accept help from this state-funded program and will continue to receive services, but no new clients will be accepted.

Steve Smith, president of the Indiana Health Care Association, said he expects more cuts to come, including possibly to funding for nursing homes.

"We dodged a bullet, but I am in no way confident that we will continue to dodge it," he said.

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Hospitals cope with state Medicaid payment cut

BY ANNIE GOELLER

Staff writer

Feb. 11, 2010

A state cut that will reduce government funding to hospitals won't result in massive budget shortfalls, but the impact will be another blow to an industry hit hard by the recession, officials said.

Local hospitals are expected to lose from \$200,000 to as much as \$5 million because the state cut the Medicaid reimbursement rate.

Just as insurance companies will pay hospitals only pre-set amounts for medical procedures and tests, state government pays a certain amount for more than 975,000 Hoosiers who are on Medicaid. Now, that amount is going down as medical costs rise and more patients are unable to pay their bills.

The cut, which started at the beginning of the year, reduces the state's Medicaid reimbursement rate by 5 percent, a decision made due to the state's budget shortfall, said Marcus Barlow, Family and Social Services Administration spokesman.

The actual impact of the 5 percent reimbursement reduction is a fraction of hospital's budgets, officials said.

But the rate already was less than the cost of caring for those patients, typically covering between 50 and 70 percent of medical costs, hospital chief financial officers said.

Plus, hospitals are seeing more patients who can't pay because of job losses, reduced wages or a lack of insurance coverage.

When patients aren't able to pay, the hospital either picks up the cost of more medical bills, works harder to collect from patients or seeks more reimbursement from the government for patient care.

Now, hospitals will need to prepare to get even less money and continue to find ways to cover the costs of that care.

For patients who are on Medicaid, about 15,000 people in Johnson County, the rate cut will not require them to pay any more, Barlow said. Depending on what program Hoosiers are on, they may pay certain premiums or costs, but the reimbursement cut will not impact those amounts, he said.

Hospitals will continue to provide care for all patients, regardless of their ability to pay, even with the cut, officials said.

"Our mission is sound and secure. We are very focused on providing services to our community," said Jay Brehm, St. Francis Hospital and Health Centers chief financial officer.

The state announced the rate reduction in November, which gave hospitals some time to plan for the loss

in revenue this year.

Both the state and the federal government pay Medicaid reimbursements. The cut is 5 percent from how much the state reimburses hospitals for procedures and tests, Barlow said.

Hospitals were picked for the reduction because they are able to get supplements, which can reimburse up to 75 percent of medical costs, that private doctors are not able to get, he said.

But making more cuts is difficult, especially after hospitals looked at any way possible to reduce expenses in the past year when their revenues fell due to the economy, said Tom Fischer, chief financial officer for Community Health Network.

"The health care industry in general is under a lot of pressure to cut costs. Because of payers like Medicaid, who don't pay the full costs, we have to cut costs any way we can," Fischer said.

And some hospitals, such as Community Hospital South, don't get the supplements that provide additional reimbursement, Fischer said.

Hospital officials said they could not remember a time in the past five years when the state cut the Medicaid reimbursement rate, but increases were minor, if anything, during that time. And costs have continued to rise.

The reimbursement cut will affect their ability to undertake new projects and could require them to look for more ways to cut their budgets.

The reduction comes at a time when hospitals already are struggling due to the economy.

Fewer patients are able to pay their bills. Hospitals are covering more of the costs of patients' procedures. And more patients need government assistance, including Medicaid.

At Johnson Memorial Hospital in Franklin, the number of patients on Medicaid has grown to nearly 10 percent in 2009, up from between 6 and 7 percent five years ago, chief financial officer Liz Hedden said.

At the same time, the hospital is covering more of patients' bills through its charity care program. In 2009, the hospital covered \$4.9 million of those bills, nearly twice as much as the total in 2008, or \$2.6 million, she said.

To pay for those increased costs, hospital officials looked at ways to cut their budgets, from buying supplies in bulk with other hospitals to not replacing staff when they leave.

The hospital can't cut any more people, Hedden said.

"We're as tight as we can possibly be. You get to the point where you can't cut anymore," she said.

Laying off employees has been something all hospitals have tried to avoid, Fischer said.

Doing that would cause more harm to the local community, since more residents would be out of work, he said.

But hospitals will have to look at ways to reduce spending and bring in more revenue, officials said.

At St. Francis Hospital, which has facilities on the southside, Beech Grove and in Mooresville, the Medicaid reimbursement cut equals about \$1 million, Brehm said.

With operating expenses at about \$650 million per year, the cut won't impact day-to-day operations, but it's still significant, he said.

January 16, 2010

Holding out hope

Families, staff say a funding gap will close an adult daycare center -- unless a miracle occurs.

By *ROBIN GIBSON*

MUNCIE -- Staff and clients of Active Day adult day care still spend each weekday playing with beach balls, having lunch and enjoying the company of a group so close it's become like a family.

At the same time, they're hoping for a miracle that would keep their facility open and their "family" together.

Company officials announced this month the medical adult day care facility would close by March 15 because of too few clients and a six-month freeze on state funding for new clients.

Upset by the prospect of losing the center that gives senior citizens and other adults with chronic physical or cognitive impairments a safe place to go for care and socialization -- as well as providing their caregivers with support -- families and staff from the Yorktown Active Day plan to meet at 5 p.m. Tuesday, at the center to try to find a way to keep it open. Many have also been calling the company and government officials to advocate for the center, but Active Day CEO Peter Harris said this week the company isn't likely to reverse its decision, despite the calls he's received.

"It's a great center," he said in a phone interview. "We have a good staff there, we have a great director and the people there have really become a family. ... (It's) a sad situation that we have to close."

Paulette Farver agrees with him on that, at least. Her son, David, 28, has muscular dystrophy, and attending Active Day has been "just a godsend for him."

The center keeps him busy with fun activities that serve as physical therapy as well as a chance to socialize, but staffers also watch out for how he's feeling and make sure he gets a rest if he needs it during the day. If Active Day closes, she said, David Farver might have no option but to stay at home with a home health aide to make sure he's safe, and nothing to do but watch television.

David only began attending Active Day in January; Paulette Farver notes she was unaware her son could attend the facility before then, even though it opened in mid-2008 and she works next door. Better advertising would surely attract more clients, she said: "I know, I KNOW there's a need."

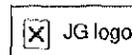
That kind of need is exactly what the company identified locally before opening in Yorktown. Day care and home care services allow people to stay out of nursing homes and cost far less, Harris noted. Despite Delaware County being a smaller community than Active Day would normally choose, officials believed the site would work, but the company has lost money waiting for the client base to grow to a viable level.

The Yorktown center has 26 clients now, but could take up to 50, according to director Vicki Maynard.

Despite the financial loss so far, the company had a plan at the end of 2009 to try keeping the center open through 2010 in hopes it would reach the break-even point, but the state's announcement this month of a moratorium on Medicaid waivers for new clients until July convinced Active Day officials that lessened the chances of attracting clients for the first half of the year. About 68 percent of the current clientele uses state funds to cover the cost, which is \$12 a hour.

The bitter irony is the loss of the medical day care option could mean some families have no options left but to send their loved ones to nursing homes, which would cost the state far more, Harris said. In other cases, being isolated at home will reduce quality of life and life span for clients, as well as being tougher on their caregivers.

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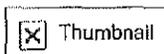
Published: February 21, 2010 3:00 a.m.

Health officials debate cuts, fees

County agency faces \$350,000 shortfall; lab closed

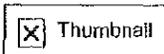
Amanda Iacone

The Journal Gazette



Laura J. Gardner | The Journal Gazette

Burmese father Lang Mang fills out paperwork while his wife, Kam Cing, and children, Rebecca Dim, 7 months, and Jedidiah Thang, 3, wait at the Fort Wayne-Allen County Department of Health.



Laura J. Gardner | The Journal Gazette

Rosemary Ramirez, 17, a senior at Carroll High School, gets vaccines from immunization coordinator Candy Staadt at the county health department.

By the numbers

2,818

Children seen

for immunizations

11,205

Doses given

863

Refugees screened

6,370

Total STD clinic visits

27,739

Lab tests

Source: 2008 Fort Wayne-Allen County Department of Health annual report

The recession and property tax cuts have found their latest victim – the Fort Wayne-Allen County Department of Health, prompting the department to debate charging fees for some medical services.

Health officials faced cutting \$350,000 to balance the department's 2010 budget. But the Allen County Council supplemented the budget this year to cover escalating costs and circuit-breaker effects that limit property tax money, which the department heavily relies on.

Since the budget was adopted last fall, the department has lost grant money, forcing a reduction in staff and pay. Another job could be cut this year if another grant is lost.

Next year, new property tax caps will further reduce the department's budget.

To cope with the losses, the department is considering charging fees for some medical services as it continues to try to get Medicaid reimbursement, which it currently doesn't receive. At least one elected county official believes immunizations should be the next service cut.

But officials worry that fees could prevent residents from receiving needed services like immunizations or tests for sexually transmitted diseases.

When such testing or immunizations drop, the entire community is at greater risk for disease, health officials said.

Fewer grants

This year the department is working with a \$3.7 million budget and will receive about \$2.6 million in property taxes.

Tax caps will reduce property tax collections by an estimated \$195,000. But increases for employee health insurance and retirement benefits and utilities for a new clinical building further hurt this year's budget for a combined hit of \$350,000.

To cover the shortfall, department administrator Mindy Waldron said, the department closed its laboratory, which analyzed samples for the sexually transmitted diseases clinic and tested water for pollutants and contamination, and eliminated one position.

Because of the recession's effect on revenue, the County Council provided \$400,000 to the department this year. The health department receives no income taxes, leaving its budget more vulnerable to property tax caps, Deputy Auditor Tera Klutz said.

Waldron considers the extra funding from the council a one-time boost.

"All of those budgets are seeing cuts and impacts due to some of the property tax changes. Every one of those departments and issues are of equal importance. Our hope is to gain supplemental funding," Waldron said of other county departments and offices.

This year, the department has nine grants supporting the wages of 12 employees. But a loss of some grants has forced the department to lay off three full-time employees since 2008. Several other employees saw their pay shrink, she said.

The county lost more than \$100,000 in federal HIV-prevention grants that were funneled through the state, Waldron said, and more cuts are expected this year.

That funding allows the health department to serve an 11-county area with preventive-education campaigns and outreach. The financial hit means the department will focus on counseling and education efforts to patients, not to the general public, she said.

Of more than 6,000 patient visits seeking STD testing last year, about 2,300 required follow-up treatment, counseling and education sessions. The majority of patients are from Allen County, Waldron said.

Without the lab, patient samples are sent to an outsourced lab, which delays treating patients, she said.

According to Melissa Dexter, spokeswoman for the state health department, federal HIV-prevention funds, for the first time, were distributed through competitive bidding, altering how money from the U.S. Centers for Disease Control and Prevention was disbursed.

But federal spending hasn't increased to keep up with inflation. The result is the same amount of dollars pays for less, said Donna Brown, government affairs counsel with the National Association of County and City Health Officials.

Reductions in revenue at the local, state and federal levels are affecting health departments large and small nationwide, Brown said.

During the first half of 2009, about 8,000 public health employees were laid off, and 12,000 more took unpaid furloughs, according to a national survey compiled by Brown's association.

In Indiana, the number of public health employees shrank an estimated 18 percent, the survey said.

Running health departments with fewer workers also reduces the ability to respond to public health emergencies, like last fall's H1N1 vaccination campaign, Brown said.

Fighting demand

Although running daily H1N1 vaccination clinics and sending teams into minority communities was an expensive effort, it was well-funded, Waldron said.

As of January, the county health department had spent \$400,000 to respond to the H1N1 outbreak. But the state has reimbursed the county for all of those expenses, including hiring extra staff, Waldron said.

But screening and treating the influx of Burmese refugees during the past two years was a cost to county taxpayers.

In 2007 and 2008, the county screened almost 1,500 refugees for a variety of health conditions including tuberculosis and HIV. And refugees continue to make Fort Wayne their home.

"They have a lot of health issues that we must continuously treat. We need to seek funding for that," Waldron said. "That's just another additional factor why we may need to charge a fee."

The expense of treating the refugees also spurred the department to seek Medicaid reimbursement, she said.

When the federal government resettles refugees in Fort Wayne, the refugees receive Medicaid coverage. And the health department would like to bill the state's program to recoup the costs of treating refugees, instead of charging local taxpayers, Waldron said.

Few health departments in Indiana are Medicaid providers, Waldron said, and the process is complicated.

Meeting mandates

Local officials are worried that the fees will keep some residents from seeking care.

The county wants to be able to provide services mandated by statute, such as controlling the spread of tuberculosis, but the department needs money to pay for them, Waldron said.

In Allen County, most doctors' offices have stopped providing childhood vaccines. It's easier to send them to the county or to Super Shot, Waldron said.

Super Shot is an independent, privately funded, non-governmental organization that provides free vaccines to children.

Although the county is not required by state statute to provide immunizations, it's an important preventive tool. Super Shot and doctors' offices could not handle the demand alone, Waldron said.

But County Councilman Paul Moss, R-at large, believes the county shouldn't provide immunizations because Super Shot can handle the work.

Eliminating the service is one area the county could cut to shave expenses, he said.

Moss said charging fees for services is an appropriate step, and he doesn't believe additional property taxes should go to the department.

But Councilwoman Maye Johnson, D-1st, disagrees. She said health and other social issues should be a priority and should be treated equally with economic development concerns.

She is worried that the county would charge people who are already strapped financially.

"We have to find additional funding," she said. "That's a priority."

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FSSA Slashing Budget

By Eric Berman
11/10/2009

The Family and Social Services Administration is slashing \$34 million in costs, with more cuts to come.

FSSA needs cash to cope with a 24% surge in enrollment, driven in part by the recession.

The agency will slash Medicaid reimbursements to hospitals, renegotiate contracts, freeze hiring and combine some of its offices around the state.

The moves do not address the 10-percent cuts Governor Daniels ordered at all agencies to deal with a shortfall in the overall budget. FSSA will need to find another \$413 million in savings to meet that target.

Spokesman Marcus Barlow says the agency is reviewing which programs are federally required and therefore off limits, and which of the rest could be canceled or frozen.

He says the agency hopes to announce the cuts by New Year's.

Hospital CEO: Fix reimbursement issue

Commercial insurers face growing share of burden when Medicare/Medicaid pays less

BY DALE MCCONNAUGHAY • STAFF WRITER • FEBRUARY 21, 2010

Reid Hospital president and CEO Craig Kinyon told a breakfast gathering last week that the widening gap between what hospitals charge and what Medicare/Medicaid reimburse "is not a Democratic or Republican problem" but should bring "marches on Washington" for the cost shifting it has meant to those with private insurance.

Calling Medicare/Medicaid programs the "800-pound gorilla" in the room, Kinyon said that those whose insurance pays their health care bill are "already paying on other people's health care" because of the federal and state medical reimbursement programs lagging behind in what they reimburse.

Kinyon was Thursday's speaker at a breakfast meeting presentation of "Bright Futures Together, Economic Development in the Whitewater Valley and Beyond" sponsored by Earlham College, the Wayne County Area Chamber of Commerce and the Economic Development Corporation of Wayne County. The specific topic of the top Reid administrator's talk was "Health Care Issues: Their Impact on Economic Development in Richmond and the Whitewater Valley."

Kinyon told his audience of more than 100 people that the federal Medicare program pays about 39 cents on the dollar of health care charges while the state's Medicaid program pays 21 cents on the dollar of health care costs charged.

By contrast, he said, commercial insurers pay on average of 91 cents on the dollar of health care billings, and are facing a growing share of the burden as a result of Medicare and Medicaid's reimbursement levels.

"Nothing in health care reform addresses that problem," said Kinyon, whose tone was generally hostile to the current congressional efforts to reform health care.

Reid Hospital raised its rates by 6.6 percent this year, and Kinyon in announcing that hike late last year cited the Medicaid/Medicare reimbursement shortfall that he estimated would reach \$218 million to the hospital this year.

"The more people we can get in the community who are insured, the more we can spread that burden (of costs) out," Kinyon said. Among other consequences of that lack of reimbursement Kinyon outlined to his audience last week is a reduction in people going into the practice of medicine.

Among other consequences of that lack of reimbursement Kinyon outlined to his audience last week is a reduction in people going into the practice of medicine.

Among his added points:

- Reid spent \$400,000 last year on physician recruitment efforts and is currently working to recruit 36 new physicians to the hospital.
- Reid's hospitalist program in which physicians are employed directly by the hospital came about because of changes sought by the medical community. "Reid didn't steal your doctor," Kinyon said, reading from a Power Point presentation on the screen. He was answering a criticism Reid has heard from patients of physicians now employed directly by the hospital under the new program.

- The new Reid Hospital consists of three separate buildings, two of which -- the medical office building and the outpatient care building -- are on the local property tax rolls.
- Emergency room visits grew to 55,000 last year, an increase the Reid executive attributes to high unemployment and lack of insurance.
- Among Reid's high rankings for its heart care and surgical units, it ranks among the top 25 most wired among hospitals in small and rural markets for five of the past six years.

"The technology here is all state-of-the-art," he said.

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Families reel as state cuts respite funding

(<http://www.post-trib.com/news/2068926,respite-cuts-225.article>)

February 25, 2010

BY CHELSEA SCHNEIDER KIRK, (219) 648-3072

Every Wednesday, 10-year-old Bobby Long expects to see his state-provided caregiver at his door to drive him to a weekly therapy session.

The two would then come home and work on Bobby's homework or talk about ways he can overcome behavioral issues caused by his Asperger's syndrome.

But a memo dated Feb. 15 by Indiana's Division of Disability and Rehabilitative Services cut those hours short for Bobby and other families who relied on Caregiver Support services, or respite care.

Respite care providers were told funding was no longer available for the program, and because of the shortfall, the state would not refund them for their work through the end of June.

The service funded completely by state dollars provided relief to those who care for people with developmental disabilities.

Families could use the service in myriad ways from scheduling a baby sitter, so a parent could go to the grocery store or clean house, to Bobby's case, a weekly drive to a therapy session.

"We added (the program) in 2007 with the understanding that since it's funded with 100 percent of state dollars it would only be something we could do as long as funds were available," said Marcus Barlow, a spokesman for the Indiana Family and Social Services Administration. "This is something that would have happened anyway even despite the state's budget situation."

The news left Bobby's mother, Kathleen Long of Hobart, reeling.

A condition of the program was that the person didn't receive any other services.

The 12 hours a month Bobby qualified for respite care was one of the biggest helps she received for her son.

Last week, Bobby missed his therapy session, and he's bummed his caregiver will no longer be there.

"He was a little upset about it," Long said. "Changes in his routine are very hard ... I work shift work, and when I'm on 3 to 11, there's no way of him getting anywhere. That's what I relied on those hours for."

Parents with similar concerns have called Lisa Fox, the president of the Northwest Indiana Chapter of the National Autism Association. The abruptness of the announcement upsets the parents Fox has spoken with.

"It's not like when you have kids with autism you can put an ad in the paper and hire some Joe Schmo off the street or a college kid looking for a few extra bucks," Fox said.

"People who help with kids with autism need to have some training. Some of these caregivers have been with families for years, and then 'boom' they're gone out of their lives totally."

For now, parents are holding onto the hope that the program's funding will be restored in July.

If funds are available, services will be offered on a first-come first-serve basis, according to the memo.

Parents also are banding together through Facebook and a listserv, Indiana Biomedical Kids, to arrange kid-watching swaps in an attempt to help those affected by the state's announcement.

Most states provide some sort of respite care to help families with autistic children, said Lisa Goring, director of family services for Autism Speaks.

But Goring also has heard of family services being cut across the nation in the tough economic climate.

For Maria Janik of Griffith, those cuts are her reality. Janik just received a care giver for her two severely autistic boys, ages 6 and 8.

She worked to train the provider in the differences in her children's diets and how to understand the needs of her nonverbal son.

Janik's children are on a waiting list for an autism waiver through the state.

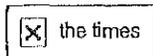
She's been told wait time could be anywhere from 15 to 20 years before they qualify for services.

Her children, who are both low functioning, liked the care giver and have mentioned her name. Janik has found it hard to explain that she no longer can come.

"Just as I had the girl trained with the children and scheduled hours, I got a call on Monday that effective today all services are gone," Janik said.

"We're all devastated. We all relied on that care for many different reasons. For some people, it's the only care they have for their children."

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Safer glasses no longer covered by state plan

Eye doc says Medicaid cut will hurt kids

By Bob Kasarda - bob.kasarda@nwi.com, (219) 548-4345 | Posted: Wednesday, January 20, 2010 12:00 am

Lake County optometrist Alex Kouklakis said he cannot believe the state Medicaid program has agreed to begin covering a drug to combat drinking while cutting a benefit that provided safer glasses for low-income users.

The lost benefit, which had only been in effect for two weeks this year before being pulled, covered polycarbonate lenses for Medicaid recipients 19 years old and younger, said Kouklakis, who operates Vision Quest Eye Clinics in Merrillville; Hammond, East Chicago and Gary.

Polycarbonate is the same material used in bullet-proof glass and is the standard of care for young people because of the added protection it provides, he said.

According to a release, Medicaid began providing coverage Jan. 1, Kouklakis said. The coverage was then brought to an abrupt end Friday.

"Shame on them," he said.

A spokesman for the Indiana Family & Social Services Administration contacted Tuesday did not respond by deadline with an explanation of the change. But a memo posted online says the coverage was terminated as a result of unexplained economic conditions.

The memo says claims for polycarbonate lenses distributed between Jan. 1 and Friday will be covered.

Kouklakis said the polycarbonate lenses do cost more. His clinics charge an additional \$65.

It is his understanding, however, that Medicare and Medicaid recipients are supposed to receive equal or better levels of care than those privately insured. Kouklakis said one of the leading providers of private eye insurance coverage calls for the use of these lenses with young people.

The Times reported earlier this week that Medicaid began providing coverage this year to all recipients for the drug Vivitrol, which is designed to block the pleasant effects of consuming alcohol.

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The Truth - Front Page

Elkhart, Goshen hospitals prepare for Medicaid repay cut

Published: Friday, November 13, 2009 -- The Truth, A

Last updated: 11/12/2009 11:52:00 PM

By Emily Monacelli

Reporter

The county's community hospitals will have to tighten their belts for 2010 as they face approximately \$900,000 in state funding cuts.

The Family and Social Services administration announced Tuesday it will cut \$10 million from its 2010 statewide budget by reimbursing hospitals less to care for Medicaid patients, the Associated Press reported this week.

That equates to cutting about 5 percent from each Indiana hospital. At Elkhart General Hospital, that means \$600,000, said Kevin Higdon, vice president of finance. At Goshen Health Systems, that means \$300,000 less, said Amy Floria, chief financial officer.

"It's not a high paying program to begin with, so when it gets cut even more it tightens an already tight wallet," Floria said.

Medicaid patients make up about 8 percent of patients at both Elkhart County hospitals. Goshen is reimbursed about 18 cents on the dollar from their charges and Elkhart gets paid about 20 cents on the dollar.

In total, the administration will cut \$34 million -- \$10.6 million will come from giving hospitals less money for Medicaid patients; \$13.6 million will come internally by not filling vacant jobs in the administration and \$9.8 million will come by eliminating and capping some programs and negotiating lower rates with vendors.

Gov. Mitch Daniels announced the cuts last week after the state's tax collections fell \$309 million short for the first four months of the fiscal year.

Both Floria and Higdon said they don't foresee cuts in patient services or staffing because of the funding shortage, but rather the hospitals will probably have to hold off on purchasing new equipment.

Floria said she doesn't think the cuts will affect any new services rolling out in 2010.

Higdon said EGH typically spends \$20 million a year in purchasing new technology, but sliced that in half in 2009 because of the state of the economy.

"I don't foresee any cuts in any services or anything else just because of this," Higdon said. "It will make it tougher to generate profitability. In light of the economy and everything else, our profitability will be smaller anyway."

Story Link: <http://www.etruth.com/Know/News/Story.aspx?id=498194>

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Disabled Cutbacks Threaten Services For Thousands

FSSA Says Time Limits Necessary To Avoid Penalties

POSTED: 4:22 pm EDT April 8, 2010

UPDATED: 5:49 pm EDT April 8, 2010

INDIANAPOLIS -- Indiana is considering cutting back on services for the developmentally disabled, a move that could save the state a lot of money at a time when it's in dire need, but officials say it isn't tied to budget woes.

Providers, along with some lawmakers, are trying to stop the cuts, but state officials contend that changes are necessary because of federal regulations, 6News' Kara Kenney reported.

Beginning on Oct. 1, the Family and Social Services Administration will impose limits for services -- 18 months for Supported Employment Follow Along, or SEFA, and 12 months for pre-vocational services, which help people prepare for the working world.

The decision is disappointing for Mark Hannon and advocates such as the Arc of Indiana.

Hannon, one of 17,000 developmentally disabled Hoosiers receiving services from the state, has been receiving services for 30 years. He lives on his own, works at Home Depot and is an active part of society.

"Sometimes I talk to customers. Sometimes I get carts," Hannon said. "I just keep myself busy."

Mark's brother, Paul, said support services help boost self-esteem, along with basic skills, such as navigating the bus system.

"As a society, we owe it to help the less fortunate," Paul Hannon said.

John Dickerson, executive director of Arc of Indiana, said people in need shouldn't be forgotten.

"We think there are other ways to accomplish the savings without putting programs at risk and having an arbitrary time limit," he said.

Dickerson said the state could save millions by having clients live with a roommate.

"We have 1,000 that live independently. If they just had one roommate, we'd save \$25 million," he said.

FSSA spokesman Marcus Barlow said that because the bulk of services are tied to Medicaid, the state must follow federal guidelines.

"This is not a budget issue. This is something we have to do in order to avoid penalties later," he said. "We've had instances where people have been on this program for 10 to 20 years. We need to put an end to that, because that's not what the program was intended to do."

Barlow said that the program was not designed to be a long-term solution and that if the federal government were to audit, the state could end up losing millions of dollars in penalty fees.

FSSA said it will work with the developmentally disabled to help get people jobs that they can keep.

More than two dozen lawmakers wrote to FSSA asking that time limitations be reconsidered.

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Indiana Daily Student - IDSnews.com



Developmental disability services in Indiana face budget cuts

By Katie Koselke | IDS | May 19, 2010

Services for people with developmental disabilities across the state of Indiana will soon be affected by budget cuts.

Three local agencies serving people with developmental disabilities, Options, Stone Belt and Christole, Inc., have announced that steep budget cuts are affecting about 905 staff members and 2,500 consumers in Monroe County, said Susan Rinne, chief executive officer and executive director of Options.

These changes go into effect June 1, 45 days after the Family and Social Services Administration first notified these agencies. This is the minimum amount of time they are required by law to give forewarning.

"It's pretty much going to touch everybody, because it touched every service we provide," Rinne said.

All in all, these rate changes add up to a \$40 million decrease in services statewide and a \$1.3 million gap in Monroe County alone.

Leslie Green, the chief executive officer of Stone Belt, said this will lead to a \$700,000 budget decrease for Stone Belt. The organization is a major employer in Monroe County, with about 500 workers.

For now, the cuts are primarily affecting the organization's infrastructure and staff base. No services have been eliminated outright, but the services offered will be scaled back and costs will be minimized. But if budget cuts continue, consumers will directly feel its effects.

"We haven't had to cut any services yet, but continued cuts would lead to a cut in services," Green said. "There isn't any more room for cost-changing structures outside of program cuts. The services we are providing aren't as enriched as they have been. They are much more streamlined."

In an effort to mitigate the effects of these rate cuts, Options and Stone Belt have worked to handle the budget decrease internally. A few of the staff members have been laid off, and many more have seen salary decreases.

"It meant that we've had to look at how we can trim back everything," Rinne said.

Options expects a \$500,000 budget decrease, Rinne said, which means the organization is going to be operating on the same budget it had about five years ago.

"We can't do some of the things we have been able to do before," Rinne said. "We can't subsidize services. Sometimes their plans won't totally pay for all of the services they need. In the past, we've been able to add that in, but now we just can't do that."

Danielle Smith, the deputy director of communications at the FSSA, said she is hopeful that by

operating more efficiently the organizations can avoid directly affecting the consumers.

“We are having to look at the entire budget as a whole, and with the economy as it is, we had to look at the big picture of all of our services,” Smith said.

However, not all services will be affected. There are certain programs such as First Steps, which provides early intervention for young children identified as having developmental disabilities or delays that FSSA is mandated to provide.

Programs that focus on health and safety are less likely to be cut.

For now, the cuts are only expected to be in effect for the next year. But even so, some wonder if these cuts could have been avoided altogether.

“It’s just frustrating when you see these cuts and you know that the state spent a lot of money on a resource allocation system that hasn’t been implemented but that they’ve been working on for the past two years,” Rinne said. “There have been some frustrations with how things have been handled over the last several years, and I’m not sure that this couldn’t have been handled in a better way.”

Green said she is questioning where some of the allocated federal funds have gone, which she said were supposed to be used to make up the difference in budget gaps.

“The cut was much larger than we expected, and information about how and why that cut was made would be helpful,” Green said.

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Daniels Orders Deeper Cuts To State Budget

State Agencies Expected To Cut Spending 15 Percent

POSTED: 5:38 pm EDT April 21, 2010

UPDATED: 7:31 pm EDT April 21, 2010

INDIANAPOLIS -- Gov. Mitch Daniels is ordering deeper cuts to the state budget.

In an e-mail sent to every state agency this week, Budget Director Christopher Ruhl said the agencies will be expected to cut 15 percent from its spending for the fiscal year that starts July 1.

"We have two options: continue to restrain spending or raise taxes on Hoosiers at a time when they can least afford government impounding more of their income. The choice is clear," the e-mail read.

Agencies already cut 10 percent from spending in the current year.

Department of Education spokeswoman Lauren Auld said the agency is exempt from the cuts, although she said leaders will continue to try and find more savings in light of the current situation.

A representative with the Indiana Department of Transportation said the agency is "looking at the matter closely," while the Family and Social Services Administration said "we are going to be making budget decisions soon and when we do we'll announce them to the public."

The governor's office said the cuts are necessary because the recession has dramatically reduced state tax revenue.

Watch 6News and refresh this page for updates.

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Indiana Daily Student - IDSnews.com

Cutting costs

By IDS | IDS | November 18, 2009

In a time when state deficits are the norm, Indiana has been able to keep its budget in check.

Over the summer, Mitch Daniels was able to do what less than a handful of other states could accomplish â€“ pass a budget on time without increasing taxes. This not only allowed state institutions, like IU, to remain in operation, it also kept Indiana from dipping into its emergency funds and slipping into debt.

Now, new budget cuts that are allowing Indiana to avoid deficits like those seen in California and New Jersey â€“ which register in the tens of billions â€“ are looking to cut spending by an additional 10 percent this fiscal year.

In attempts to cut \$250 million from the current budget, Daniels is asking for, among other things, a 5 percent deduction from the amount paid to hospitals to care for Medicaid patients, a reduction in the amount of automatic overtime paid to correctional facility workers, and a voluntary reduction in the hours of other state employees.

Although these seem like steep measures, especially to the state hospitals, which are already in a financial blunder, itâ€™s important to note that these are merely cuts.

Danielsâ€™ new budget cuts will not include any layoffs â€“ assuming that all of the industries comply â€“ and that should be a reassuring factor in our current economy.

While other states are hiking taxes and writing IOUs, Indiana has handled the recession with more financial responsibility.

Instead of placing the burden on taxpayers, Daniels has created a budget that will cut portions of funding across the board and not destroy any one program or institution.

According to Anne Murphy, secretary of the Family and Social Services Administration in Indiana, the cuts should save money â€“without cutting vital services.â€ While this may be disputed by those who believe funding should remain the same, we are left with few options.

Other alternatives, such as borrowing money or looking to the government for bailouts, donâ€™t present clear, long-term benefits. What good will short-term boosts to these programs do if the money that supports them is unsustainable?

The fact is that no one wants to take or make cuts, but in a time when itâ€™s easier to throw money at your problems regardless of the long-term detriments, we commend Daniels for making the tough decisions to keep Hoosiers employed.

Despite the fact that tax revenues have plunged since the original budget was passed in June, we hope that Daniels will continue to cope with the financial crisis in a frugal manner while preserving Hoosier jobs.

While that might eventually mean a hike in taxes, the main concern should be keeping Indiana residents employed.

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Posted on Tue. Jan. 12, 2010

GUEST COLUMN

Carriage House mental-illness rehabilitation facility in jeopardy

A column by Guy Bayes

What is the No. 1 health crisis in the United States and Indiana? Actually, it is the mental illness crisis. About one of every six or seven Americans suffers from a severe mental illness (such as clinical depression, schizophrenia, bipolar disorder, obsessive-compulsive disorder, etc.).

A large proportion of the homeless have untreated mental illness. About 20 percent to 25 percent of Allen County Jail inmates have mental illness. In the past year alone, the Allen County Jail paid out some \$600,000 for mental illness medications for inmates. A large percentage of suicides result from mental illness.

In addition, widespread ignorance and neglect have produced a strong stigma about mental illness, not unlike the stigma black Americans under Dr. Martin Luther King Jr. destroyed. The total cost to our society in lives destroyed by mental illness is staggering. The stigma is most unjustified and unfair.

Currently, Fort Wayne's Carriage House, a unique family clubhouse model rehabilitation facility, and hundreds like it are the most successful and cost-effective means of recovery from mental illness in America. Regular attendance for each Carriage House member costs about \$3,300 a year.

In stark contrast, when someone with mental illness winds up in the psychiatric ward of a local hospital, the cost runs about \$2,000 to \$5,000 for one day; incarceration of that same member in the Allen County Jail costs about \$44,000 a year.

Since it opened in 1998, Carriage House has placed 260 members with mental illness in transitional employment and more than 200 members in supported or independent employment. Employed members have earned more than \$350,000 since 1998, while our staff has helped more than 39 persons with higher education.

I have been a Carriage House member since its opening, and my three mental illnesses have improved greatly. Additionally, over 11 years, I have watched dozens of lives transformed radically — from hopeless, depressed victims to wonderful citizens contributing much to our community. One of our members directs radio programming. Others travel to other states and nations to share their lives and help others recover. I have helped train police officers and college classes in handling people with mental illness.

The reason for Carriage House's success? It is the uniqueness of the clubhouse model. Rather than being another medical facility, the clubhouse is a family-like, voluntary community. There, members improve by concentrating on what they can do, by therapeutic structured work during an eight-hour day similar to the business community. They also improve by sharing in social/recreational activities and forming supportive friendships.

Why is Carriage House so much in danger? Because the governor's currently proposed budget and his new transformation Medicaid State Plan will eliminate the "code" used by clubhouses for billing purposes. If these changes are not amended or pushed back, Carriage House may cease to exist in July.

This change is all the more wrong when you compare Indiana's past funding of Clubhouses with the large amounts of money the governor's plan provides in various benefits for developmentally disabled Indiana residents. Services provided to them by the Indiana Family and Social Services Administration (FSSA) and its Division of Disability and Rehabilitative Services include at least 12 extensive items. The items run the gamut: adult day services, behavioral support services, residential support services, specialized medical equipment, rent and food for live-in-caregivers, etc.

State-provided funding and services for rehabilitating developmentally disabled persons are surely necessary, and both the governor and state legislature have wisely recognized this. However, providing state funding for our most successful and cost-effective rehabilitation program for our citizens with severe mental illnesses is just as necessary.

Carriage House members with severe mental illness are most unlikely to voluntarily enter hospitals and other more compulsory treatment programs that are very expensive. But with Carriage House gone, these treatment programs will become the safety net.

Who will pay for the huge new costs of caring for people with mental illness once Carriage House is gone? You, the Indiana taxpayer, will pay!

Please, I urge you, call or write to Gov. Mitch Daniels and your state representatives and senators to change the governor's unjust plan and budget. The numbers are: Gov. Daniels – 1-317-232-4567 or 1-800-457-8283; Indiana State Senate – 1-800-382-9467 and ask for your senator; and Indiana State House of Representatives at 1-800-380-9841 and ask for your representative.

This is a crucial civil rights issue to stop unconstitutional state discrimination against a large minority in Indiana. It is just as vital as the African-American civil rights movement. In fact, mental illness is a huge problem of every race, creed and color.

Please help us. The need is crucial. The hour is late. Taking action now will greatly benefit our entire state.



News Release

For Immediate Release

FSSA TO REDUCE BUDGET

INDIANAPOLIS (November 10, 2009) – Today the Family and Social Services Administration took the first round in a series of actions meant to respond to revenue shortfalls as a result of the recession and increases in Medicaid enrollment.

“The reductions we are announcing today cut spending without cutting vital services,” said Secretary Anne Murphy. “Our commitment is to the 1.2 million Hoosiers that receive benefits from us, and the cuts announced today will not take away from our clients receiving the benefits to which they are entitled.”

- FSSA Internal Administrative Cuts (\$13.6 million)
 - Includes not filling vacancies and co-locating local Division of Disability and Rehabilitative Services offices.
- Medicaid Provider Rate Adjustments (\$10.6 million)
 - Includes 5% Medicaid reimbursement reduction for hospitals.
- Contract Reductions (\$9.8 million)
 - Includes Residential Community Assistance Program (RCAP) moratorium for new clients, elimination of Naturally Occurring Retirement Communities (NORC) contract, and lower negotiated rates with vendors.

-30-

Media contact: Marcus Barlow, 317-234-0197 or e-mail: marcus.barlow@fssa.in.gov.

Posted on Thu. Apr. 22, 2010

Budget cuts to hammer programs for developmentally disabled

By Jennifer L. Boen

Announcements of school closings and teacher layoffs have resounded across the state as Indiana continues to deal with tax revenue losses and an ongoing recession. Other state-funded services, including those for people with developmental disabilities, are taking substantial hits as well.

More than 100 parents, guardians and self-advocates gathered at Easter Seals Arc (ESA) on Tuesday night to hear details from John Dickerson, executive director of the advocacy group Arc of Indiana, on three key areas of reduced funding:

◆Supported Employment and Work Experience programs are being reduced by up to 10 percent effective May 1; this represents a \$2 million to \$3.5 million reduction in funding. The programs provide job skills training for people with disabilities to enable them to work in the community.

◆Funding for case management, quality control and assessment services, most of which is contracted to private vendors, has been reduced by about \$40 million.

◆Rate cuts to providers of certain Medicaid waiver programs and services, totaling 7 percent, or about \$30 million, take effect June 1. This cut is on top of one of \$12 million to rates for group homes made in March. This means less funding for residential habilitation services under the developmental disability (DD) waiver, which consumes about 90 percent of DD waiver expenditures. Such services, which involve direct care and support staff, help individuals acquire, retain and improve daily living and socialization skills to enable them to remain in a community setting.

If the economic situation improves, the Division of Disability and Rehabilitative Services (DDRS) within the Indiana Family and Social Services Administration (FSSA) hopes to restore the funding by June 30, 2011.

Waiver services are for Medicaid-eligible individuals who, with the proper support, can live in the community. Services not impacted by the funding changes include day services, such as Easter Seals Arc's adult day program, therapies and behavioral management. However, Caregiver Support funding is gone.

The rate cuts mean a revenue loss of more than \$800,000 for Easter Seals Arc and could mean further layoffs, said Steve Hinkle, executive director.

"We've had a reduction in our workforce of 38 people since February," Hinkle noted.

Also concerning to Hinkle, Dickerson and family members such as Karen Wigmore is that the list of people waiting for a Medicaid waiver slot is already larger than the list of those on waiver programs. The wait will now be longer.

"If we have cuts to programs for people we're already serving, what do we do with those on the waiting list?" Dickerson said.

Currently 22,000 people are on the waiting list for all the state's adult waiver programs, with 17,500 Hoosiers receiving services at a cost of \$1 billion annually; \$500,000 is for DD waivers, which are funded two-thirds by federal money and one-third by the state.

Wigmore's 27-year-old daughter, Lindsey, is among the waiting. A cord wrapped around her neck at birth starved her of oxygen, causing brain injuries that resulted in epilepsy, cerebral palsy and autism. She is of normal size and physically strong, but intellectually "functions at about an 18-month-old level or less," Wigmore said. Lindsey continually pulled on her mother's arm or wrapped her arms around Wigmore's neck, nearly knocking her over.

A single parent working full time, Wigmore is grateful for the adult day program at Easter Seals Arc, which Lindsey attends weekdays. Wigmore depends on friends to pick her daughter up each day and watch over her until she

returns from work. Lindsey requires constant supervision and is non-verbal.

While waiting for a waiver slot for residential services, Lindsey receives a small amount of money to cover some of her care needs through the Support Services Waiver, but she reaches the cap for the year's funding soon and will not get additional money until after July 1.

"All of this has me worried," Wigmore says of the funding cuts. "What am I supposed to do?"

Retirement, she said, is a long ways off.

With the state's revenues down \$1 billion, the cuts were imperative, said Marcus Barlow, director of communications for FSSA. With 1.2 million Hoosiers receiving some level of benefits through FSSA programs, "We have to make sure the funding streams we have are protected so the people who absolutely need the services get them.

"A 7 percent cut is hefty...but a 7 percent cut as opposed to no longer offering funding are two different things. We make reductions now, during a recession, in order to ensure we can still provide benefits."

Though he understands why cuts were needed, Dickerson points out, "There is a real risk some providers may have to close their doors. We've got to come up with creative solutions."



Budget cuts hit county homes

By Brian M. Boyce
The Tribune-Star

TERRE HAUTE December 29, 2009 10:25 pm

— State budget cuts means fewer rooms will be available in residential care settings for the mentally ill in 2010, and at least one Wabash Valley facility plans to close its doors because of the cuts.

A Nov. 30 memo issued by the Indiana Family and Social Services Administration regarding the Residential Care Assistance Program stated: "Current recipients will continue to be funded. Absent sufficient appropriations to FSSA, new applicants determined to be eligible for RCAP assistance will not receive this assistance" after Nov. 30, 2009.

According to the memo, RCAP is a state-funded program providing assistance to residents living in "room and board facilities" and "county homes."

Tom Hein, administrator for Lee Alan Bryant Health Care just east of Rockville, operates four such facilities: two in Parke County, one in Indianapolis and another in South Bend.

When reached by phone by the Tribune-Star, Hein declined to discuss the possibility of a facility closure, but said the state's sudden decision to terminate funding for future patients will have "a drastic effect on our ability to house residents with severe mental illness going forward."

However, a letter from Hein to Arlene Franklin, state Long Term Care Ombudsman for the Division of Aging — a copy of which was obtained by the Tribune-Star — stated his group's Parke County Residential Care Facility in Rockville has given notice of its plans to close Feb. 12. According to the letter dated Monday, residents, family members and legal representatives will be given notice of the closure on or before Jan. 12 and information on an option for other living arrangements and eligibility guidelines.

The recipients in question, Hein said in the phone interview, are typically those with severe mental or developmental disabilities ranging in age from the early 20s upward. The cost of care at his facility is \$49.35 per day, of which the state typically pays between \$20 and \$25. The balance is deducted from the patient's Social Security Disability or Income check.

Hein's other Parke County facility in Rockville — Lee Alan Bryant — can house up to 253 patients, and those admitted before Nov. 30 will continue to receive state funding. As current patients are released, those needing residential services afterward will have to pay either the entire amount of fees or not be admitted, he said.

"The freeze is going to limit us very much," he said. "These people have no place to go."

Most of his patients are referred from correctional facilities, jails or community mental health centers such as Hamilton Center in Terre Haute.

Galen Goode, CEO of the Hamilton Center, said the lack of referral outlets for patients could produce something of a "domino effect."

While Hamilton Center operates its own acute and sub-acute in-patient hospitals, other facilities will be forced to refer more patients to state psychiatric hospitals such as the one in Logansport.

If the beds in the state hospitals become full, there aren't many options left to house the patients, Goode said.

"It's not usually a denial so much as it is how much time it takes to get someone in," he said of the potentially lengthy wait some patients may face before getting admission to a facility.

Hein and Goode both said jails and other correctional facilities inevitably will bear some of the burden, along with the state hospitals.

"A lot of [mental patients] will end up in the correctional system, which is a shame," Hein said, describing his residents' ability to live independently as negligible.

Also, long-term costs to the state could increase, he said. His daily rates of less than \$50 pale in comparison to rates at state hospitals, which range from \$500 to \$700 a day, or even county jails' \$200 per day, he said. But FSSA spokesman Marcus Barlow said the state doesn't have much choice because of "incredible revenue shortfalls."

"In this environment, we don't have the luxury of being able to fund [RCAP]," he said.

Judgments must be made on the physical, mental and developmental abilities of patients, and according to Barlow, those using in-residence programs are on a "lower rung of need" compared to patients in nursing homes. The priority for funding, he said, must go to people who aren't able to care for themselves before those with needs that can be serviced at county homes and room-and-board facilities.

Regarding the impact to businesses providing such services, Barlow said basing a business plan on state funding is dicey. "When tough times hit, they hit the state and they hit everyone," he said.

Goode described the decision to cut off funding after a specific date as too "arbitrary." More dialogue is needed between the state and local health care providers, he said, adding no one from the state seems to have asked local officials what the impact might be of such a decision.

In the meantime, Barlow said the funding cut is a "suspension" rather than a termination, and given an economic turnaround, the decision could be rescinded.

"It's a good program and we'd love to do it," Barlow said. "There just isn't the money."

Brian Boyce can be reached at 812-231-4253 or brian.boyce@tribstar.com.

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Bona Vista Programs moves on despite cuts in funding

FSSA reductions won't reduce services provided since 1958

Posted: Thursday, May 6, 2010 8:36 am | Updated: 2:06 pm, Thu May 6, 2010.

Posted on May 6, 2010

by *Lisa Fipps*

Bona Vista Programs has served children and adults with special needs since 1958, and president Jill Dunn is assuring Kokomo that it will continue to – even though the state recently slashed its funding by \$609,000.

“We were not naïve enough to think that we weren't going to get any reimbursement rate reductions, but we are surprised by how deep those cuts are,” Dunn said.

The majority of Bona Vista's funding comes from the Indiana Family and Social Services Administration (FSSA).

Through Medicaid, FSSA reimburses Bona Vista based on certain rates for its services to children and adults with special needs. Effective April 1, FSSA reduced by 3 percent how much it will reimburse Bona Vista for service to clients in its six group homes, reduced by 10 percent its reimbursement for vocational rehabilitation in which clients learn skills, eliminated the internship program, which allowed clients to learn workplace skills while providing staff to local businesses at no cost to them, and reduced by 7 percent how much it will reimburse Bona Vista for its supported living services program in which employees serve clients in their home from one hour to 24 hours a day.

“The internship program was more successful in our community than in others,” Dunn said, noting that Bona Vista was able to find successful job placements through the use of the internship program. With the successful employment of people who were placed through our programs, it increases the taxpayer base. Most organizations like Bona Vista also receive county dollars; however, the agency is one of the few in the state without county support.

FSSA informed Bona Vista two months ago about the reimbursement rate cut for its group home services. “Internally, we made adjustments – all in administration because we can't do it in client care,” Dunn said.

The state mandates that Bona Vista provide care to children and adults with special needs regardless of the \$609,000 cut. How can Bona Vista do that?

"We've had to be very creative," Dunn said, noting that Bona Vista has always been a good steward of its funding. "Our administrative costs are 11.3 percent, and generally a non-profit's administrative cost is 15 percent."

"The executive leadership over the years has done a great job of using a business model for the agency," said Brianne Boruff, vice president of public relations and development.

What's troubling to Dunn is "the perception that we don't need money," Dunn said. "I feel like we're taken for granted. People don't understand all that we do. On a daily basis, we help 1,000 children and adults."

So what do the cuts mean for Bona Vista, which employs 480 people? Dunn and the other executives are trying to figure all of that out.

"It's very complicated," Dunn said. "We're just now figuring out all the impact. The staff works 24/7," Dunn said. "There is not a weekend when staffers aren't called on to deal with something, and we are there for our clients. For many of our adults, our staffers are their only family. I've told the staff, 'you do a quality job and give 100 percent. You are reliable. You are dependable.'"

The No. 1 thing is that the quality of care will not be compromised. That is not an option, Dunn said. However, state-supported services will not be expanded for now, even though "we have families who are desperate for care," she said. Also, "Current clients may see a reduction in services."

For example, if a client has been working six hours per day in day services, then he or she may be cut back to two hours per day. That's bad news for the clients because that little bit of extra income is needed by some. It's bad news for the community in which those dollars would be spent, but the greatest concern Dunn has is about the greatest loss. For the clients who are working, he or she feels better about themselves. They learn. They grow. They live life as others live it.

Dunn sends a strong warning to those who need Medicaid services for their infants. Even if they're not going to need those services until their children are school-aged, they need to apply today. Now. ASAP. "There's a waiting list of 10 years or longer," she said.

Boruff said Bona Vista will try to increase its revenue-producing services, such as the Box Store (see story on page B3), to make up for the more than a \$500,000 loss.

Those needing Bona Vista's services "will have to be patient," Dunn said. She said she wanted to share the information about the \$609,000 in cuts because "the community needs to know what's going on."

Dunn also reassures the clients and community that “Bona Vista Programs continually strives to meet the needs of our clients and the communities we serve. Bona Vista feels duty-bound and is very loyal to the community it serves. We feel we are important to its future economic growth.”

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The Herald Bulletin **ONLINE**

Adult day care to close in Yorktown

By Brandi Watters, Herald Bulletin Staff Writer

February 03, 2010 12:05 am

— YORKTOWN — Carol Strough's son, Scott, can't walk, and he can't speak, so she depends on a local adult day care center to give him the care he needs each day.

On March 15, Strough and her son, who live in Anderson, will lose that comfort.

Yorktown's Active Day adult medical day care center is closing in the wake of Gov. Mitch Daniels' cuts to Medicaid funding.

Vicki Maynard, director of the center, said cuts to Medicaid funding impact waivers typically provided to day care centers that give patients an alternative to nursing home care.

When Maynard learned in the first week of January that she was losing her job, waivers were blamed, she said.

"At that time, the reason I was given was that the state has given a moratorium on the aged and disabled waiver."

The waivers allow Medicaid recipients to receive the specialized day care without paying steep fees.

"It is a waiver for individuals who are wanting to stay in their homes as long as possible. Caregivers care in the home, rather than placing them in a nursing home facility," Maynard said.

Due to Daniels' decree that no new waivers will be issued, Maynard said, Active Day has decided to close its Yorktown location.

Active Day's corporate offices could not be reached for comment.

Maynard said the closure of the facility means that all 28 of its patients will have to get a home health aide or enter a nursing home.

The center serves elderly and handicapped individuals who cannot be left alone while their caregivers are at work.

The facility administers medication, places feeding tubes and catheters and offers a physical therapist and nurse for its patients.

Strough said her son would not end up in a nursing home if the facility closed, but she doesn't want to settle for an adult day care center that might not be able to meet her son's medical needs.

She may end up busing her son to Castleton every day in order to stay within the Active Day system.

"We're in the fight of our lives, all of us, trying to keep it open," Strough said.

Day care program coordinator Tracy Fannin is upset that she'll lose her job in a matter of weeks, especially since she just started the job.

"I worked for Ball Memorial (Hospital) for 13 years and I switched careers, so it was a whole career change for me and it was stressful," Fannin said.

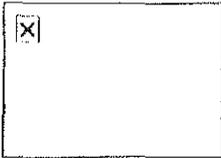
Now, Fannin hopes another company will buy the Yorktown location, keeping the center open.

Maynard has a similar goal in mind. "I would love to see either the communities come together to find a way, possibly another business come forward and look into a way to keep this going."

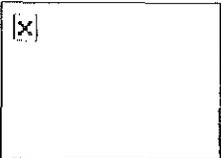
Contact Brandi Watters, 640-4847, brandi.watters@heraldbulletin.com

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Photos



Tracy Fannin, program coordinator at Active Day Adult Daycare in Yorktown, tosses a beach ball with patients Tuesday. Active Day is closing in the wake of cuts to Medicaid funding. The Herald Bulletin



Driver Keith Healey helps Bonnie Garmon onto the bus at the end of the day at Active Day Adult Daycare in Yorktown. Active Day is closing in the wake of cuts to Medicaid funding. The Herald Bulletin

Chicago Tribune

\$10M to hospitals among Ind. human services cuts

By Ken Kusmer

November 10, 2009

INDIANAPOLIS -

Indiana's human services agency said Tuesday it will slice \$34 million from its budget by paying hospitals less to treat Medicaid patients, renegotiating contracts with most of its vendors, moving some offices and leaving about 400 jobs unfilled.

However, the Family and Social Services administration will not reduce its Medicaid payments to doctors or cut "vital services" to the young, elderly, disabled and needy Indiana residents who receive social safety-net benefits, agency officials said.

"Our commitment is to the 1.2 million Hoosiers that receive benefits from us, and the cuts announced today will not take away from our clients receiving the benefits to which they are entitled," FSSA Secretary Anne Murphy said in a statement.

The president of the Indiana Hospital Association, though, said the cuts in Medicaid reimbursements "represent a significant blow" to hospitals' ability to serve their communities.

FSSA revealed the budget cuts as part of austerity measures first announced last week by Gov. Mitch Daniels after state tax collections for the first four months of the fiscal year fell \$309 million, or 7.4 percent, short of projections. Daniels ordered several steps including 10 percent agency budget cuts.

Growing state Medicaid rolls also are forcing the agency to tighten its belt, FSSA said. The state covers about a third of the costs of Medicaid, which provides health care for nearly 1 million needy and disabled Indiana residents, and the federal government picks up the rest. Those combined costs were projected to reach about \$6 billion for the current fiscal year.

The hospital cuts will save a projected \$10.6 million and affect all procedures covered by Medicaid, FSSA spokesman Marcus Barlow said.

Hospital Association President Douglas Leonard said the cuts will force hospitals to make difficult

choices on which services they can provide. He said Medicaid already pays less than 50 cents on the dollar of the cost of some services.

“The gap between the cost of providing care and government payments received continues to widen and is simply unsustainable,” Leonard said in a statement. “Like the state, hospitals are also hurting – we are treating more Medicaid and uninsured patients and seeing fewer patients with better-paying commercial health insurance.”

FSSA said its greatest savings – \$13.6 million – will come internally from not filling about 400 vacant jobs and combining local offices for vocational rehabilitation and FSSA's Division of Disability and Rehabilitation Services. The agency has about 4,800 employees.

The agency also will save \$9.8 million by negotiating lower rates with vendors and capping and eliminating some programs. For example, capping a program that now pays room and board for about 1,400 people in county homes for elderly and disabled residents will save \$1.1 million, Barlow said.

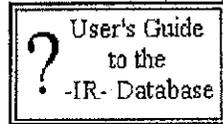
The FSSA budget cuts do not affect the contracts the agency is renegotiating with subcontractors on its privatized welfare eligibility intake program. FSSA is redoing those contracts after Daniels fired lead contractor IBM Corp. last month.

On the Net:

Family and Social Services Administration: www.in.gov/fssa

Indiana Hospital Association: www.ihconnect.org

INDIANA GENERAL ASSEMBLY



-IR- Database: Indiana Register

TITLE 405 OFFICE OF THE SECRETARY OF FAMILY AND SOCIAL SERVICES

Notice of Rule Adoption

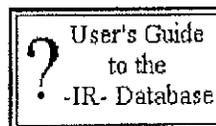
LSA Document #09-910

This notice is published in accordance with IC 12-8-3-4.4. Under IC 4-22-2-29, LSA Document #09-910, posted at [20100310-IR-405090910PRA](#), was adopted by the Secretary of Family and Social Services Administration on April 12, 2010. This rule amends [405 IAC 1-8](#) and [405 IAC 1-10.5](#) to change hospital reimbursement formulas by reducing rates currently paid to all hospitals for outpatient and inpatient hospital services by 5%. The rule that was adopted is the same version as the proposed rule that was posted on the -IR- Database Website on March 10, 2010.

Posted: 04/21/2010 by Legislative Services Agency

DIN: 20100421-IR-405090910NAA
Composed: Jun 03, 2010 9:29:13AM EDT
A PDF version of this document.

INDIANA GENERAL ASSEMBLY



-IR- Database: Indiana Register

TITLE 405 OFFICE OF THE SECRETARY OF FAMILY AND SOCIAL SERVICES

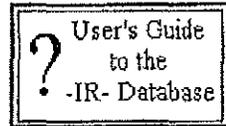
Publisher's Receipt for Filed Document LSA Document #09-910(F)

Under IC 4-22-2-35, LSA Document #09-910(F) was filed with the Publisher on April 29, 2010, 12:08 p.m.

Posted: 04/29/2010 by Legislative Services Agency

DIN: 20100429-IR-405090910AFA
Composed: Jun 03,2010 9:28:53AM EDT
A PDE version of this document.

INDIANA GENERAL ASSEMBLY



-IR- Database: Indiana Register

TITLE 405 OFFICE OF THE SECRETARY OF FAMILY AND SOCIAL SERVICES

Final Rule

LSA Document #09-910(F)

DIGEST

Adds noncode provisions affecting 405 IAC 1-8 and 405 IAC 1-10.5 to change hospital reimbursement formulas by reducing rates currently paid to all hospitals for outpatient and inpatient hospital services by five percent, Effective 30 days after filing with the Publisher.

SECTION 1. Notwithstanding all other provisions of 405 IAC 1-8, for the period beginning upon the later of the effective date of this rule or June 28, 2010, and continuing through June 30, 2011, reimbursement shall be reduced by five percent (5%) for outpatient hospital services (excluding ambulatory surgical center reimbursement) that have been calculated under 405 IAC 1-8.

SECTION 2. Notwithstanding all other provisions of 405 IAC 1-10.5, for the period beginning upon the later of the effective date of this rule or June 28, 2010, and continuing through June 30, 2011, reimbursement shall be reduced by five percent (5%) for inpatient hospital services that have been calculated under 405 IAC 1-10.5.

SECTION 3. SECTIONS 1 and 2 of this document expire July 1, 2011.

LSA Document #09-910(F)

Notice of Intent: 20091118-IR-405090910NIA

Proposed Rule: 20100310-IR-405090910PRA

Hearing Held: March 31, 2010

Approved by Attorney General: April 23, 2010

Approved by Governor: April 27, 2010

Filed with Publisher: April 29, 2010, 12:08 p.m.

Documents Incorporated by Reference: None Received by Publisher

Small Business Regulatory Coordinator: Bridget McLaughlin, Office of Medicaid Policy and Planning, Indiana Family and Social Services Administration, Indiana Government Center South, 402 West Washington Street, Room W382, Indianapolis, IN 46204, (317) 232-4328, bridget.mclaughlin@fssa.in.gov

Posted: 05/26/2010 by Legislative Services Agency

DIN: 20100526-IR-405090910FRA

Composed: Jun 03,2010 9:28:38AM EDT
A PDF version of this document.

TITLE 405 OFFICE OF THE SECRETARY OF FAMILY AND SOCIAL SERVICES

Final Rule
LSA Document #09-910(F)

DIGEST

Adds noncode provisions affecting 405 IAC 1-8 and 405 IAC 1-10.5 to change hospital reimbursement formulas by reducing rates currently paid to all hospitals for outpatient and inpatient hospital services by five percent. Effective 30 days after filing with the Publisher.

IC 4-22-2.1-5 Statement Concerning Rules Affecting Small Businesses

SECTION 1. Notwithstanding all other provisions of 405 IAC 1-8, for the period beginning upon the later of the effective date of this rule or June 28, 2010, and continuing through June 30, 2011, reimbursement shall be reduced by five percent (5%) for outpatient hospital services (excluding ambulatory surgical center reimbursement) that have been calculated under 405 IAC 1-8.

SECTION 2. Notwithstanding all other provisions of 405 IAC 1-10.5, for the period beginning upon the later of the effective date of this rule or June 28, 2010, and continuing through June 30, 2011, reimbursement shall be reduced by five percent (5%) for inpatient hospital services that have been calculated under 405 IAC 1-10.5.

SECTION 3. SECTIONS 1 and 2 of this document expire July 1, 2011.



*People
helping
people
help*

Mitchell E. Daniels, Jr., Governor
State of Indiana

Office of Medicaid Policy and Planning
MS 07, 402 W. WASHINGTON STREET, ROOM W382
INDIANAPOLIS, IN 46204-2739

To: Anne Waltermann Murphy *AM*

From: Patricia Casanova *PC*
Director of Medicaid

RE: LSA Document #09-910—Adds Noncode Provisions Affecting 405 IAC 8 and 405 IAC 10.5 to Change Rates Paid to all Hospitals for Outpatient and Inpatient Hospital Services by Reducing Rates by 5%

Date: April 7, 2010

cc: Pat Nolting, Kristine Ellerbruch, and Joy Heim

This memorandum provides a summary of oral testimony and written comments received in response to the attached rule that adds noncode provisions affecting 405 IAC 8 and 405 IAC 10.5 that change hospital reimbursement formulas by reducing rates currently paid to all hospitals for outpatient (excluding ambulatory surgical center reimbursement) and inpatient hospital services by 5%. The proposed rule was published in the *Indiana Register* on March 10, 2010.

This attached rule adds noncode provisions affecting 405 IAC 8 and 405 IAC 10.5 to change hospital reimbursement formulas by reducing rates currently paid to all hospitals for outpatient (excluding ambulatory surgical center reimbursement) and inpatient hospital services by 5%. The reduction in reimbursement will begin upon the later of the effective date of the rule or June 28, 2010, and will remain in effect until the end of state fiscal year 2011 (June 30, 2011). This rule amendment does not apply to state-operated psychiatric hospitals that are reimbursed under a reasonable cost methodology or ambulatory surgical centers. Disproportionate share hospital (DSH) payments and hospital upper payment limit (UPL) payments will not be subject to this reimbursement reduction. As noted previously, state-operated psychiatric hospitals are not subject to the reimbursement reduction; therefore, this proposed rule amendment does not impose an unfunded mandate on another State agency.

The fiscal impact of this reimbursement reduction is estimated to result in savings of \$5 million state and \$18.9 million federal for a total of approximately \$23.9 million in state fiscal year (SFY) 2010, and \$15 million state and \$44.5 million federal for a total of approximately \$59.5 million in state fiscal year (SFY) 2011.

The agency prepared a cost-benefit analysis and concluded that the cost to providers will be a 5% reduction in the calculated reimbursement amount for Medicaid claims. This 5% reduction represents a decrease in total revenues of 1.5% or less for individual hospital providers. The Office of Medicaid Policy and Planning (OMPP) estimates that most hospitals will see a decrease in total revenue of less than 0.5%. The proposed reimbursement change is an equitable reduction to all hospitals, at a level that produces considerable savings for the state, without having a detrimental impact on individual facilities.



In addition, the reduction in Medicaid claims reimbursement will be partially offset by increased reimbursement from the HIP program, as well as an increase in hospital UPL payments. While not all hospitals are eligible to receive DSH and UPL payments, many of the hospitals that receive a larger share of total revenue from Medicaid are eligible for these supplemental payments. This includes most county hospitals and approximately 60% of critical access hospitals, as of the most recent eligibility determination.

The cost of compliance with this proposed rule, including any administrative, legal, consulting, or accounting cost, is not expected to be any different than what providers currently incur in the course of providing services. The Office of Management and Budget has adopted this cost-benefit analysis. None of the providers affected by this rule fall under the definition of a small business, as defined in IC 4-22-2.1-4. Thus, a statement of economic impact required under IC 4-22-2.1-5 was not prepared for review by the Indiana Economic Development Corporation (IBDC) and the IBDC has provided no response.

The proposed rule was presented to the Medicaid Advisory Committee (MAC) on March 16, 2010. The FSSA Rules Committee reviewed the proposed rule on January 12, 2010, and is scheduled to review the final rule on April 13, 2010. Two questions arose around notification of the providers and the use of emergency rules. The providers were made aware of this rate modification through the required public notice process.

A public hearing was held on March 31, 2010. Two persons attended the hearing and one of the persons provided testimony and written comments concerning the rule. No other written comments have been received at any time during the promulgation process. The comments presented and the Office of Medicaid Policy and Planning's responses are summarized below:

COMMENT: On behalf of a group of freestanding psychiatric hospitals, one provider requested that freestanding psychiatric hospitals be exempt from the continued 5% reimbursement rate cut. The comment states that Medicaid inpatient days are a very high percentage of patient utilization, and Medicaid payments represent a substantial portion of revenue for freestanding psychiatric hospitals. As such, the provider believes that the 5% hospital rate cut will have a serious impact on freestanding psychiatric hospitals.

RESPONSE: The comment makes reference to psychiatric residential treatment facility (PRTF) units operated by the freestanding psychiatric hospitals. PRTFs are enrolled in Indiana Medicaid with a different provider type and specialty than hospital providers. Since PRTFs are not enrolled as hospitals, this rule will have no impact on PRTF reimbursement.

The Office of Medicaid Policy and Planning (OMPP) used hospital cost reports for fiscal years ending within SFY 2009, as submitted by the hospitals, and SFY 2009 claims data to estimate the impact of the 5% reduction on providers. The OMPP also considered the impact of disproportionate share hospital (DSH) and upper payment limit (UPL) payments in the analysis of the rate cuts. These supplemental payments are not subject to the 5% reduction.

Paid claims data from SFY 2009 show that the impact of the 5% reduction on freestanding psychiatric hospitals, including the four providers referenced in the written comment, is in line with other hospitals. For all hospitals, 2009 Medicaid claims payments range from 0.0% to 29.3% of total patient revenues. The four providers noted in the comment fall toward the lower end of that range, with Medicaid claims payments comprising between 2.0% and 3.4% of total patient revenues. The estimated impact of the 5% reduction ranged from 0.0% to 1.47%

of total patient revenues for all hospitals. For the four providers referenced in the comment, the estimated impact of the 5% reduction ranged from 0.08% to 0.15% of total patient revenues.

As far as Medicaid utilization, for freestanding psychiatric hospitals, Medicaid inpatient days as a percentage of total inpatient days range from 0.0% to 54.2%, with an average of 18.2%. For non-psychiatric hospitals, the range is 0.0% to 30.0%, with an average of 8.5%. On average, Medicaid days represent a larger share of total days for freestanding psychiatric hospitals than for other non-psychiatric hospitals. However, Medicaid days still comprise less than 20% of inpatient days for most freestanding psychiatric hospitals. Only two freestanding psychiatric hospital fall above the range for non-psychiatric hospitals. The four hospitals listed in the comment have Medicaid inpatient days of 48.6%, 12.3%, 10.3%, and 7.2%. Three of the four hospitals fall well within the range for non-psychiatric hospitals, and are actually closer to the average percentage for non-psychiatric hospitals than for freestanding psychiatric facilities. While some freestanding psychiatric hospitals do have a higher percentage of Medicaid inpatient days, the percentage depends greatly on the individual facility.

Based on the above information, the impact of the 5% rate reduction on any one provider is no more than 1.5% of total patient revenues. The data do not show that the 5% reimbursement reduction has a more significant impact on freestanding psychiatric hospitals than any other type of hospital.

No changes to the proposed rule as published were made.

I recommend that you approve it.



March 31, 2010

BLOOMINGTON MEADOWS HOSPITAL

The right environment for healing.

IFSSA

Attention Kristine Ellerbrugh
402 West Washington Street
Room W374
P.O. Box 7083
Indianapolis, Indiana 46207-7083

COMMENT RE: LSA Document #09-910, Hospital Rate Reduction

Dear Ms. Ellerbrugh:

On behalf of our Indiana freestanding hospitals: Meadows Hospital (Bloomington), Valle Vista Hospital (Greenwood), Michiana Behavioral Health Center (Plymouth), Wellstone Regional Hospital (Jeffersonville), thank you for the opportunity to comment on the above-captioned proposed rule to extend the 5% rate reduction for Indiana hospital inpatient and outpatient services through June 30, 2011. The majority of these psychiatric hospitals have psychiatric residential treatment facility ("PRTF") units, which are nearly 100% Medicaid-funded.

It is our understanding that FSSA's Office of Medicaid Policy and Planning is proposing additional rate reductions for other types of Medicaid providers due to budgetary constraints and revenue shortfalls. However, we believe that OMPP first implemented the 5% Medicaid rate reductions on hospital inpatient and outpatient services through emergency rulemaking because Indiana's hospitals are not dependent upon Medicaid reimbursement for a substantial portion of their revenue, and if they are, those hospitals qualify for sizeable Medicaid disproportionate share ("DSH") payments and/or Medicaid upper payment limit ("UPL") adjustments, or Medicaid supplemental payments.

However, for Indiana's freestanding psychiatric hospitals, Medicaid inpatient days are a very high percentage of patient utilization, and their services are crucial for children and adolescents with serious mental illness and substance abuse problems. Most of Indiana's freestanding psychiatric hospitals qualify for Medicaid DSH under the low-income utilization rate ("LIUR") or Medicaid inpatient utilization rate ("MIUR") criteria. Therefore, although Indiana Medicaid is a low payer, it is a substantial portion of revenue for these hospitals. And, although freestanding psychiatric hospitals qualify for and receive Medicaid DSH, they share a limited pool of DSH (\$2M) which is distributed to all qualifying hospitals, prorated based upon Medicaid inpatient utilization. The extension of these cuts will put even more pressure on limited DSH funds. Under Indiana's approved Medicaid State Plan, freestanding psychiatric hospitals receive no private UPL supplemental payment adjustments or add-ons, as do general acute care hospitals. Their UPL "room" is utilized by the general acute care hospitals for additional supplemental payments.



BLOOMINGTON MEADOWS HOSPITAL

The right environment for healing.

As you know, our Indiana hospitals can provide inpatient psychiatric services for Medicaid and CHIP-eligible children, adolescents, and those Medicaid eligible patients 65 years or older, only. Therefore, a very high percentage of the patients we care for are Medicaid-eligible, seriously mentally ill children and adolescents. While costs have increased for medications, insurance, child psychiatrists, and other qualified mental health care personnel, reimbursement has remained the same for more than a decade, and has recently declined with the 5% emergency cuts. Managed behavioral health care has also had an impact on our hospitals' reimbursement. However, while the majority of general acute care hospitals have either closed their child and adolescent psychiatric units or have converted their psychiatric beds to geriatric-psych due to losses on those units, we have continued to care for Medicaid and CHIP-eligible children and adolescents and to treat those with the most acute needs. Therefore, these recent cuts have seriously impacted these Indiana hospitals. Not only do we care for seriously emotionally disturbed adolescents, but these hospitals are among the very few providers caring for children younger than 12.

We are asking that the 5% hospital rate cuts not be imposed upon freestanding psychiatric hospitals for this additional period. These freestanding psychiatric hospital, inpatient 5% rate cuts have a relatively small impact on OMPP's budget due to the small size of Indiana's freestanding psychiatric hospitals, but have a major impact on these crucial safety-net hospitals and the vulnerable, fragile, and needy children that they serve.

Therefore, we respectfully request that freestanding psychiatric hospitals be exempted from this continued 5% reimbursement rate cut commencing June 28, 2010 and ending June 30, 2011.

Thank you.

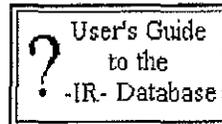
Respectfully submitted,


Jean Scallon, CEO
Meadows Hospital

Cc: John Hollinsworth, Division President, Psychiatric Solutions, Inc.
Bryan Lott, CEO, Michiana Behavioral Health Center
David Bell, CEO, Valle Vista Hospital
Thomas Stormanns, CEO, Wellstone Regional Hospital
Kelly Ulreich, CEO, Columbus Behavioral Health Center for Children and Adolescents

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INDIANA GENERAL ASSEMBLY



-IR- Database: Indiana Register

TITLE 405 OFFICE OF THE SECRETARY OF FAMILY AND SOCIAL SERVICES

Economic Impact Statement LSA Document #09-910

IC 4-22-2.1-5 Statement Concerning Rules Affecting Small Businesses Economic Impact Statement

IC 4-22-2.1-5(a) provides that an agency that intends to adopt a rule under IC 4-22-2 that will impose requirements or costs on small businesses must prepare a statement that describes the annual economic impact of the rule on small businesses after the rule is fully implemented as described in IC 4-22-2.1-5(b).

LSA Document #09-910 amends 405 IAC 1-8 and 405 IAC 1-10.5 to temporarily change hospital reimbursement formulas by reducing rates currently paid to all hospitals for outpatient and inpatient hospital services by five percent.

Economic Impact on Small Businesses

1. Estimated Number of Small Businesses Subject to this Rule:

IC 4-22-2.1-4 defines a small business as any person, firm, corporation, limited liability company, partnership, or association that:

- (1) is actively engaged in business in Indiana and maintains its principal place of business in Indiana;
- (2) is independently owned and operated;
- (3) employs one hundred (100) or fewer full-time employees; and
- (4) has gross annual receipts of five million dollars (\$5,000,000) or less.

The Family and Social Services Administration (FSSA) states that there are no small businesses that will be impacted by this rule.

2. Estimated Average Annual Reporting, Record Keeping, and Other Administrative Costs That Small Business Will Incur:

Since there are no small businesses that will be impacted by this rule, there will be no reporting, record keeping, or other administrative costs incurred by small businesses.

3. Estimated Total Annual Economic Impact on Small Businesses to Comply:

Since there are no small businesses that will be impacted by this rule, there will be no economic impact (positive or negative) on small businesses.

4. Justification Statement of Requirement or Cost:

Since there are no small businesses that will be impacted by this rule, there will be no cost or requirements on small businesses.

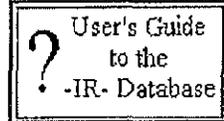
5. Regulatory Flexibility Analysis:

The FSSA does not propose an alternative regulatory method since there are no small businesses that are impacted by this rule.

Posted: 03/10/2010 by Legislative Services Agency

DIN: 20100310-IR-405090910EIA
Composed: Jun 03,2010 9:29:25AM EDT
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INDIANA GENERAL ASSEMBLY



-IR- Database: Indiana Register

TITLE 405 OFFICE OF THE SECRETARY OF FAMILY AND SOCIAL SERVICES

Notice of Public Hearing LSA Document #09-910

Notice of Public Hearing

Under IC 4-22-2-24, notice is hereby given that on March 31, 2010, at 3:30 p.m., at the Indiana Government Center South, 402 West Washington Street, Conference Center Room 2, Indianapolis, Indiana, the Office of the Secretary of Family and Social Services will hold a public hearing on a proposed rule adding noncode provisions affecting 405 IAC 1-8 and 405 IAC 1-10.5 concerning a reimbursement reduction paid to hospitals for outpatient and inpatient services.

To comply with the provisions of IC 4-22-2-24(d)(3), the agency further states the following: The changes are necessary in order to avoid a budgetary shortfall and to remain within the available Medicaid appropriation. The cost of compliance with this proposed rule, including any administrative, legal, consulting, or accounting cost, is not expected to be any different than what providers currently incur in the course of providing services.

All parties interested in the rule are invited to attend the hearing and offer public comments. In lieu of attendance at the hearing, written comments may be sent to: IFSSA, Attention: Kristine Ellerbrugh, 402 West Washington Street, Room W374, P.O. Box 7083, Indianapolis, IN 46207-7083. Correspondence should be identified in the following manner: "COMMENT RE: LSA Document #09-910, HOSPITAL RATE REDUCTION". All written comments concerning the rule received by OMPP will be available for public inspection at the Office of Medicaid Policy and Planning, 402 West Washington Street, Room W374, Indianapolis, IN 46204.

Copies of the proposed rule and this notice are now available and may be inspected by contacting the director of the local county division of family resources office, except in Marion County, where public inspection may be made at 402 West Washington Street, Room W382, Indianapolis, Indiana.

Copies of these rules are now on file at the Indiana Government Center South, 402 West Washington Street, Room W451 and Legislative Services Agency, One North Capitol, Suite 325, Indianapolis, Indiana and are open for public inspection.

Anne Waltermann Murphy
Secretary
Office of the Secretary of Family and Social Services

Posted: 03/10/2010 by Legislative Services Agency

DIN: 20100310-IR-405090910PHA

Composed: Jun 03, 2010 9:29:35AM EDT
A PDF version of this document.

TITLE 405 OFFICE OF THE SECRETARY OF FAMILY AND SOCIAL SERVICES

Notice of Intent to Adopt a Rule
LSA Document #09-910

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 1-8 and 405 IAC 1-10.5 to change hospital reimbursement formulas by reducing rates currently paid to all hospitals for outpatient and inpatient hospital services by 5%. Comments and questions may be addressed to the Small Business Regulatory Coordinator for this rule. Statutory authority: 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:

Bridget McLaughlin
Office of Medicaid Policy and Planning
Indiana Family and Social Services Administration
Indiana Government Center South
402 West Washington Street, Room W382
Indianapolis, IN 46204
(317) 232-4328
bridget.mclaughlin@fssa.in.gov

Posted: 11/18/2009 by Legislative Services Agency
An [html](#) version of this document.

TITLE 405 OFFICE OF THE SECRETARY OF FAMILY AND SOCIAL SERVICES

**Proposed Rule
LSA Document #10-250**

DIGEST

OVERVIEW: Amends 405 IAC 1-11.5-2 to modify Medicaid reimbursement for physician-administered drugs. This provision shall not apply to parenteral nutrition and blood factor products. Statutory authority: IC 12-15-21-2; IC 12-15-21-3. Effective 30 days after filing with the Publisher.

405 IAC 1-11.5

SECTION 1. 405 IAC 1-11.5-2 IS AMENDED TO READ AS FOLLOWS:

405 IAC 1-11.5-2 Reimbursement methodology

Authority: IC 12-15-21-2; IC 12-15-21-3

Affected: IC 12-15-13-2

Sec. 2. (a) The office shall establish fee schedules with maximum allowable payment amounts for services and procedures:

- (1) covered under the Medicaid program; and
 - (2) provided by eligible physicians, LLPs, and other NPPs.
- (b) The reimbursement for services of physicians and LLPs shall be determined as follows:
- (1) Reimbursement for services of physicians and LLPs, except services of the physicians in subdivisions (3) through (10), shall be equal to the lower of the following:
 - (A) The submitted charges for the procedure.
 - (B) The established fee schedule allowance for the procedure. The statewide established fee schedule allowance for the procedure is based on the Medicare relative value unit for an Indiana urban locality multiplied by the conversion factor for the procedure as established by the office of Medicaid policy and planning (office).
 - (2) If no Medicare relative value unit, as defined in this section, exists for a procedure, reimbursement will be established as follows:
 - (A) Relative value units may be:
 - (i) obtained from other state Medicaid programs; or
 - (ii) developed specifically for the Indiana Medicaid program, subject to review by the Medicaid director.
 - (B) For laboratory procedures not included in the Medicare Part B fee schedule for physician services, reimbursement will be made using the fee value in the national Medicare clinical laboratory fee schedule.
 - (3) The office may set reimbursement for specific procedure codes using a different methodology from that specified in subdivisions (1) and (2) in order to preserve access to the specific service.

(4) Reimbursement for services of anesthesiologists shall be based on a statewide fee schedule. The statewide fee schedule for anesthesiology services is based on the total base and time units for the procedure multiplied by the conversion factor as established by the office.

(5) Reimbursement for services of assistant surgeons shall be equal to twenty percent (20%) of the statewide fee schedule for physician and LLP services as established under subdivision (1).

(6) Reimbursement for services of cosurgeons shall be paid at sixty-two and one-half percent (62.5%) of the statewide fee schedule for physician and LLP services as established under subdivision (1).

(7) Reimbursement for services of physicians and LLPs shall be subject to the global surgery policy as defined by the Health Care Financing Administration for the Medicare Part B fee schedule for physician services. The global surgery policy will not apply to the following codes:

(A) 59410—Vaginal delivery, including postpartum care.

(B) 59515—Caesarean delivery, including postpartum care.

(8) Reimbursement for services of physicians and LLPs shall be subject to the policy for supplies and services incident to other procedures as defined by the Health Care Financing Administration for the Medicare Part B fee schedule for physician services.

(9) Separate reimbursement will not be made for radiologic contrast material, except for low osmolar contrast material (LOCM) used in intrathecal, intravenous, and in intra-arterial injections, if it is used for patients who meet the criteria established by the office.

(10) Reimbursement for services of physicians and LLPs shall be subject to the site of service payment adjustment. Procedures performed in an outpatient setting that are normally provided in a physician's office will be paid at eighty percent (80%) of the statewide fee schedule for physician and LLP services as established under subdivision (1). These procedures are identified using the site of service indicator on the Medicare fee schedule database.

(c) Reimbursement for services of NPPs shall be in accordance with the following:

(1) Reimbursement for services of dentists in calendar year 1994 shall be based on a statewide fee schedule equal to a percentage of the fiscal year 1992 submitted charges. That percentage shall be not lower than the average percentage difference between physician and LLP submitted charges and the fee established for those services in accordance with subsection (b)(1).

The office may set reimbursement for specific dental procedures using a different methodology from that specified in this subdivision in order to preserve access to the service. Beginning with the effective date of this revised rule, fees for covered dental services are priced at the levels in effect at the end of calendar year 1994, increased by a percentage determined by the office.

(2) Reimbursement for services of:

(A) social workers certified through the American Academy of Certified Social Workers (ACSW) or who have masters of social work (MSW) degrees;

(B) psychologists with basic certificates; and

(C) licensed psychologists;

providing outpatient mental health services in a physician-directed outpatient mental health facility in accordance with 405 IAC 5-20-8 shall be equal to seventy-five percent (75%) of the physician and LLP fees for that service as established under subsection (b)(1). These services must continue to be billed through a physician or a physician-directed outpatient mental health facility.

(3) Reimbursement for services provided by independently practicing respiratory therapists and advance practice nurses shall be equal to seventy-five percent (75%) of the physician and LLP fees for that service as established under subsection (b)(1).

(4) Reimbursement for services provided by certified physical therapists' assistants shall be equal to seventy-five percent (75%) of the physician and LLP fees for that service as established under subsection (b)(1). These services must be billed through the supervising licensed physical therapist or physician.

(5) Blood factor products used during an inpatient hospital stay shall be paid based on the state maximum allowable cost (state MAC) rate for the blood factor products. The state MAC rate for blood factor products is equal to the average actual acquisition cost per drug adjusted by a multiplier of at least 1.0. The actual acquisition cost will be determined using pharmacy invoices and other information that the office determines is necessary. The office will review the state MAC rates for blood factor products on an ongoing basis and adjust the rates as necessary to:

(A) reflect the prevailing market conditions; and

(B) ensure reasonable access by inpatient hospital providers to blood factor products at or below the applicable state MAC rate.

Inpatient hospitals shall submit claims for reimbursement in accordance with the instructions set forth in the provider manual or update bulletins.

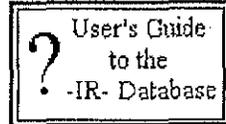
(6) Reimbursement for services of all other NPPs shall be equal to the statewide fee schedule for physician and LLP services as established under subsection (b)(1).

(d) The established rates for physician, LLP, and NPP reimbursement shall be reviewed annually by the office and adjusted as necessary.

(e) The relative value units used for the Indiana resource-based relative value scale fee schedule will be reviewed annually, taking into account the Medicare fee schedule proposed by the Health Care Financing Administration to take effect January 1 of the following calendar year and adjusted as necessary.

(f) Reimbursement for physician-administered drugs shall be one hundred five percent (105%) of the published wholesale acquisition cost (WAC) of the benchmark National Drug Code (NDC). For benchmark NDCs without a published WAC, the reimbursement for physician-administered drugs shall be the Medicare payment amount as published by the Centers for Medicare and Medicaid Services (CMS). If no WAC or Medicare payment amount is available, other pricing metrics may be used as determined by the office. This provision shall not apply to parenteral nutrition and blood factor products.

INDIANA GENERAL ASSEMBLY



-IR- Database: Indiana Register

TITLE 405 OFFICE OF THE SECRETARY OF FAMILY AND SOCIAL SERVICES

Notice of Intent to Adopt a Rule

LSA Document #10-250

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 1-11.5-2 to modify Medicaid reimbursement for physician-administered drugs. This provision shall not apply to parenteral nutrition and blood factor products. Statutory authority: IC 12-15-21-2; IC 12-15-21-3.

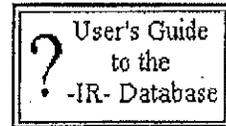
For purposes of IC 4-22-2-28.1, the Small Business Regulatory Coordinator for this rule is:

Yvonne Burke
Indiana Family and Social Services Administration
Office of Medicaid Policy and Planning
Indiana Government Center South
402 West Washington Street
Indianapolis, IN 46204
(317) 232-2017
yvonne.burke@fssa.in.gov

Posted: 05/05/2010 by Legislative Services Agency

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INDIANA GENERAL ASSEMBLY



-IR- Database: Indiana Register

TITLE 405 OFFICE OF THE SECRETARY OF FAMILY AND SOCIAL SERVICES

Notice of Intent to Adopt a Rule LSA Document #09-910

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 1-8 and 405 IAC 1-10.5 to change hospital reimbursement formulas by reducing rates currently paid to all hospitals for outpatient and inpatient hospital services by 5%. Comments and questions may be addressed to the Small Business Regulatory Coordinator for this rule. Statutory authority: IC 12-15-21-2; IC 12-15-21-3.

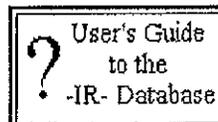
For purposes of IC 4-22-2-28.1, the Small Business Regulatory Coordinator for this rule is:

Bridget McLaughlin
Office of Medicaid Policy and Planning
Indiana Family and Social Services Administration
Indiana Government Center South
402 West Washington Street, Room W382
Indianapolis, IN 46204
(317) 232-4328
bridget.mclaughlin@fssa.in.gov

Posted: 11/18/2009 by Legislative Services Agency

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INDIANA GENERAL ASSEMBLY



-IR- Database: Indiana Register

TITLE 405 OFFICE OF THE SECRETARY OF FAMILY AND SOCIAL SERVICES

Proposed Rule
LSA Document #09-910

DIGEST

Adds noncode provisions affecting 405 IAC 1-8 and 405 IAC 1-10.5 to change hospital reimbursement formulas by reducing rates currently paid to all hospitals for outpatient and inpatient hospital services by five percent. Effective 30 days after filing with the Publisher.

IC 4-22-2.1-5 Statement Concerning Rules Affecting Small Businesses

SECTION 1. Notwithstanding all other provisions of 405 IAC 1-8, for the period beginning upon the later of the effective date of this rule or June 28, 2010, and continuing through June 30, 2011, reimbursement shall be reduced by five percent (5%) for outpatient hospital services (excluding ambulatory surgical center reimbursement) that have been calculated under 405 IAC 1-8.

SECTION 2. Notwithstanding all other provisions of 405 IAC 1-10.5, for the period beginning upon the later of the effective date of this rule or June 28, 2010, and continuing through June 30, 2011, reimbursement shall be reduced by five percent (5%) for inpatient hospital services that have been calculated under 405 IAC 1-10.5.

SECTION 3. SECTIONS 1 and 2 of this document expire July 1, 2011.

Notice of Public Hearing

Posted: 03/10/2010 by Legislative Services Agency

DIN: 20100310-IR-405090910PRA
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TITLE 405 OFFICE OF THE SECRETARY OF FAMILY AND SOCIAL SERVICES

Proposed Rule
LSA Document #10-169

DIGEST

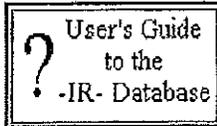
OVERVIEW: Temporarily amends 405 IAC 1-12 to modify Medicaid reimbursement formulas by reducing rates that are currently paid to all privately (nonstate) owned intermediate care facilities for the mentally retarded (ICFs/MR) and community residential facilities for the developmentally disabled (CRFs/DD) by three percent (3%). Statutory authority: IC 12-15-21-2; IC 12-15-21-3. Effective 30 days after filing with the Publisher.

IC 4-22-2.1-5 Statement Concerning Rules Affecting Small Businesses

SECTION 1. Notwithstanding all other provisions of 405 IAC 1-12, for the period beginning upon the later of the effective date of this rule or September 28, 2010, and continuing through June 30, 2011, reimbursement shall be reduced by three percent (3%) for all privately (nonstate) owned intermediate care facilities for the mentally retarded (ICFs/MR) and community residential facilities for the developmentally disabled (CRFs/DD) that have been calculated pursuant to 405 IAC 1-12.

SECTION 2. SECTION 1 of this document expires July 1, 2011.

INDIANA GENERAL ASSEMBLY



-IR- Database: Indiana Register

TITLE 405 OFFICE OF THE SECRETARY OF FAMILY AND SOCIAL SERVICES

Notice of Intent to Adopt a Rule LSA Document #10-169

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: Adds a noncode provision affecting 405 IAC 1-12 to modify Medicaid reimbursement formulas, by reducing rates that are currently paid to enrolled privately (nonstate) owned intermediate care facilities for the mentally retarded (ICFs/MR) and community residential facilities for the developmentally disabled (CRFs/DD) by three percent, beginning on the effective date of the rule amendment, through June 30, 2011. Statutory authority: IC 12-15-21-2; IC 12-15-21-3.

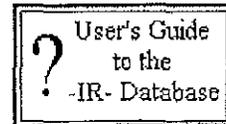
For purposes of IC 4-22-2-28.1, the Small Business Regulatory Coordinator for this rule is:

Tracy Nguyen
Indiana Family and Social Services Administration
Office of Medicaid Policy and Planning
Indiana Government Center South
402 West Washington Street, Room W374
Indianapolis, IN 46204
(317) 232-4328
malthao.nguyen@fssa.in.gov

Posted: 03/24/2010 by Legislative Services Agency

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INDIANA GENERAL ASSEMBLY



-IR- Database: Indiana Register

TITLE 405 OFFICE OF THE SECRETARY OF FAMILY AND SOCIAL SERVICES

Notice of Intent to Adopt a Rule LSA Document #10-168

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: Adds a noncode provision affecting 405 IAC 1-11.5-2 to modify reimbursement formulas by reducing rates currently paid to providers of dental services that bill using current dental terminology (CDT) codes by five percent beginning on the effective date of the rule amendment, through June 30, 2011. Statutory authority: 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:

Tom Curran
Indiana Family and Social Services Administration
Office of Medicaid Policy and Planning
Indiana Government Center South
402 West Washington Street
Indianapolis, IN 46204
(317) 234-5926
thomas.curran@fssa.in.gov

Posted: 03/24/2010 by Legislative Services Agency

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TITLE 405 OFFICE OF THE SECRETARY OF FAMILY AND SOCIAL SERVICES

Proposed Rule
LSA Document #10-168

DIGEST

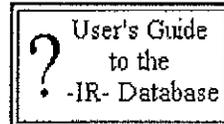
Adds noncode provisions affecting 405 IAC 1-11.5-2 to modify Medicaid reimbursement formulas by reducing rates currently paid to providers of dental services that bill using current dental terminology (CDT) codes by five percent. Effective 30 days after filing with the Publisher.

IC 4-22-2.1-5 Statement Concerning Rules Affecting Small Businesses

SECTION 1. Notwithstanding all other provisions of 405 IAC 1-11.5-2, for the period beginning upon the later of the effective date of this rule or September 28, 2010, and continuing through June 30, 2011, reimbursement shall be reduced by five percent (5%) for dental services that are billed using current dental terminology (CDT) codes under 405 IAC 1-11.5-2.

SECTION 2. SECTION 1 of this document expires July 1, 2011.

INDIANA GENERAL ASSEMBLY



-IR- Database: Indiana Register

TITLE 405 OFFICE OF THE SECRETARY OF FAMILY AND SOCIAL SERVICES

Notice of Intent to Adopt a Rule LSA Document #10-167

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 1-8-3 to modify the reimbursement formula for the technical component of outpatient radiology services by basing the rates paid to outpatient radiology providers on the Indiana Medicaid physician fee schedule rates for the radiology services technical component. Statutory authority: 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:

Kristine Ellerbruch
Indiana Family and Social Services Administration
Office of Medicaid Policy and Planning
Indiana Government Center South
402 West Washington Street
Indianapolis, IN 46204
(317) 232-4739
kristine.ellerbruch@fssa.in.gov

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A PDF version of this document.

TITLE 405 OFFICE OF THE SECRETARY OF FAMILY AND SOCIAL SERVICES

**Proposed Rule
LSA Document #10-167**

DIGEST

OVERVIEW: Amends 405 IAC 1-8-3 to modify reimbursement for the technical component of outpatient radiology services by basing the rates paid to outpatient radiology providers on the Indiana Medicaid physician fee schedule rates for the radiology services technical component. Effective 30 days after filing with the Publisher.

405 IAC 1-8

SECTION 1. 405 IAC 1-8-3 IS AMENDED TO READ AS FOLLOWS:

405 IAC 1-8-3 Reimbursement methodology

Authority: IC 12-15-21-2; IC 12-15-21-3

Affected: IC 12-15-15-1

Sec. 3. (a) The reimbursement methodology for all covered outpatient hospital and ambulatory surgical center services shall be subject to the lower of the submitted charges for the procedure or the established fee schedule allowance for the procedure as provided in this section. Services shall be billed in accordance with provider manuals and update bulletins.

(b) Surgical procedures shall be classified into a group corresponding to the Medicare ambulatory surgical center (ASC) methodology and shall be paid a rate established for each ASC payment group. Outpatient surgeries that are not classified into the nine (9) groups designated by Medicare will be classified by the office into one (1) of those nine (9) groups or additional payment groups. Reimbursement will be based on the Indiana Medicaid statewide allowed amount for that service in effect during state fiscal year 2003.

(c) Payments for emergent care that do not include surgery and that are provided in an emergency department, treatment room, observation room, or clinic will be based on the statewide fee schedule amount in effect during state fiscal year 2003.

(d) Payments for nonemergent care that do not include surgery and that are provided in an emergency department, treatment room, observation room, or clinic will be based on the statewide fee schedule amount in effect during state fiscal year 2003.

(e) Reimbursement for laboratory procedures is based on the Medicare fee schedule amounts. Reimbursement for the technical component of radiology procedures ~~is based on the statewide fee schedule amount in effect during state fiscal year 2003~~ **shall be based on the Indiana Medicaid physician fee schedule rates for the radiology services technical component.**

(f) Reimbursement allowances for all outpatient hospital procedures not addressed elsewhere in this section, for example, therapies, testing, etc., shall be equal to the Indiana Medicaid statewide fee schedule amounts in effect during state fiscal year 2003.

(g) Payments will not be made for outpatient hospital and ambulatory surgical center services occurring within three (3) calendar days preceding an inpatient admission for the same

or related diagnosis. The office may exclude certain services or categories of service from this requirement. Such exclusions will be described in provider manuals and update bulletins.

(h) The established rates for hospital outpatient and ambulatory surgical center reimbursement shall be reviewed annually by the office and adjusted, as necessary, in accordance with this section.

INDIANA GENERAL ASSEMBLY



-IR- Database: Indiana Register

TITLE 405 OFFICE OF THE SECRETARY OF FAMILY AND SOCIAL SERVICES

Notice of Intent to Adopt a Rule

LSA Document #10-166

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: Adds a noncode provision affecting 405 IAC 1-4.2 to modify Medicaid reimbursement formulas by reducing rates that are currently paid to providers of home health services by five percent, beginning on the effective date of the rule amendment, through June 30, 2011. Repeals 405 IAC 1-4.1. Statutory authority: 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:

Tracy Nguyen
Indiana Family and Social Services Administration
Office of Medicaid Policy and Planning
Indiana Government Center South
402 West Washington Street
Indianapolis, IN 46204
(317) 234-5550
malthao.nguyen@fssa.in.gov

Posted: 03/24/2010 by Legislative Services Agency

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Composed: May 12, 2010 2:11:34PM EDT
A PDF version of this document.

TITLE 405 OFFICE OF THE SECRETARY OF FAMILY AND SOCIAL SERVICES

**Proposed Rule
LSA Document #10-166**

DIGEST

Adds noncode provisions affecting 405 IAC 1-4.2 to modify Medicaid reimbursement formulas by reducing rates that are currently paid to providers of home health services by five percent. Repeals 405 IAC 1-4.1. Effective 30 days after filing with the Publisher.

IC 4-22-2,1-5 Statement Concerning Rules Affecting Small Businesses

SECTION 1. Notwithstanding all other provisions of 405 IAC 1-4.2, for the period beginning upon the later of the effective date of this rule or September 28, 2010, and continuing through June 30, 2011, reimbursement shall be reduced by five percent (5%) for home health services that have been calculated under 405 IAC 1-4.2.

SECTION 2. SECTION 1 of this document expires July 1, 2011.

SECTION 3. 405 IAC 1-4.1 IS REPEALED.



100 North Senate Avenue, Indianapolis, IN 46204-2259

Office of Superintendent
Paul Whitesell, Ph.D.

June 21, 2010

Senator Vi Simpson
Minority Leader
State House
200 West Washington Street
Indianapolis, IN 46204-2785

Dear Senator Simpson:

The Indiana State Police is in receipt of your letter dated June 1, 2010 regarding budget information and is pleased to provide you the following information.

Over the past year and a half the Indiana State Police implemented many different cost savings plans. Some of these plans are in addition to the Governor's statewide directions of no salary increases, working through the strategic hiring committee, and reduction in out of state travel. I have announced previously the closing of four Indiana State Police Posts (Seymour Post, District 43 (Closing date March 1, 2010); Terre Haute Post, District 32 (Closing date July 1, 2010); Connersville Post, District 41 (Closing date September 1, 2010); Redkey Post, District 25 (Closing date November 1, 2010). Further, we have suspended the pay matrix increases for enforcement personnel (effective January 1, 2010) and announced the reduction in force of forty-two Motor Carrier Inspectors (Effective Date January 1, 2010). We have also provided eligible Troopers a retirement incentive and some of our non-emergency civilian employees have taken advantage of the voluntary unpaid time off program. We will be able to provide you a reversion number at the end of closeout. Finally, despite these various budget reductions, traffic fatalities have been at an all time low even while people are driving more in Indiana.

The website addresses listed below provide news articles pertaining to these ISP changes and cuts:

No Pay Raise for Executive Branch State Employees and more:

<http://www.in.gov/gov/2922.htm>

http://www.in.gov/gov/gov_newsroom.htm

Indiana State Police Post Closures:

<http://full.indy.com/posts/governor-backs-closure-of-state-police-post>

<http://full.indy.com/posts/seymour-unhappy-with-plan-to-close-state-police-post>

<http://www.bannergraphic.com/story/1639961.html>

<http://www.theindychannel.com/news/23780695/detail.html>

<http://www.huntingtoncountytv.com/community/5645/state-police-consolidating-posts>

Motor Carrier Inspector Layoffs:

<http://www.wsbt.com/news/local/78801222.html>

<http://www.indianasnewscenter.com/news/local/78776782.html>

If you have any questions, I can be reached at 317-232-8241.

Respectfully,



Paul Whitesell, Ph.D.
Superintendent

PW

cc: Governor Daniels
Chris Ruhl, State Budget Director



STATE OF INDIANA
ALCOHOL AND TOBACCO COMMISSION

302 West Washington Street
IGCS Room E114
Indianapolis, IN 46204
Telephone 317 / 232-2430
Fax 317 / 233-6114
www.in.gov/atc

June 16, 2010

Senator Vi Simpson
Senate Democrat Leader
State House
200 West Washington Street
Indianapolis, IN 46204-2785

Dear Senator Simpson,

This communication is in response to the requests that you made of the Alcohol and Tobacco Commission (ATC) and the State Excise Police in your letter dated June 1, 2010.

Below you will find the requested information on program cuts and the rational for such decisions.

The ATC/Excise Police have initiated the following as cost savings measures for the agency:

1. The Excise Police has successfully integrated a web based training process that has reduced the overall annual training costs for officers including miles and time driven to and from training sites as well as lodging costs.

This process was initiated in November of 2009, and uses the agency's internal web system which does not create any additional expense. Additionally, this allows the officers to complete the training at their own pace and provides better opportunities to review material several times for greater comprehension.

2. In October of 2009, the Excise Police began the process of transitioning from leasing office space to collocating within state owned facilities. To date, 3 locations have completed the process, 2 locations are in the process of relocating (July and August) and we have not found space for 1 location.

Due to the nature of the work of the Excise Police it is imperative that the agency maintains a presence in regional areas throughout the state. This is not just for enforcement purposes. This also allows the agency to service the needs of the industry without traveling to Indianapolis.

In the past few years the agency has experienced increases in lease rate as well as utilities. By locating the offices with other state entities, we are able to share space and resources.

3. Annual training program and awards banquet has been suspended.

Due to the development of the web based training initiative, the need to have all personnel convene in a central location for a full day of training with the annual awards program to follow was no longer valid.

The awards program continues. The program is conducted in a more personal manner with the recipients having better opportunities to interact with the Chairman of the ATC and the Excise Superintendent. Awards are given twice per year during a lunch event. The event is held within the district where the recipient lives and works.

4. The personal usage of take home police vehicles has been suspended.

This is a process that has been under review since 2006, and was finally initiated in December of 2009. This was done in an attempt to extend the use of the vehicle and reduce maintenance cost.

5. We have reduced the number of live ammunition firearms training sessions to two times per year. This resulted in reductions in ammunition purchased, driving to training locations, and manpower hours used for the training.

The emerging trend in law enforcement training suggests that agencies should have more dynamic training that is geared toward officers learning to properly engage threats. The Excise police initiative utilizes air-soft firearms training and electronic simulation. This not only allows for training that assists the officer in engaging a threat, it also allows for opportunities of have the officer exposed to immediate feedback of their response.

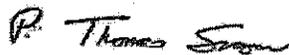
6. The ATC has suspended the practice to send renewal notices to permit holders. The impact of this will be realized in savings in printing costs, mailings, and employee time.

Sending renewal notices has been a long term internal process. Many employees, including those who have that have been here for 20 or more years did not understand why it was occurring. Many members of the alcoholic beverage industry indicated it was a nice gesture but did not deem it to be necessary.

7. All pay raises have been suspended. This includes the salary matrix for Excise Officers.

During the past year the impact of the sagging economy has resulted in a much leaner operating model for the ATC and Excise Police, while the agency has striven to maintain effective regulatory and enforcement services. At all levels of leadership, members have worked diligently to develop efficient operational methods while enhancing performance. We will continue to evolve to meet the changing needs of the citizens of Indiana, and the industries which we regulate. We will work to implement new technologies, to improve service delivery, and refine training to maximize the effectiveness of our members.

Respectfully,



P. Thomas Snow, Chairman
Alcohol and Tobacco Commission



Alex D. Huskey, Superintendent
State Excise Police



STATE OF INDIANA

Mitchell E. Daniels, Jr., Governor

Andrew J. Miller, Commissioner
Bureau of Motor Vehicles
100 North Senate Avenue
Indianapolis, Indiana 46204
(888) 692-6841

June 18, 2010

The Honorable Vi Simpson
State Senate
200 W. Washington Street
Indianapolis, IN 46204

Dear Senator Simpson:

This responds to your letter of June 1, 2010, regarding the BMV's budget cuts and corresponding impact on customer service levels. I have responded to each of your five questions below:

1. **A list of your agency's implemented and proposed cuts and withheld distributions for FY2010 and FY2011.**
 - a. FY2011 budgets are still under development and thus no data can be provided at this time.
 - b. During FY2010, the BMV generated substantial savings, details of which will be available once the fiscal year closes. Most of the savings occurred from the following areas:
 - i. Reversion from the BMV Commission Fund, which largely represents unused funds from prior fiscal years.
 - ii. Elimination of the \$5 discount for online registration renewals.
 - iii. Just-in-time license plate fulfillment reducing inventory costs incurred for license plates.
 - iv. Renegotiated supplier contracts at lower costs, particularly in printing of vehicle registration materials.
2. **The methodology used to determine how cuts are made**
 - a. The BMV's budget cuts are the result of an ongoing strategy of reducing costs while improving service. New, easier methods of interfacing with customers (e.g. internet renewals) have and will continue to afford substantial savings in all areas of the BMV operation while either maintaining or in most cases improving service.

3. Implementation dates of all budget cuts and personnel layoffs.

- a. The BMV's budget cuts have occurred throughout all of FY2010. There was no single date(s) where all the cuts hit.
- b. The BMV has had no layoffs in response to statewide budget cuts; however, since 2007 the agency has adjusted staff levels at some locations in response to lower transaction volumes. That effort continued through all months of FY2010.

4. Expected reversions to date by program.

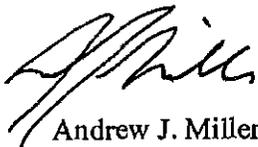
- a. See point number 1 above.

5. Estimated impact of cuts on people served by each program.

- a. The BMV's current service levels remain strong and are consistent with the prior fiscal year.
 - i. Branch transaction times for FY2010 are averaging 8:21 vs. 8:11 during FY2009.
 - ii. Customer satisfaction continues to be above 90%.
 - iii. Use of non-branch channels (e.g. internet) for registration renewals has increased to 50%, despite removal of the \$5 discount for internet transactions.
 - iv. Turn-around-time for title fulfillment has dropped to 2 days, driver's licenses are at 5 days, and registrations are at 4 days, all of which are at or below last year.

Please let me know if you have additional questions.

Sincerely,



Andrew J. Miller
Commissioner



STATE OF INDIANA

DEPARTMENT OF FINANCIAL INSTITUTIONS



30 South Meridian Street, Suite 300
Indianapolis, Indiana 46204-2759
Telephone: (317) 232-3955
Facsimile: (317) 232-7655
Web Site: <http://www.in.gov/dfi>

June 16, 2010

Senator Vi Simpson
Minority Leader
4965 West Woodland Drive
Bloomington, IN 47404-8935

Dear Senator Simpson:

This correspondence is in response to your letter dated June 1, 2010, requesting information on the cost savings initiatives implemented by the Department of Financial Institutions (the "Department") to achieve targeted reversion amounts established by the Administration.

The following initiatives were implemented in FY 2010 to achieve the reversion target:

- No pay raises
- Reduction of in-state-travel travel expenses by expanding the Department's Work at Home Policy
- Not filling vacancies resulting from retiring or resigning employees
- Suspension of all employee promotions
- Suspension of payments associated with the State of Indiana's CPA Award Policy
- Suspension of payments associated the State's Spot Bonus Award Program
- Reduction of out-of-state training costs and the related out-of-state travel expenses
- Critical review of every expense item to determine its necessity for the operation of the Department

In addition to the continuation of the aforementioned initiatives, the following initiatives will be implemented in FY 2011 to achieve the mandated reversion requirement:

- Salary reductions for professional staff
- Suspension of the annual examiner seminar and support staff seminar
- Reduction in monthly lease payment of a district office

The Department of Financial Institutions receives no General Fund revenues. It is funded exclusively by examination, supervisory and license fees paid to it by the entities subject to its jurisdiction. The above initiatives were implemented to assist the Administration in achieving a balanced state budget.

I hope this information sufficiently addresses your request.

David H. Mills
Director
Indiana Department of Financial Institutions

cc: Governor Mitch Daniels
Chris Ruhl, State Budget Director



STATE OF INDIANA

Mitchell E. Daniels Jr., Governor

DEPARTMENT OF ADMINISTRATION
Commissioner's Office

Indiana Government Center South
402 West Washington Street, Room W469
Indianapolis, IN 46204

June 21, 2010

Senator Vi Simpson
Senate Democrat Leader
State House
Indianapolis, IN 46204

Dear Senator Simpson,

Pursuant to your letter of June 1, I have outlined below five cost reduction items implemented by the Indiana Department of Administration. While some of these items such as fleet management have been ongoing since 2005, reductions in state income have created new emphasis on efficiencies.

- **Out of State Travel** - In the last year and a half the state has reduced all out of state travel by approximately 60%. Only travel that is critical and necessary to one's job function is allowed. As result, spend on air, hotel and rental cars, dropped by \$530,000 in 2009.
- **Vehicle Purchasing and Fleet Management** - The state has reduced its fleet by 16% (January 2008 through May, 2010). All regular vehicle replacement purchases are now limited to the following categories: those which are federally funded; law enforcement vehicles; and a limited number of INDOT trucks required for essential operations. For FY 2010, the State spent \$10 million less than budgeted for new vehicle purchases.
- **Government Center Custodial Services** - Effective July 1, 2010, government center custodial services are changing from an evening function to a primarily daytime one. These operational changes will provide reduced costs for custodial services, reduced costs for utilities, and improved security by eliminating non-staff in agency space after normal working hours.
- **RFP Scoring** - In October 2009, IDOA revised the cost score approach on RFP solicitations. In order to earn the maximum number of points in the cost category, RFP responses will need to show at least a 10 percent cost reduction to the state. Responses that maintain current (baseline) pricing levels will receive no points in the cost category. Responses that propose increased costs to the state will have points deducted.
- **Office Lease Consolidation** - State offices located in Marion County are being relocated to the Indiana Government Center Complex. The Metro Indianapolis leased square footage has been reduced by 19% from 1.1 million square feet in January 2009 to 903,000 square feet in May 2010. Annual leases, in dollars, has been reduced from \$38.5 million in 2007 to \$32.9 million today (this number will continue to fall over the next 12 months with continuing consolidation).

You may recall that on November 12, 2009, IDOA laid off 33 employees. The impacts affected a range of functions within IDOA, but the largest number came from the public works section where reductions in construction projects eliminated tasks performed by those individuals. Other cuts were in state government campus management, greening the government and the state's automotive and aviation fleet staffing.

No raises were provided to IDOA employees during FY 2010. The optional voluntary unpaid leave program was implemented for employees who desired to participate.

Attached you will find a list of news articles published as a result of the November 12 announcement.

<http://iphone.indystar.com/posts/2794>

<http://www.wthr.com/global/Story.asp?s=11500239>

<http://www.courierpress.com/news/2009/nov/13/indiana-government-begins-layoffs-after-revenue-dr/>

<http://www.theindychannel.com/news/21631917/detail.html>

<http://www.courierpress.com/news/2009/nov/15/layoffs-part-of-states-effort-to-trim-budget/>

<http://www.journalgazette.net/article/20091114/NEWS07/311149971>

<http://www.heraldtimesonline.com/stories/2009/11/14/statenews.qp-0438714.sto>

Sincerely,

Robert D. Wynkoop
Commissioner



STATE OF INDIANA

Mitchell E. Daniels Jr., Governor

DEPARTMENT OF ADMINISTRATION
Commissioner's Office

Indiana Government Center South
402 West Washington Street, Room W469
Indianapolis, IN 46204

April 28, 2010

To All Agency Heads:

As an improvement to IGC campus security and a cost saving measure, the Indiana Department of Administration and the Indiana State Police will be changing the hours of operation of the public entry control points for the Indiana Government Center buildings.

Currently the public access into the IGC buildings is from 7:00 am to 5:30 pm. Recent surveys have shown that few, if any, members of the general public enter IGC campus buildings prior to 7:30 am and very few after 5:00 pm. Effective May 10th the new hours will be from 7:30 am to 5:00 pm.

As has been the practice, special arrangements can be made for planned events where members of the public need to gain access prior to building opening times or past scheduled closing times. Events scheduled through the Conference Center can have arrangements made to provide for building access.

There will be no change or impact on employees with ID badge card access entering the IGC buildings, only the public entry and access.



STATE OF INDIANA

Mitchell E. Daniels Jr., Governor

DEPARTMENT OF ADMINISTRATION
Commissioner's Office

Indiana Government Center South
402 West Washington Street, Room W469
Indianapolis, IN 46204

To: All Agency Heads

From: Mark W. Everson *MWE*
Commissioner, Department of Administration

Christopher A. Ruhl *CR*
Director, State Budget Agency

Date: December 9, 2009

Re: Vehicle Purchasing and Fleet Management

The state has reduced its vehicle fleet significantly since the start of the Daniels Administration. In accordance with the governor's directive to further reduce the number of state-owned vehicles, IDOA will be sharply decreasing the purchase of vehicles and limiting the number of cars permanently assigned to individuals.

Effectively immediately and for the remainder of the fiscal year, regular vehicle replacement purchases will be limited to the following categories: those which are federally funded; law enforcement vehicles; and a limited number of INDOT trucks required for essential operations.

IDOA fleet services will work with agencies to identify underutilized vehicles which can be reassigned to meet pressing needs. Any requests for exceptions to this policy should be processed through fleet services and provide full documentation of the absolute need for the purchase, together with an analysis of why the need cannot be met through other means. As with all out of state travel, these requests will be reviewed directly by the IDOA Commissioner.

In coming weeks, IDOA will conduct a comprehensive review of all agency vehicles with particular scrutiny of those in take home status or otherwise permanently assigned to individuals. Working with the Governor's Office and the State Budget Agency, IDOA will develop revised and tighter criteria to meet the governor's standard that all state-owned vehicles are absolutely necessary. Agency fleets will then be reduced accordingly.

Thank you for your cooperation in this matter.



STATE OF INDIANA

Mitchell E. Daniels Jr., Governor

DEPARTMENT OF ADMINISTRATION
Commissioner's Office

Indiana Government Center South
402 West Washington Street, Room W469
Indianapolis, IN 46204

To: All Agency Heads

From: Mark W. Everson
Commissioner, Department of Administration

Date: January 12, 2010

Re: Fleet Management Information

In order to comply with the Governor's directive to further reduce the State's vehicle count, IDOA requests that you conduct a complete review of your passenger fleet and its expected calendar year 2010 use. Vehicles should be classified in one of three categories: take home; permanently assigned; or pool. Any vehicles disposed of or returned to IDOA during the course of your review should be excluded from the analysis, which should be completed to reflect the vehicle count and assignments as of January 31st.

Once you have completed the review and captured the requested information on the attached spread sheets, IDOA will review your analysis and work with you to identify opportunities for further fleet optimization. To facilitate this process, please complete your review no later than February 3, 2010. Instructions for preparing the attached forms will be separately transmitted to your vehicle manager by IDOA fleet services.

Any questions concerning your review or the forms may be directed to Tony Green, 234-1596 or agreen@idoa.in.gov. Thank you.



STATE OF INDIANA

Mitchell E. Daniels Jr., Governor

DEPARTMENT OF ADMINISTRATION
Commissioner's Office

Indiana Government Center South
402 West Washington Street, Room W469
Indianapolis, IN 46204

For immediate release

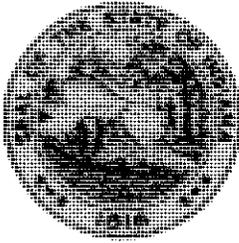
INDIANAPOLIS (November 16, 2009) – The Indiana Department of Administration (IDOA) issued the following statement today concerning the Greening the Government program, established by Governor Daniel's Executive Order 05-21:

“IDOA will continue to meet its obligations under the executive order which governs the establishment of the Greening the Government initiative. The duties of the former director of Greening the Government will be absorbed within IDOA, under the direction of an IDOA Deputy Commissioner. The department will work closely with the Indiana Department of Environmental Management in managing the program. IDEM is the other state agency with a lead role under the executive order.”

-30-

Media contacts:

IDOA: Connie Staton Smith, (317) 233-1494, csmith@idoa.in.gov



Effective: 04.02.2009

State of Indiana
Vehicle Fleet Management Policy
Indiana Department of Administration

Purpose: To establish a uniform state policy for the procurement, assignment, operation and reporting of state owned, leased, or rented vehicles.

Scope: This policy applies to the assignment, operation and reporting of all state owned, leased, or rented vehicles by all agencies.

I) APPLICABLE AUTHORITY

- A) **Indiana Code 4-13-1-4**
- B) **Indiana Administrative Code 25-4-1-1**
- B) **P.L. 234-2007, Section 24**
- C) **Executive Order 05-06**
- D) **Executive Order 05-21-h**

Agency-Specific Vehicle Policies

Agencies may create their own agency-specific vehicle use policy. An agency-specific policy may supplement, but not negate any provision in this State of Indiana Vehicle Fleet Management Policy. A copy of the current agency-specific policy must be forwarded to IDOA Fleet Services, ATTN: Director of Vehicle Administration, at the time the policy becomes effective. All subsequent revisions and changes must also be submitted to IDOA Fleet Services.

II) DEFINITIONS

For the purposes of this policy, the following definitions apply:

- A) **"State Agency"** is any agency or quasi-agency that is accountable to the Executive Branch of the State of Indiana. All other elected officials and their respective organizations are encouraged to adopt these policies.
- B) **"State employee"** is any person who is directly employed by an agency of the State of Indiana, whether full-time, part-time, intermittent or temporary.
- C) **"State vehicle"** means any motor vehicle purchased and owned by the State of Indiana or any vehicle leased or rented from a commercial vendor where that rental is paid for by the State of Indiana.

- D) **“Law Enforcement Officer”** is any sworn law enforcement agent who has the authority to arrest.
- E) **“Law Enforcement Vehicle”** is any vehicle assigned to or primarily operated by a Law Enforcement Officer. Law Enforcement vehicles which are not assigned to or primarily operated by a sworn law enforcement officer are not Law Enforcement vehicles for the purposes of this policy and therefore not exempt where Law Enforcement vehicles are exempt.

III) **VEHICLE ACQUISITION**

IDOA recognizes the inherent need for the State to secure vehicles and equipment for the performance of assigned duties. At the same time, all fleet administrators are tasked with providing transportation at the lowest possible cost to the State. Agency heads and fleet administrators have four distinct options available to secure a vehicle for state business:

- A. Purchase of an agency-owned vehicle
- B. Lease of an IDOA-owned vehicle
- C. Rental of a vendor supplied vehicle
- D. Use of a personal vehicle for state business.

Agency heads and fleet administrators must weigh all of these options when considering how to meet the transportation needs of their agency at the lowest cost to the State. This section of the policy describes the four options available so that agencies pick the appropriate option.

A) **Purchase of an Agency-Owned Vehicle (Vehicle Procurement)**

1) **Statutory Procurement Requirements**

The Director of the Division of Procurement of the Indiana Department of Administration, or any other person or agency authorized to make purchases of equipment, shall not honor any requisition for the purchase of a vehicle that is to be paid for from any appropriation unless the following facts are shown to the satisfaction of the Commissioner of the Indiana Department of Administration or the Commissioner's designee:

- a. In the case of an elected state officer, it shall be shown that the duties of the office require driving about the state of Indiana in the performance of official duty.
- b. In the case of department or commission heads, it shall be shown that the statutory duties imposed in the discharge of the office require traveling a distance greater than one thousand (1,000) miles each month or that they are subject to official duty call at all times.
- c. In the case of employees, it shall be shown that the major portion of the duties assigned to the employee require travel on state business in excess of one thousand (1,000) miles each month, or that the vehicle is identified by the agency as an integral part of the job assignment.

Once purchased, all state-owned vehicles must continue to meet the statutory requirements listed above for usage and mission throughout the life of the vehicle.

2) Procurement Justification

The Department of Administration also requires justifications to accompany requests for new model year purchases. Vehicle purchase approval decisions will be made based upon the agency's response to the following eight justification questions:

- a. What is the intended use of the vehicle and the daily functions it must perform?
- b. What is the anticipated average monthly mileage of official use?
- c. What is the vehicle type requested and what is needed (specifications) to perform the job for which it is intended?
- d. What funds are budgeted for vehicle purchase or lease? Specify fund/center and project. Verify that funds are available.
- e. Will this purchase replace an existing vehicle or add to the State fleet? If replacing an existing vehicle, specify the commission number of the vehicle to be replaced. If the purchase expands the fleet, you must provide compelling justification for addition to the fleet along with the requisition.
- f. What considerations have been given to consolidating vehicle use? Can one vehicle be used to accommodate two or more needs?
- g. Are you replacing a vehicle with less than 100,000 miles? Fleet Services requires a vehicle to have 100,000 miles before replacement, unless mechanical problems require the vehicle to be replaced earlier. If replacing a vehicle with less than 100,000 miles, document the history of mechanical problems that justify the vehicle being replaced.
- h. Is a flex fuel option available for the make/model of vehicle requisitioned? If available, was the option selected? If an available flex fuel option was not selected, provide explanation for that decision.

B) Lease of an IDOA-Owned Vehicle (Vehicle Lease)

Vehicle leases are a means by which IDOA procures new vehicles, expending the money for the purchase up front, and then recoups that money from the using agencies through a permanent vehicle lease agreement. Because these vehicle leases do not save the State any money but merely transfer the burden of procurement from one agency to another, the requirements for leasing a vehicle from IDOA Fleet Services are the same as for procuring a new vehicle in section III-A above.

Those interested in leasing a vehicle from IDOA Fleet Services should contact the IDOA Director of Vehicle Administration at (317)232-1379.

C) Rental of a vendor supplied vehicle (Daily Rental)

When assigning employees to state business requiring the temporary use of a vehicle, and where the agency has no internal motor pool, agencies should give employees the

choice of using either Enterprise Rent-A-Car or their personal vehicle (with reimbursement). Agency heads may require employees to use Enterprise vehicles for the conduct of State business. However, agency heads may not mandate that an employee use their own personal vehicle for state business.

To calculate the cost to the state of renting a daily rental vehicle versus reimbursement for using a personal vehicle, use the online [Rent vs. Reimbursement Calculator](#). The results of the calculation may be printed as justification for use of a personal vehicle for state business. Rules and procedures for the Enterprise Rent-A-Car partnership are located at <http://www.in.gov/idoa/2457.htm>.

D) Use of a Personal Vehicle for State Business

Use of a personally owned vehicle for State business is only authorized where the following conditions are met:

- 1) The use is approved by the agency before such travel occurs
- 2) The cost to the State would be less than if the operator rented a daily use rental vehicle or if a daily rental or agency pool vehicle are unavailable

Those who use their personal vehicle for state business must adhere to applicable travel rules outlined in State Board of Accounts, [State Agencies Manual \(Chapter 11, Travel\)](#) when submitting for reimbursement. A link to Chapter 11 is at VII-A-6.

IV) VEHICLE ASSIGNMENT (TAKE HOME)

State vehicles represent a significant capital investment by the State and should always be assigned with mission, cost and the public trust in mind.

A) Take Home Vehicle Assignment Criteria

Each agency head has discretion to decide whether a take home vehicle should be assigned to a qualifying employee. For employees to be assigned a take home vehicle the agency must show that the duties of the employee meet one of the following criteria.

- 1) In the case of an elected state officer, it shall be shown that the duties of the office require driving about the state of Indiana in the performance of official duty.
- 2) In the case of department or commission heads, it shall be shown that the statutory duties imposed in the discharge of the office require traveling a distance greater than one thousand (1,000) miles each month or that they are subject to official duty call at all times.
- 3) In the case of employees, it must be shown that the major portion of the duties assigned to the employee must require travel on state business in excess of one thousand (1,000) miles each month, or that the vehicle is identified by the agency as an integral part of the job assignment. In addition, at least one of the following criteria must be met:
 - a) The job requires an employee to be on call on a recurring basis beyond normal duty hours and, when called out, requires immediate travel from a residence to

a location where specific skills, services, tools, equipment or supplies are necessary to perform the job.

- b) The job involves leaving directly from home to a continually variable work station, in which travel to a central location to obtain a state-owned vehicle would result in significant amounts of unnecessary travel time and loss of productive hours.
- c) The employee works from a home office with continual variable work station (inspectors, case workers, investigators, etc.).
- d) The employee is a law enforcement officer or a public safety emergency responder.

In computing the number of miles required to be driven by a department head or an employee, the distance between the individual's home and office or designated official station may not be considered as a part of the total.

Employees who are assigned a state-vehicle on a temporary basis may take that vehicle to their place of residence for de minimis commute usage, such as staging the vehicle at home in preparation to travel the next day, or returning from travel to your home too late in the day to return the vehicle to your duty location.

b) Annual Take Home Vehicle Justification

Department heads must annually complete State Form 53846 (Justification of Take Home Vehicle Assignment) for each take home vehicle assigned in their department. Completed forms must be submitted to IDOA Fleet Services, ATTN: Director of Vehicle Administration no later than May 1 each year or whenever a take home vehicle is newly assigned or reassigned. This form serves as the agency's justification of take home vehicle assignment and proof of meeting the criteria outlined below. A link to the form is in Section VII-B-1.

V) VEHICLE OPERATION

A) Authorized Operators

Only state employees may operate a state owned, leased or rented vehicle. Federal and other state law enforcement agents acting on behalf of the state and Indiana National Guard personnel may operate state vehicles in the performance of their official duties. All state employees who operate a state vehicle must:

- 1) Possess a valid Indiana driver's license appropriate to the type of vehicle to be driven. The driver's license must not be suspended or set to expire before the State employee is expected to complete their travel.
- 2) Be an employee of the State of Indiana during the duration of the travel period.
- 3) Be conducting official business on behalf of the State. Law Enforcement personnel are exempt from this restriction.

B) Authorized Passengers

The following individuals may ride as passengers in a State vehicle:

- 1) A State employee conducting business on behalf of the state.
- 2) Wards of the State.
- 3) A passenger transported by a law enforcement officer.
- 4) Passengers transported as part of an operator's specific duties, such as law enforcement or INDOT's Hoosier Helper program.
- 5) A non-State employee who is an independent contractor conducting business on behalf of the State. All non-State employees traveling in a State-owned vehicle, except as defined in number 2, 3 and 4 above, must sign State Form 53845 (Waiver of Liability) before traveling in a State vehicle. A link to the form is in Section VII-B-2.
- 6) Any request for exception to this policy must be submitted in writing to the Commissioner of the Indiana Department of Administration, or the Commissioner's designee. The request must be approved by the Commissioner, or their designee, before the exempted passenger travels in a State owned, State-leased or State-rented vehicle.

C) Authorized Use

State vehicles may only be used for the tasks outlined below. Law Enforcement vehicles are exempt from these restrictions.

- 1) Travel between the place where the state vehicle is dispatched and the place where the official State business is performed.
- 2) When on official travel status, travel between the place of state business and a place of temporary lodging or for obtaining food.
- 3) Travel between the place of dispatch or place of performance of state business to your personal residence when specifically authorized by an employee's supervisor. A State employee may park a State vehicle overnight at the employee's residence if:
 - a) The vehicle is assigned as a take home vehicle.
 - b) For pool vehicles, when the employee's home is located some distance from the vehicle pool location and such retention would result in a savings in time and distance traveled.
 - c) Travel to the place of performance of state business must begin too early in the morning to allow for the employee to secure a State vehicle before departing that day.
 - d) The employee returns from the place of performance of State business too late in the day to return the state vehicle that day.

D) Unauthorized Use

State vehicles may not be used as outlined below, except for de minimis personal use (such as a stop for lunch while traveling on state business). Law Enforcement vehicles are exempt from these restrictions.

- 1) Any use for personal purposes, other than travel to your personal residence which has been authorized as specified in part V-C, Authorized Use.
- 2) Travel or tasks that are beyond the vehicle's rated capability or capacity.
- 3) Travel outside the State of Indiana, unless State Form 823 (Authorization for Out of State Travel) has been approved before such travel begins. De minimis travel across State lines, to turn around for example, does not require State Form 823 and is acceptable. State Board of Accounts (SBOA) State Agencies Manual (Chapter 11 - Travel) contains specific rules and guidance for out-of-state travel. Links to Chapter 11 and SF 823 are in Section VII-A-6 and VII-B-6 respectively.
- 4) Transport of pets, livestock, domestic or wild animals except in the conduct of official State business.
- 5) Transport of cargo that has no relation to the performance of official State business.
- 6) Transport of acids, alcohol, explosives, weapons, ammunition or highly flammable material, except in the course of official duties. Transport of these restricted items must be in compliance with all applicable local, state, and federal laws.
- 7) Transport of any item or equipment projecting from the side, front or rear of the vehicle in a way that constitutes an obstruction to safe driving or a hazard to pedestrians or other vehicles.
- 8) Transport of employees from the normal place of business to restaurants or other places while not on official State business.
- 9) Engaging in any activity that would impede the safe operation of the vehicle.
- 10) Attending sporting events, including hunting and fishing, which are not in the service of State business.
- 11) Unreasonably extending the length of time the vehicle is in your possession beyond that which is required to complete the official purpose of the trip.
- 12) All state employees, with the exception of law enforcement officers carrying out authorized undercover operations, are prohibited from operating state vehicles at any time with any measurable amount of alcohol from alcoholic beverages or controlled substances in their bodies.
- 13) Operating a State vehicle without a valid driver's license or while said license is under suspension or revocation.
- 14) Smoking while in a State vehicle.
- 15) Adding any non-State issued devices, appliances, radios, antennas, seats, or other after-market equipment to a State vehicle, including but not limited to radar detectors, CB radios, satellite radios, fixed-mount GPS devices, speakers or car heaters to a State vehicle. Exemptions must be approved in writing by the agency.
- 16) Removing or disabling any item from a State vehicle that was either installed on the vehicle by the manufacturer or by the State, including but not limited to cruise control, radio, spare tire, jack, State agency decals, door or seat belt warning buzzers, air bags, seats, seat belts, speakers, or On-Star equipment.

- 17) Agencies have the authority and responsibility to restrict State employees from operating State vehicles when the employee has a history of being an unsafe or irresponsible vehicle operator.

E) Employee Responsibility for Vehicle Use

- 1) Employees are expected to use State vehicles in a responsible manner and within the bounds of all traffic and parking laws. The vehicle operator must pay any towing, storage, parking or traffic fines resulting from the operator's violation of existing laws or ordinances while operating a state vehicle. The State will not reimburse the operator for any such fines.
- 2) Damages or other financial assessments related to State vehicles that, after official agency review, are determined to have been the result of the driver's poor judgment, irresponsibility, negligence, or violation of these rules may be charged to the employee. Such charges or assessments may include, but are not limited to, tow charges, damage to the vehicle and all traffic and parking violations.
- 3) Employees must ensure that fuel vendors accept the State credit card prior to fueling or purchasing other goods and services.
- 4) Employees are to use credit cards only for fueling the vehicle or to purchase vehicle parts or supplies necessary for the continued safe operation of the vehicle.
- 5) Employee shall be responsible for checking the State vehicle before operation to ensure that the vehicle lights, turn signals, brake lights, and other safety equipment are functional on the State vehicle.
- 6) Employees are to lock the doors of State vehicles when the vehicle is not in use.
- 7) Employees are not to drive any State vehicle with damages or defects which make the vehicle unsafe for operation.
- 8) The use of cellular phones while driving is strongly discouraged. If a cell phone must be used while driving, employees should pull over to the side of the road at the safest opportunity or pull into a rest stop or parking lot and stop the vehicle.
- 9) When fueling a State-owned vehicle, the operator must:
 - a) Make every effort to purchase fuel at the least expensive outlet.
 - b) Purchase the lowest grade fuel available for the vehicle.
 - c) Purchase E-85 ethanol fuel if the State-vehicle is Flex Fuel capable.Executive Order 05-21 directs all fleet vehicles based in Indianapolis that are capable of using Ethanol-85 to refuel with E-85 at the IDOA State refueling site (601 W McCarty Street) whenever possible. A link to Executive Order 05-21 is at Section VII-A-5.

F) Vehicle Operation Risk

1) Summary of State and State Employee's Risk

There are five general vehicle damage scenarios when an employee is using a vehicle for state business. Below is a summary of those scenarios as well as information specific to who is responsible for payment.

- a) **State vehicle damaged, State employee at fault:** Agency pays for the repair. The other driver must file a tort claim, which is reviewed by the Office of the

Attorney General (OAG). The OAG will review the claim and determine whether to pay for damage or injury from the tort claim fund.

- b) **State vehicle damaged, non-State employee at fault:** If IDOA Fleet Services performs the repair work, Fleet Services will ID Bill the agency. The agency can seek reimbursement from the third party insurance provider.
- c) **Personal vehicle damaged, State employee at fault:** The employee files a claim with their own insurance carrier and must pay their deductible. The other driver must file a tort claim with the Office of the Attorney General (OAG). The OAG will review the claim and determine whether to pay for damage or injury from the tort claim fund.
- d) **Personal vehicle damaged, non-State employee at fault:** Employee must file a claim with the other driver's insurance carrier or their own insurance carrier and pay their own deductible. The employee's insurance carrier has the ability to subrogate.
- e) **Enterprise Rent-A-Car vehicle damaged:** Regardless of fault, Enterprise pays all costs to repair damage of an Enterprise Rent-A-Car vehicle rented under the State's contract with Enterprise and pays costs of damage to third party vehicle.

2) **State and State Employee Risk: Personally-Owned Vehicles**

Every person operating a motor vehicle on the public streets and highways of the State is statutorily required to maintain minimum insurance (See IC 9-25-4-5). When an employee drives their personally-owned vehicle (POV) for state business, the state reimburses that employee based on their mileage (\$.44 per mile as of July 1, 2008). The State's mileage reimbursement is provided to cover items such as depreciation (or lease payments), maintenance and repairs, tires, gasoline (including all applicable taxes), oil, insurance, and license and registration fees. Therefore, the State does not take on the liability of the state employee's personal vehicle because the cost is incorporated into the per diem the State pays the employee for driving their POV.

When a state employee drives their POV within the scope of employment and gets into an accident, the state employee is generally immune from a lawsuit brought by a passenger in their car or any other injured third party (see IC 34-13-3-3). If the state employee is injured, the employee can file a workers' compensation claim but may not sue the State; recovery is limited to the worker's compensation settlement. However, the employee may independently pursue a claim against a third party driver.

If a non-state employee passenger is injured while riding with a state employee in a personal vehicle during the course of state business, and some "fault" is placed upon the state employee, the passenger would have a proper tort claim and would have to file a claim under the Tort Claim Act to be reimbursed for injury or damage. If the state employee were sued for the incident by a passenger or a third party driver, the State would provide a defense. However, damage to the state

employee's vehicle would not be covered by the Tort Claim Act but through their own insurance carrier.

3) State and State Employee's Risk: Enterprise Rent-A-Car Vehicles

When a state employee uses a state-leased Enterprise Rent-A-Car vehicle for state business and is in an accident, Enterprise Rent-A-Car pays for everything, regardless of fault; neither the employee's insurance carrier nor the State is liable.

Enterprise covers all insurance costs through its insurer, including the deductible. The State's contract provides that Enterprise shall maintain insurance coverage for any claims which may arise out of the performance of the contract. Enterprise must have insurance that covers automobile liability with minimum liability limits of \$700,000 per person and \$5,000,000 per occurrence. The contract requires Enterprise to defend, indemnify and hold harmless the State in excess of the minimum requirements and is not limited by the insurance required in the contract. The contract also provides that Enterprise's insurance coverage will cover any deductible.

G) Vehicle Accident

In case of a vehicle accident while operating a state vehicle:

- 1) Call the Indiana State Police or appropriate law enforcement agency.
- 2) Make no statement as to fault or liability. If a claim results, respond to law enforcement authorities or someone hired by the state to investigate the accident.
- 3) Obtain the name, address, phone number, driver's license number, vehicle license plate, insurance company and policy number of all involved drivers. Diagram the accident. Obtain the name, address, and phone number of witnesses and passengers.
- 4) Complete and submit State Form 52441 (Indiana Operator's Proof of Insurance/Crash Report). The state employee driving the vehicle is also responsible for supplying the attending police department's report to his/her agency's vehicle coordinator and repair facility so that it can be attached to the repair estimate. A link to this form is found at VII-B-5.
- 5) If the vehicle needs to be towed, every effort should be made to have the vehicle towed to the nearest secure state facility, in lieu of a private storage facility.

H) Vehicle Theft Procedures

In case of vehicle theft:

- 1) Notify the appropriate law enforcement agency. Record the attending officer's name and badge number.
- 2) Obtain the name, address and phone number of any witnesses.
- 3) Notify your agency director/fleet administrator and IDOA Fleet Services, Director of Vehicle Administration, of the theft.
- 4) Turn in any keys to the vehicle to the agency director/fleet administrator.

VI) VEHICLE ACCOUNTING AND REPORTING

A) Vehicle Fleet Administration

The IDOA, Division of Fleet Services has authority to act as a full-service BMV branch for the purpose of titling, plating and registering of State-owned vehicles. Undercover law enforcement vehicles are exempt from this section.

- 1) All newly purchased vehicles must be titled, registered and plated through the Department of Administration, Division of Fleet Services.
- 2) The original vehicle title will be kept on file at IDOA Fleet Services. If a title is sent to the owning agency by the BMV, the agency must forward that original title to IDOA Fleet Services to be filed.
- 3) Exceptions must be approved by the IDOA Director of Vehicle Administration.
- 4) Pursuant to P.L. 234-2007, Section 24, all state vehicles must have an insignia permanently affixed on each side designating the vehicle as being State-owned. This requirement does not apply to State-owned vehicles driven by elected officials or to cases where the IDOA Commissioner or Commissioner's designee determines that affixing insignia would hinder the performance of official State duties.
- 5) Surplus State vehicles are sold at a monthly vehicle auction. Sale dates will be posted on the IDOA website prior to each auction. Each agency desiring to sell a vehicle at auction must complete and submit State Form 13812 (Notification of Surplus State-Owned Property) to IDOA Fleet Services along with the vehicle's keys. A link to this form is at Section VII-B-3.

B) Report of Vehicle Mileage and Costs

- 1) Agencies must complete State Form 13696 (Report of Vehicle Mileage and Cost) each month for all titled and plated motorized vehicles. Agencies with access to M5 must enter the meter usage into the M5 system each month. Agencies without access to M5 must forward the forms to IDOA Fleet Services. Agencies may substitute their own agency-generated vehicle mileage form in lieu of SF13696, provided that the required information is captured and entered into M5 monthly. A link to the SF 13696 is provided in Section VII-B-4.
- 2) Law Enforcement Divisions are not required to maintain State Form 13696 (Report of Vehicle Mileage and Cost).
- 3) If a vehicle is leased from IDOA Fleet Services, the leasing agency must complete and submit the monthly State Form 13696 (Report of Vehicle Mileage and Cost) to IDOA Fleet Services by the 10th working day of the following month. The fax number is (317)233-4881. IDOA Fleet Services will enter the vehicle use information into M5.
- 4) This policy sets forth rules for the administration of the State's vehicle fleet (assignment, authorized use, fleet reporting, etc.) while of the State Board of Accounts (SBOA) State Agencies Manual (Chapter 11 - Travel) provides policies for individual travel (reimbursement rates, per diem, etc.). Therefore, this policy

compliments the SBOA State Agencies Manual and operators of State-owned or leased vehicles must comply with the requirements of both documents. A link to this manual is provided at VII-A-6.

C) State Fleet Management System

The Department of Administration, Division of Fleet Services oversees and maintains a comprehensive database for all State-owned vehicles. That system is the M5 Fleet Management System (or M5).

- 1) All State-owned vehicles, both motorized and non-motorized, that are required by the Bureau of Motor Vehicles to be titled and plated must be entered into M5. The usage and maintenance work performed on these vehicles must also be entered into M5. Other vehicles and equipment, such as watercraft, tractors, and heavy construction equipment may be entered and maintained in M5 at the discretion of the owning agency.
- 2) Entering a vehicle into the M5 system does not negate or supersede requirements for vehicle information to be entered into other State systems such as PeopleSoft Financial system. These other systems have their own requirements which are established by other state agencies and are outside the scope of this policy.
- 3) The M5 Fleet Management System is the State of Indiana's sub-system of record for all state-owned vehicles. Agencies may keep supplemental vehicle information and records in other systems, but these supplemental systems do not supersede the requirements of this policy to maintain vehicle information within M5.
- 4) Agencies are responsible to maintain current and accurate meter readings for vehicles in their fleet, using M5 Fleet Management System.

D) Vehicle Fuel Cards

The state-wide fleet fuel card program provides State agencies with a widely accepted fleet fuel card. The card allows drivers of State vehicles to purchase fuel and auto repair services/items for those vehicles. Use of the fleet fuel card is designed to streamline and automate the purchase of fuel for state business.

By increasing the amount of information received from card purchases, the program allows the State to increase usage and tracking of vehicle-related purchases. This program is expected to increase savings to the state by decreasing the number of manual processes related to the program.

The current fleet fuel card contract is with Wright Express Financial Services Corporation.

Vehicle credit cards are true credit cards and agencies must take steps to protect them from potential fraud. The responsibility for the issuance, safekeeping and invoice reconciliation of gasoline credit cards should be with a designated custodian, such as the agency's business manager, fleet administrator or accountant.

- 1) With the exception of pool vehicles and INDOT vehicles, agencies will assign fuel credit cards to a specific vehicle and enter the vehicle's commission number into the Wright Express field called "Customer Vehicle ID." This ensures that the fuel transaction interface can link the transactions with the correct vehicle in M5.
- 2) If the vehicle commission number is less than five digits in length, leading zeros must be added to match the formatting of the M5 system. See example below and note the Customer Vehicle ID field and the License Plate field.

2. Add Card						
* Required Field						
<input type="checkbox"/> Auto-generate card number:						
Department *	Vehicle Card Number *		Customer Vehicle ID *	Vehicle Description	License Plate	License State
	Manual	Auto				
Admin	<input type="checkbox"/>	<input checked="" type="checkbox"/>	00238	2006 Ford Taurus	238	IN
UNASSIGNED	<input type="checkbox"/>	<input type="checkbox"/>				

- 3) If an agency sells or transfers a vehicle, the agency must disable the vehicle's fuel credit card on the Wright Express website at the time of the sale or transfer. Disabling the card in the M5 system is not necessary, as the interface will accomplish this.

IDOA maintains a webpage dedicated to the State's fuel card program. This is a useful reference and contains a fuel card user's guide as well as a business rules for the fuel card program. A link to this webpage is at VII-C-3 below.

E) Vehicle Inventory and Usage Reports

IDOA Fleet Services prepares and posts monthly reports for use by agency fleet administrators and executive staff. These read-only reports are available for viewing in a network directory named *fleet* on 'iotfilp08pw'. Access to view this directory can be obtained by contacting fleet@idoa.in.gov. Reports include:

- 1) Fleet Inventory report. This monthly report includes each agency fleet as of the first of each month, count of full-time and part-time employees (no temps), ratios of vehicles to employees, and trend analysis.
- 2) Underused Mileage Report. This monthly report shows all agency passenger vehicles with average usage below 900 miles per month. It is useful for identifying units with stale meter readings in the M5 system, or that do not receive sufficient usage and should be disposed of.
- 3) All Flagged-Retired Units by Agency. This monthly report shows every agency vehicle in either flagged or retired status, indicating that they have been identified with the M5 system as candidates for disposal. The report is useful for discerning which vehicles have been identified for disposal, but have not yet been sold.
- 4) Average Flag-Retire Dates by Agency. Like the other flag-retire report, this monthly report calculates the average date of all flagged and/or retired vehicles in their fleet. The report is useful for discerning how long, on average, agency

vehicles have been in Flagged status and waiting to be turned into IDOA Fleet Services for sale.

- 5) Ready for Service Units. This monthly report shows each agency vehicle that is being prepared for service (i.e. having agency-specific equipment installed) and the date those vehicles were put into this status. It is useful for seeing how efficient each agency is at getting new units into service.

F) IDOA ID Billing Verification

IDOA Fleet Services continues to lease vehicles to agencies on a permanent lease basis. Agencies should verify IDOA Fleet Services inter-department bills in the same manner as vendor bills. Specifically, the agency is to:

- 1) Verify that the amounts on the ID Bill are accurate.
- 2) Determine that the correct fund/object/center was charged.
- 3) If there is a discrepancy, the agency must contact IDOA Fleet Services (fleet@idoa.in.gov) for corrective action.

G) IRS Requirements for Employer Provided Vehicles

The Internal Revenue Service requires payroll tax withholding and compensation reporting (W-2) for employees using state-owned vehicles for non-business or commuting purposes. These employees must complete and certify Statements of Employer Provided Vehicle Use each payroll period.

The amounts used in this section are current as of the publication of this policy. These amounts are set by the Internal Revenue Service and are subject to change periodically. It is the agency's responsibility to be aware of these changes. Rates may be found in IRS Publication 15-B and IRS Publication 535, and are subject to change.

In accordance with IRS guidelines, the Auditor's Office required Agency Heads to select commute vehicle policies for their agencies. The policy selections are:

- 1) **No Personal Use (No take-home vehicle policy)**
- 2) **Commuting Use (Take-home vehicle policy)**
- 3) **Allowable Personal Use (Take home vehicle policy plus allowed personal use)**
 - a) **Cents-Per-Mile**
 - b) **Annual Lease Value**

The agency's policy must be consistent with state law and the criteria for permanent assignments of vehicles.

The rules for each policy choice are explained in the following sections. Any penalties incurred by the State of Indiana for noncompliance with these provisions are considered to be the agency's responsibility. An agency may also cause undue expense to its employees, from the Internal Revenue Service, if compliance is not enforced.

- 1) **No Personal Use (No take-home vehicle policy)**

Under a written No Personal Use policy, employee use of the state-owned vehicles will be considered nontaxable to an employee provided the following conditions are met:

- a) The vehicle must be owned, or leased by the State and provided to one or more of its employees to be used in connection with state business.
- b) When the vehicle is not being used for state business, it must be kept on state premises, except when it is temporarily elsewhere for repairs or maintenance. There may be situations that the agency might waive this requirement. The agency director must plainly state in their policy this exception to this requirement.
- c) No employee using the vehicle lives on state premises.
- d) The written policy prohibits the use of the vehicle by an employee or a member of his/her family for personal purposes except for de minimis use (such as a stop for lunch between two business deliveries).
- e) There is compliance with the No Personal Use policy.

The state agency is required to maintain evidence that all of the above conditions have been satisfied. Adoption and adherence to a written No Personal Use policy as described above, will be sufficient substantiation to the IRS that the use of state vehicles is exclusively for state business.

2) Commuting Use (Take-home vehicle policy)

Under this policy, you determine the value of a vehicle you provide to an employee for commuting use by multiplying each one-way commute (that is, from home to work or from work to home) by \$1.50. If more than one employee commutes in the vehicle, this value applies to each employee. This amount must be included in the employee's wages or reimbursed by the employee.

You can use the Commuting Use policy if all the following requirements are met.

- a) You provide the vehicle to an employee for state business and you require the employee to commute in the vehicle.
- b) You establish a written policy under which you do not allow the employee to use the vehicle for personal purposes other than for commuting or de minimis personal use.
- c) The employee does not use the vehicle for personal purposes other than commuting and de minimis personal use.
- d) If this vehicle is a four-wheeled vehicle (such as a car, pickup truck or van) the employee who uses it for commuting is not a "Control Employee." For 2009, a "Control Employee" is any employee who is either an elected official or whose pay is \$143,500 or more.

Commute Use Reporting

The Internal Revenue Service has established that the commuting use is a taxable benefit to the employee. Employees are required to maintain records and report on the number of one way (or round trip) commutes between the employee's home and place of work for each payroll period.

To report Commuting Use of a state-vehicle, the employee should complete State Form 49632, Employee Statement of Employer Provided Vehicle Use (Daily Commuting and Cents Per Mile Methods). Agencies may report commutes on a modified attendance report provided the form has been approved by the State Board of Accounts.

3) Allowable Personal Use (Take home vehicle policy plus allowed personal use)

Agency Requirements

Elected officials and agency heads who are subject to official duty call at all times may be allowed personal use of a state vehicle. Also, the Internal Revenue Service requires that all elected officials, plus all employees earning greater than \$143,500, who are provided with a take-home vehicle must utilize the tax methods given in this policy. However, with the possible exception of law enforcement vehicles, state employees permitted to take permanently assigned vehicles home may not use that vehicle for any other personal purpose. When this policy is applicable, commuting miles are considered as personal use. Under this policy the agency must substantiate the extent to which the vehicle is used for business and will usually be based on the records of the employee.

Employee Requirements

Each employee should maintain vehicle business use substantiation records in the form of a diary, trip sheets, logs, or similar records in which the following entries are made:

- (i) Business Mileage
- (ii) Personal Mileage
- (iii) Purpose of each trip
- (iv) Date(s) of each trip

Records should be prepared at least weekly.

In order to maintain an adequate record of the use of an automobile, the record must contain sufficient information as to each element of the vehicle's use for business. Responsibility for maintaining vehicle use records rests with the employee.

There are two methods of computing the valuation of employee use of employer provided vehicles, the Cents-Per-Mile and Annual Lease Value methods. Which method is used depends upon annual miles driven and the vehicle's fair market value when the employee first received it.

a) Cents-Per-Mile Method

Under this rule, you determine the value of a vehicle you provide to an employee for personal use by multiplying the current IRS mileage reimbursement rate (55 cents per mile as of April 1, 2009) times the total miles the employee drives the vehicle for personal purposes. Personal use is any use of the vehicle other than use in the conduct of state business. This amount must be included in the employee's wages or reimbursed by the employee.

You can use the Cents-Per-Mile rule if either of the following requirements is met.

- You reasonably expect at least 50% of the vehicle's total annual mileage throughout the calendar year to be for state business
- The vehicle is actually driven at least 10,000 miles during the year

If the fair market value of the vehicle first made available to an employee for personal (commuting) use in 2009 was greater than \$15,000 for a passenger automobile and \$15,900 for a truck or van, then the Cents-Per-Mile rule cannot be used and you must use the Annual Lease Value method. Fair market value is the State's actual cost, if the vehicle was obtained via an "arm's length" transaction. For a leased vehicle, either the blue book value or the manufacturer's suggested retail prices less eight percent can be used as the fair value.

If using the Cents-Per-Mile method, the employee completes Sections 1 and 3 of State Form 49631, Employee Statement of Employer Provided Vehicle Use (Annual Lease Value Method to be used with the Allowable Personal Use Policy).

b) Annual Lease Value Method

Under the Annual Lease Value method the employee is taxed on the personal percentage of the vehicle's annual lease value. It is based on the vehicle's fair market value and an assumed four year lease term. Since the Lease Value Method has many rules and exceptions, consult the Internal Revenue Service IRS Publication 15-B for guidance and lease tables.

For the Annual Lease Value Method, the employee must complete State Form 49631, Employee Statement of Employer Provided Vehicle Use (Annual Lease Value Method to be used with the Allowable Personal Use Policy).

VII) REFERENCES

A) Relevant authority

- 1) [Indiana Code 4-13-1-4](#)
- 2) [Indiana Administrative Code 25-4-1-1](#)
- 3) [P.L. 234-2007, Section 24](#)
- 4) [Executive Order 05-06](#)
- 5) [Executive Order 05-21](#)
- 6) [State Board of Accounts, State Agencies Manual \(Chapter 11 - Travel\)](#)
- 7) [Internal Revenue Service Publication 15-B](#)
- 8) [Internal Revenue Service Publication 535](#)

B) Forms

- 1) [Justification of Take Home Vehicle Assignment \(State Form 53846\)](#)
- 2) [Waiver of Liability \(State Form 53845\)](#)
- 3) [Notification of Surplus: State-Owned Property \(State Form 13812\)](#)
- 4) [Report of Vehicle Mileage and Costs \(State Form 13696\)](#)
- 5) [Indiana Operator's Proof of Insurance/Crash Report \(State Form 52441\)](#)
- 6) [Authorization for Out of State Travel \(State Form 823\)](#)
- 7) [Indiana Operator's Proof of Insurance/Crash Report \(State Form 52441\)](#)
- 8) [Rental Vehicle Use Agreement \(State Form 52441\)](#)
- 9) [Employee Statement of Employer Provided Vehicle Use \(Daily Commuting and Cents Per Mile Methods\) - \(State Form 49632\)](#)
- 10) [Employee Statement of Employer Provided Vehicle Use \(Annual Lease Value Method to be used with the Allowable Personal Use Policy\) – \(State Form 49631\)](#)

C) Other Links

- 1) [M5 Fleet Management System login](#). *Note: The M5 system is a secure database inside the State's firewall. If you are accessing M5 from a location outside the firewall, you will first need Citrix or VPN client to access M5.*
- 2) [Wright Express Fuel Card login](#)
- 3) [IDOA Fuel Card QPA Reference Webpage](#)
- 4) [Enterprise Rent-A-Car information](#)
- 5) [Email IDOA Fleet Services](#)
- 6) [E-85 Fueling Locations](#)
- 7) [State Police Post contact information](#)



STATE OF INDIANA

Mitchell E. Daniels Jr., Governor

DEPARTMENT OF ADMINISTRATION
Commissioner's Office

Indiana Government Center South
402 West Washington Street, Room W469
Indianapolis, IN 46204

To: All Agency Heads
From: Robert Wynkoop, Commissioner
Date: June 1, 2010
In Re: Changes in IGC Custodial Services

Effective July 1, IGC custodial services will change from an evening function to primarily a daytime one; whereas current custodial operations commence at 5 p.m. and conclude at 12 a.m., new operations will commence at 6 a.m. and conclude at 5 p.m.

Normal functions performed during work hours will include:

- Emptying individual trash containers
- Vacuuming of floors
- Dusting where necessary/appropriate
- Cleaning of restrooms (short-term, periodic restroom closure will be necessary to perform cleaning to meet sanitation needs and standards)

We regret any inconvenience these changes will cause; the benefits to these operational changes include:

- Reduced costs for custodial services (see below)
- Reduced costs for utilities by reducing lighting for evening work (see below)
- Improved security by eliminating non-staff in agency space after normal working hours

Please be reminded that some state agencies currently utilize day-time cleaning without problems or issues. Some limited, specialized cleaning will still be scheduled after hours such as hard floor cleaning and coating, carpet cleaning, etc.



STATE OF INDIANA

Mitchell E. Daniels Jr., Governor

DEPARTMENT OF ADMINISTRATION
Commissioner's Office

Indiana Government Center South
402 West Washington Street, Room W469
Indianapolis, IN 46204

From: Robert Wynkoop, Deputy Commissioner
Sent: Thursday, October 01, 2009
To: #All Agency Heads
Cc: Norris, Jessica; Everson, Mark
Subject: RFP Scoring Modifications - Please read and forward to appropriate staff

On Monday September 28th, IDOA announced an updated scoring methodology for Request for Proposals (RFPs). This new standard emphasizes the state's desire to cut current costs while still awarding contracts to firms that do quality work. IDOA will hold an informational session to review these changes from 2:00-3:00pm on Tuesday October 6 in IGC Conference Center, Room 14.

Starting October 5th, the state will use the current cost paid by the state as the baseline for evaluating cost proposals, emphasizing the state's goal of reducing costs year-over-year. In order to earn the maximum number of points in the cost category, RFP responses will need to show at least a 10 percent cost reduction to the state. Responses that maintain current (baseline) pricing levels will receive no points in the cost category. Responses that propose increased costs to the state will have points deducted from their score, making it more difficult for the priciest vendors to earn a contract award. Specifics of the plan are as follows:

- The points associated with each category are indicated following the category name (total maximum points = 105). Negative points may be assigned in the cost score. Additionally, there is an opportunity for a bonus of five points if certain criteria are met.
- Price will be measured against the State's baseline cost for this scope of work. The cost that the State is currently paying or its best estimate will constitute the baseline cost. Cost scoring points will be assigned as follows:
 - Respondents who meet the State's current baseline cost will receive zero (0) cost points.
 - Respondents who propose a decrease to the State's current costs will receive positive points. For every percent decrease in cost, the Respondent will receive that same percentage of available positive cost points.
 - Respondents who propose an increase to the State's current cost will receive negative points. For every percent increase in costs from the baseline, the Respondent will receive that same percentage of the negative available cost points.
 - Respondents who propose a 10% decrease to the State's current baseline cost will receive all of the available cost points.
 - If multiple Respondents decrease costs below 10% of the current baseline, an additional 5 points will be added to the Respondent proposing the lowest cost to the State.

You may also use the attached document as a guideline for understanding the new methodology and price.

Please forward this email to appropriate staff in each of your agencies. If you have any questions, please do not hesitate to contact me directly.

Robert D Wynkoop
Deputy Commissioner
Indiana Department of Administration
Indiana Government South, W479
402 W. Washington St.
Indianapolis IN 46204
w- 317-234-3185
m- 317-435-9774

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STATE OF INDIANA

MITCHELL E. DANIELS, JR., Governor

IDOI

INDIANA DEPARTMENT OF INSURANCE

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CAROL CUTTER, Commissioner

June 17, 2010

Senator Vi Simpson
Minority Leader
4965 West Woodland Dr.
Bloomington, IN 47404

Dear Senator Simpson,

This letter is in response to your request to the Indiana Department of Insurance ("IDOI") for information related to program cuts implemented by the IDOI and the impact of those cuts upon our constituency.

To date, the IDOI has not made any cuts in its programs nor made any personnel layoffs. The IDOI has implemented cost saving measures to areas that would not affect the services provided to our constituents. These areas include the following:

1. **Pay Raises**: IDOI employees have not received pay raises since January of 2008.
2. **Position Vacancies**: Three positions that have become vacant within the IDOI that have not been filled. These include a secretary, clerical assistant, and account clerk positions. The duties associated with these positions have been undertaken by other IDOI employees.
3. **Travel**: With the exception of emergency or essential travel, all in and out of state travel by IDOI personnel has been cut.
4. **Training**: Except in emergency situations, all expenditures on continuing education and training have been cut.
5. **Equipment and Furniture**: Purchases of new furniture and equipment (copiers, printers, etc.) have been suspended.
6. **Subscriptions**: Subscriptions to non-critical publications including trade journals and newspapers have been cancelled.
7. **Business Cards**: The IDOI no longer provides employees with business cards.
8. **Printing**: The IDOI no longer uses outside printing services.

These cuts were implemented in the 2nd Quarter of Fiscal Year 2010, after the IDOI was informed by the State Budget Director that state agencies were to target a 10% reversion of their budgets in light of the prevailing economic conditions. These cost cuts were sufficient to meet the IDOI's budget reversion target of 10%

ACCREDITED BY THE
NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS

AGENCY SERVICES
(317) 232-2418

COMPANY COMPLIANCE
(317) 233-0687

CONSUMER SERVICES
(317) 232-2395
In-State 1-800-622-4481

EXAMINATIONS / FINANCIAL SERVICES
(317) 232-2390

MEDICAL MALPRACTICE
(317) 232-2402

SECURITIES / COMPANY RECORDS
(317) 232-1891

As mentioned above, the IDOI has not made any cuts to its programs or to its personnel. The IDOI estimates that constituents who seek assistance from the IDOI or participate in programs administered by the IDOI have not experienced any decrease in services.

Please feel free to contact me if you have any further inquiries.

Sincerely,

A handwritten signature in cursive script that reads "Stephen W. Robertson". The signature is written in dark ink and is positioned above a horizontal line.

Stephen W. Robertson, Acting
Commissioner, and Executive Director,
Indiana Department of Insurance



STATE OF INDIANA

Mitchell E. Daniels Jr., Governor

OFFICE OF TECHNOLOGY
Brian Arrowood
Chief Information Officer

Indiana Government Center North
100 N. Senate Ave., Room N551
Indianapolis, IN 46204
(317) 232 - 3171

June 17, 2010

Senator Vi Simpson
Minority Leader
4965 West Woodland Drive
Bloomington, IN 47404-8935

Dear Senator Simpson:

The Indiana Office of Technology (IOT) is providing agency budget reductions in regards to your request dated June 1, 2010.

The IOT budget is comprised of costs that are recovered through rate-based charges to the agencies for specific technology services. The rate-based system is designed to allow agencies to be aware of how much each of their IT services cost and manage their consumption according to the business needs. This system also allows for flexibility, should efficiencies be realized during a fiscal year, to provide rebates related to those services. IOT rates and annual reductions are publicly available on the IOT web site at the following web address:

<http://www.in.gov/iot/2401.htm>

Summary:

FY 2010 Reduction

6.7% rate reduction and \$3.4 million rebate - total \$9.6 million reduction

FY 2011 Reduction

5.5% rate reduction - total \$4.9 million reduction

These rate reductions and rebates were realized through:

- Operating efficiencies - automation of tasks, process improvements, performance management, replacement of aged equipment and organizational restructuring
- Staffing - eliminated budgeted staffing increases as well as no pay increases for FY 2010 and FY 2011
- Negotiated savings - Cost reductions from vendors on existing contracts as well as new purchases

Thank you for your letter as we appreciate the opportunity to update you on IOT's efforts to provide technology cost reductions.

Sincerely,

Brian Arrowood
Chief Information Officer
Indiana Office of Technology



Office of the Executive Director

402 West Washington Street, Room W072
Indianapolis, Indiana 46204
Telephone: (317) 234-1982
Fax: (317) 233-4236
Website: www.PLA.IN.gov

Governor Mitchell E. Daniels, Jr.

June 21, 2010

Senator Vi Simpson
Minority Leader
4965 West Woodland Drive
Bloomington, IN 47404

Dear Senator Simpson:

Per your request, I am sharing with you the administrative measures Indiana Professional Licensing Agency (IPLA) has instituted in order to remain fiscally sound and meet our 10% reserve requirement.

- IPLA's IT team recently received a Governor's public service award for their use of technology and changes in business practices. The program changes have resulted in savings in postage and permits 24/7 access to many business applications. The team also created a new web service to allow customers to obtain digitally certified verifications online.
- Through attrition, IPLA's head count has been reduced to 87 from 94.
- Employees have participated in the voluntary unpaid leave program. Approximately 80% of our staff participated on some level during the current fiscal year.
- In addition to the head count reductions already in place, we are voluntarily eliminating another position this month through a retirement.
- We have ceased providing wall licenses and pocket cards to new license holder and pocket cards to current license holders upon renewal. License holders can download a free copy of their license on-line any time of day.
- We have worked to reduce the number of board meetings held per year. This means less per diem and travel expenses to the agency.
- Gov Delivery is now being utilized heavily as a means to contact our license holders regarding renewing their license. This has resulted in a postage savings.

If there is anything additional that you need regarding this request, do not hesitate to contact me.

Sincerely,



Frances L. Kelly
Executive Director

cc: Governor Mitch Daniels
Chris Ruhl, State Budget Director



MITCHELL E. DANIELS, Jr., Governor
STATE OF INDIANA

DEPARTMENT OF HOMELAND SECURITY - JOSEPH E. WAINSCOTT, JR., EXECUTIVE DIRECTOR

*Indiana Department of Homeland Security
Indiana Government Center South
302 West Washington Street
Indianapolis, IN 46204
317-232-3980*

June 21, 2010

State Senator Vi Simpson
4965 West Woodland Drive
Bloomington, Indiana 47404-8935

Dear Senator Simpson:

This is in response to your inquiry dated June 1, 2010 regarding the budget reductions implemented by the Indiana Department of Homeland Security (IDHS) and the Indiana State Fire Marshal's Office, which is a division of IDHS.

First, it is important to note that to date no program eliminations have occurred at IDHS as a result of the budgetary restrictions. Also, we will not have any final numbers of amounts reverted until after the state fiscal year-end close out process has been completed.

By managing normal attrition, IDHS has currently been able to prevent personnel layoffs. In the interest of public safety and revenue generation, IDHS has some vacant positions that are judiciously being filled. As of June 10, 2010, IDHS has 32 current vacancies; with a current headcount of 246; total allocated positions is 278. IDHS personnel have participated in the salary freeze for the past two years and some employees have participated in the Voluntary Unpaid Leave program.

Since 2008, IDHS reduced its fleet of vehicles by 25. Personnel have been sharing vehicles more to accomplish our daily mission. The number of personnel with commute privileges has been significantly reduced while maintaining the emergency response capabilities needed at IDHS.

In addition to the aforementioned initiatives, the following cost savings have been or are being implemented:

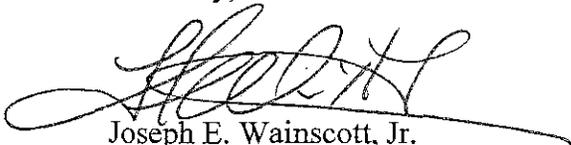
Budget reductions/cost saving measures

- Conducted a review of all fiscal processes to reduce excessive time and costs in conducting business and to improve efficiencies (May, 2009)
- Evaluating use of local service for vehicle repairs, resulting in reduction of tow bills and fuel costs from field staff driving to Indianapolis (Currently)
- Additional elimination of various non-essential equipment (3rd Quarter - 2009-currently)
- Increased teleconferencing and telecommuting to reduce vehicle and time expenses involved in attending some meetings (2009-currently)
- Reviewed seat charges from IOT to receive credit for errors in billing (2009 3rd Quarter - currently)
- Deactivated some satellite communications from immediate readiness to a 30 minute re-activation for emergency situations (October, 2009)

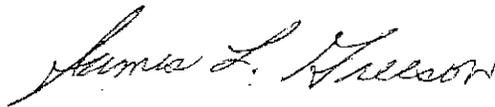
- Completed National Association of Amusement Ride Safety Officials recertification online saving travel costs (2008 - currently)
- Code Enforcement adopted a four day work week, thereby reducing a significant amount of overtime, and extra fuel and maintenance costs (2009)
- Closed IDHS Grissom Training Center saving several thousand dollars annually. More economical locations are being utilized (Jan 2010).
- Moved remaining Emergency Medical Services (EMS) certification paper based testing to computer based testing at Ivy Tech. The change reduces test shipping costs, reduces staff time, and has minimal impact on EMS providers. (2007-08-currently)
- IDHS is in the process of moving many elective fire certification paper based testing to computer based testing as well. Some of the foundational/entry level fire certification tests will still be available as paper based if requested. The change significantly reduces shipping costs and reduces staff time necessary to complete the task. (target – early 2011)
- Reduce the use of temporary staff where possible, changed position of some staff members from state funded positions to higher priority federally funded positions to maintain important programs (2009-2010)
- Negotiated rates with downtown hotels to obtain reduced rates for field staff to stay when needed, reducing hotel costs (2009)
- Reduce the number of individuals attending conferences where training-the-trainer would work more efficiently (2009-currently)
- Centralized office supplies (2008-2009)
- Utilize refurbished toner cartridges (2008-currently)
- Utilize surplus facilities for office furniture, chairs, and other supplies (2008-currently)
- Procurement analyzes requisitions and makes suggestions on cheaper alternatives (2009-currently)
- Buy necessary materials in bulk to get reduced pricing (2009)
- Reduced costs by consolidating storage facilities. Consolidate emergency supplies and equipment as necessary to reduce storage fees (2009)
- Reduced use of color printers unless necessary (2009-currently)

If you need further information, please feel free to contact our office.

Sincerely,



Joseph E. Wainscott, Jr.
Executive Director



James L. Greeson
Indiana State Fire Marshal

Cc: S. Smelko



INDIANA CIVIL RIGHTS COMMISSION

JAMAL L. SMITH, EXECUTIVE DIRECTOR
100 North Senate Avenue, RM N103
Indianapolis, IN 46204

MITCHELL E. DANIELS, JR. GOVERNOR

Office: (317) 232-2600
Toll Free: (800) 628-2909
Fax: (317) 232-6586
Website: www.in.gov/icrc

June 22, 2010

Honorable Vi Simpson
Indiana Senate Minority Leader
200 West Washington Street
Indianapolis, IN 46204

Senator Simpson:

This letter is in response to your letter dated June 1, 2010, requesting additional information regarding the budgetary cuts the Indiana Civil Rights has made to meet its reversion targets.

The Civil Rights Commission has been able to meet its 10% reversion target through participation in a number of administrative cost-saving measures and has not had a need to perform in any programmatic cuts or layoffs of personnel. Also, please note that a large portion of our agency is funded through federal dollars.

To achieve the reversion goals, the Civil Rights Commission has participated in the following cost saving measures:

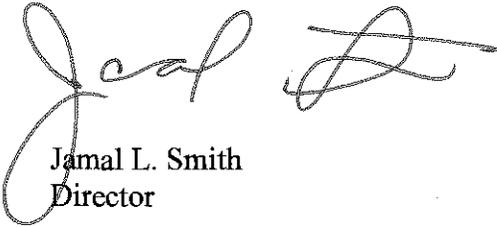
1. No general pay raises for state employees for the last two years;
2. Not filling a few positions which have become vacant through attrition. Vacant position responsibilities have been reallocated to existing staff;
3. Participated in voluntary unpaid leave program – over 30% of the agency employees have participated in this program;
4. Reduction in in-state and out-of-state travel; and
5. Eliminated the purchase of promotional items, reduced event sponsorships and advertising.

I am also pleased to report that there has been no programmatic impact as a result of these administrative measures. The Civil Rights Commission continues to meet its contractual case load requirements with EEOC (Equal Employment Opportunity Commission) and HUD (Housing and Urban Development). We have also continued our support of the State's Holocaust Remembrance program and Dr. Martin Luther King Jr. Holiday Celebration.

The exact amount of the reversion for the Civil Rights Commission will not be available until the fiscal year end closes in a few weeks and Auditor and Budget Agency have closed the books. At that time our numbers will be included in the public report that is produced annually.

Thank you for your request.

Sincerely,

A handwritten signature in black ink, appearing to read "Jamal L. Smith". The signature is written in a cursive style with a large initial "J" and a stylized "S".

Jamal L. Smith
Director

cc: Governor Mitch Daniels
Chris Ruhl, State Budget Director



Indiana Horse Racing Commission State of Indiana

Mitchell E. Daniels, Jr., Governor

www.in.gov/ihr

June 21, 2010

Senator Vi Simpson
Minority Leader
4965 West Woodland Drive
Bloomington, IN 47404-8935

Dear Senator Simpson,

Please consider this letter the I.H.R.C.'s response to the inquiry made in your letter dated June 1, 2010.

As you can imagine, in these difficult times the Racing Commission is diligently trying to be efficient and cost conscious, while, at the same time, not diminishing our responsibility for effective regulatory oversight. First, I believe we will meet the ten percent reserve under the direction of the Governor; however, that will not be verified until close out. The Commission source of funding is Gaming and Lottery surplus and not the General Fund. Nevertheless, we feel compelled to regulate as efficiently as possible. We have also followed the Governor's directions of no salary increases, use of the strategic hiring committee, and a reduction of out of state travel.

Some costs saving measures were recommended by me and acted upon by the Commission at a public meeting.

Some of the measures include;

- No increase in race dates for calendar year 2010.
- No out of state travel reimbursement - investigations excepted.
- Initiate voluntary unpaid time off.
- Eliminated temporary horse owner's licenses.
- Postponed indefinitely the filling of clerk position.
- Processing awards semi-annually.
- Decreasing printing - including annual report.

I hope this information is responsive to your request.

With Kindest Regards,

A handwritten signature in black ink, appearing to read "Joe Gorajec". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Joe Gorajec
Executive Director

JG/da

cc: Chris Ruhl, State Budget Director



INDIANA OFFICE OF
Community & Rural Affairs
Where Rural Matters

COPY

June 21, 2010

Senator Vi Simpson
Minority Leader
4965 West Woodland Drive
Bloomington, IN 47404-8935

Dear Senator Simpson:

Thank you for your letter dated June 1, 2010 requesting information on the Office of Community and Rural Affairs (OCRA) budget. OCRA's mission is to work with local, state, and national partners to provide resources and technical assistance to aid rural communities in shaping their visions for economic development.

OCRA administers both federal and state program dollars. Over the course of this budget biennium, OCRA will administer approximately \$455,000,000 in federal grant funds. That is over 14 times our normal federal appropriation. The bulk of these dollars come to OCRA from the United States Department of Housing and Urban Development and are earmarked for local units of government. While other agencies are forced to scale back on programs, OCRA has actually expanded the number of awards we are making to communities annually during this time.

While our state funding was reduced in the last Budget bill, we have avoided any staff layoffs by shifting staff to our expanded federal programs. OCRA does participate in all cost savings measures endorsed by the Executive Branch, including the Strategic Hiring process, a salary freeze, and reduced travel for staff. We have also found cost savings by reducing the number of cellular phones we provide staff and by eliminating the purchase of business cards.

While we do not have any programmatic cuts to date, I have responded to your specific inquiries below for my office.

1. Implemented/proposed cuts for FY10 and FY11: none. As stated above, we are administering an increased amount of federal dollars.
2. Methodology used to determine how cuts are made: N/A
3. Implementation dates of all budget cuts and personnel layoffs: N/A, no layoffs.
4. Expected reversion to date by program: Rural Economic Development Fund, 10% reversion. The reversion has been achieved through the salary freeze and reductions in administrative spending, for example fewer cell phones and less travel. This is our only state appropriated fund. Actual reversion amounts will not be known until after the fiscal year end.
5. Estimated impact of cuts on people served by each program: N/A. OCRA has actually expanded our programs due to federal funding. OCRA does not have any programs that directly provide services to individuals.

I hope this information is helpful to you and your Senate colleagues.

Sincerely,

David Terrell
Executive Director



June 21, 2010

Senator Vi Simpson
Minority Leader
4965 West Woodland Drive
Bloomington, IN 47404-8935

Dear Senator Simpson:

Thank you for your letter dated June 1, 2010 requesting information on the Office of Energy Development (OED) budget. The OED is responsible for the State of Indiana's energy policy. OED also administers federal block grant programs, specifically the State Energy Program (SEP) and the Energy Efficiency Block Grant Program (EECBG). OED also actively seeks competitive funding awards from the United States Department of Energy.

Due to the predominately federal nature of OED funding, we are actually expanding program offerings. During the next two fiscal years, OED will administer over \$100,000,000 in federal funds, the bulk of which will be passed through to local communities and businesses. This is approximately 100 times our normal programmatic budget. Much of this funding comes through the American Recovery and Reinvestment Act (ARRA).

OED does participate in all cost savings measures as implemented by the Executive Branch. We have implemented a salary freeze, seek Strategic Hiring committee approval for new hires, and have reduced the number of cell phones provided to staff. OED has not implemented any layoffs, in fact we have created and filled three new positions to support our increased programmatic offerings.

While we do not have any program reductions, I have responded to your specific inquiries below for my office.

1. **Implemented/proposed cuts for FY10 and FY11:** none. OED has actually increased its programming for FY10 and FY11 as detailed above.
2. **Methodology used to determine how cuts are made:** N/A
3. **Implementation dates of all budget cuts and personnel layoffs:** No layoffs, OED has actually added 3 positions to handle new program needs.
4. **Expected reversions to date by program:** State Energy Program (SEP) state match, 10% reversion. The SEP program has two components for this biennium: the usual federal appropriation which requires a 20% state match, and the ARRA portion which does not require any match. We did meet the required 10% reversion from this match account which is predominantly used for administrative and staff expenses.

The reversion was met with the salary freeze and reduced costs from cell phone accounts. Our actual reversion amount will not be known until after the close of the fiscal year.

5. **Expected impact of cuts on people served by each program:** N/A, programming has increased. Only one of OED's programs directly provides funding to individuals, that is our Heating and Cooling Incentive rebate program.

I hope you find this information helpful. Please visit www.in.gov/oed for more information on our grant programs and recent awards.

Sincerely,

A handwritten signature in black ink that reads "Brandon Seitz". The signature is written in a cursive, flowing style.

Brandon Seitz

Director, Office of Energy Development



June 21, 2010

Senator Vi Simpson
Minority Leader
4965 West Woodland Drive
Bloomington, IN 47404-8935

Indiana Office of Tourism Development
One North Capitol, Suite 600
Indianapolis, IN 46204

VisitIndiana.com

Dear Senator Simpson:

Thank you for your letter dated June 1, 2010 requesting information on the Office of Tourism Development (IOTD) budget. The overall goal of the IOTD is to increase the economic impact of Indiana's tourism industry by acting as an alliance manager for the tourism industry and by promoting a strategic brand for Indiana: Restart Your Engines.

The tight budget environment has pushed us to become very creative in how we spend our dollars. IOTD has eliminated traditional television and radio advertising and instead invested in our website www.visitindiana.com. Web advertising is much more economical, and we have seen an increase in the number of web visitors throughout FY10.

Due to our realigned marketing strategy, we have reduced the amount of services being provided by our advertising agency, resulting in savings of over \$400,000 for FY10. That coupled with our reduced media buy has resulted in almost \$1,000,000 of savings for this fiscal year.

IOTD also leverages funds from tourism industry partners to offset the costs of our major publications, the Indiana Travel Guide and Indiana Travel Map. These publications essentially fund themselves through the sale of advertisements.

IOTD also supports executive branch wide savings measures, such as a salary freeze for all staff, reduced out of state travel, and IOTD participates in the Strategic Hiring process to fill any vacant positions. Due to staff turnover and a re-alignment of duties, we have left 3 positions vacant for FY10/FY11.

I have responded to your specific inquiries below for my office.

1. **Implemented/proposed cuts for FY10 and FY11:** Negotiated reductions to main marketing contract totaling \$438,818 for FY10. Please see attached contract for details. Traditionally we have also spent approximately \$500,000 annually on media buy (television, radio, bill boards) which we eliminated in FY09 and continued that trend for FY10 and FY11.



Indiana Office of Tourism Development
One North Capitol, Suite 600
Indianapolis, IN 46204

VisitIndiana.com

A portion of the tourism administration budget was earmarked for local convention and visitors bureaus and the Indiana Sports Corporation. The state budget committee approved \$100,000 of the \$500,000 budgeted for the Indiana Sports Corporation. At this time no review by the budget committee has occurred for the allocation to the local CVBs. Funds unspent at year end will revert to the general fund.

2. **Methodology used to determine how cuts are made:** Conferred with vendors about possible cost savings, reductions in provided services.

3. **Implementation dates of all budget cuts and personnel layoffs:** July 1, 2009 was the effective date of our reduced marketing contract. No layoffs have been made, though through attrition and reallocation of duties, we have eliminated 3 staff positions at this time.

4. **Expected reversion to date by program:** Office of Tourism administrative fund--this account only received a partial allotment of approximately \$2.9M. A 10% reversion of that amount has been achieved by not filling vacant positions and adhering to a state-wide salary freeze. Actual reversion amounts will not be known until the books are closed at the end of the fiscal year.

5. **Estimated impact of cuts on people served by each program:** N/A. IOTD programs do not serve individuals.

I hope you find this information helpful.

Sincerely,

A handwritten signature in cursive script that reads "Amy Vaughan". The signature is written in black ink and is positioned above the typed name.

Amy Vaughan

Director, Office of Tourism Development



Indiana State Department of Agriculture
Governor Mitchell E. Daniels, Jr.
Lt. Governor Rebecca S. Skillman, Secretary of Agriculture and Rural Development
Joseph M. Kelsay, Indiana Agriculture Director

June 21, 2010

Senator Vi Simpson
Minority Leader
4965 West Woodland Drive
Bloomington, IN 47404-8935

Dear Senator Simpson:

Thank you for your letter dated June 1, 2010 requesting information on the Indiana State Department of Agriculture (ISDA) budget. The mission of the ISDA is to support growth in Indiana agriculture by serving as an advocate at the local, state and federal level; defining and nurturing economic opportunity in the food, fuel and fiber sectors; and enhancing the stewardship of natural resources on agricultural land.

It is our goal to accomplish this mission in spite of the current economic condition the State finds itself in. To that end, ISDA has fully implemented the same cost savings measures as other executive branch agencies. We participate in the Strategic Hiring process and only seek to fill those positions that are critical to accomplishing our mission. Our staff has forgone pay raises for two years, are being authorized for less travel, and some are even participating in the Voluntary Unpaid Leave program.

We have trimmed discretionary spending, eliminating the purchase of business cards for staff and reducing the number of organizations we belong to and the number of publications to which we subscribe. We have consolidated our office space with the Lieutenant Governor's Office to achieve substantial rent savings.

We are pleased to report that we find we are still able to fulfill our mission with fewer dollars. I have responded to your specific inquiries below for my office.

1. Implemented/proposed cuts for FY10 and FY11: Terminated real estate lease and consolidated office space with the Lt. Governor's Office at One North Capitol to save \$339,056 over FY10 and FY11. Please see attached documentation. Other government wide agency savings are utilized to ensure target reserve amount.
2. Methodology used to determine how cuts are made: Agency could realize savings immediately by consolidating with other Lt. Governor agencies; Budget Director authorized use of the funding cancellation clause.
3. Implementation dates of all budget cuts and personnel layoffs: February 1, 2010 is when the lease was terminated. No layoffs have been made.

4. Expected reversions to date by program:

- ISDA administrative fund: 10% reversion plus rent savings as shown on attached lease agreement. 10% reversion amount has been achieved through a salary freeze, not filling certain vacant positions, and reducing the number of memberships and subscriptions.
- Indiana Grain Buyers and Warehouse Licensing Agency fund: 10% reversion achieved through reductions in administrative spending and delaying the purchase of upgraded equipment.
- Division of Soil Conservation fund: 10% reversion achieved through salary freeze and not filling certain vacant positions.
- Clean Water Indiana fund: 10% reversion achieved through salary freeze and not filling certain vacant positions.
- Food Bank Assistance: no allotment for FY10
- Livestock Promotion: no appropriation/allotment for FY10

Actual reversion amounts will not be known until after the end of the fiscal year.

5. Estimated impact of cuts on people served by each program: N/A. No programs have been cut. ISDA does not administer any programs that serve individuals.

I hope this information is helpful.

Sincerely,



Joseph M. Kelsay
Director, Indiana State Department of Agriculture



INDIANA OFFICE OF UTILITY CONSUMER COUNSELOR

June 21, 2010

The Honorable Vi Simpson
Senate Minority Leader
Indiana General Assembly
200 W. Washington St. Room 3A-S
Indianapolis, IN 46204

Dear Senator Simpson:

On June 4, 2010, the Office of Utility Consumer Counselor (OUCC) received a letter from you dated June 1, 2010, requesting information regarding budget reserves and cost savings measures for this agency. Set forth below is pertinent information related to those requests.

1. Budget Reserve: In order to meet a requested reserve of 5% at the start of the current biennium, the OUCC worked with the State Budget Agency to hold 5% of its Operating Fund in reserve and 5% of the budget for its Expert Witness Fund in reserve.

Upon a later request to meet an additional reserve, the OUCC delayed filling two vacant positions in its Legal and Electric Divisions. In addition, the OUCC reviewed its expert witness needs to ensure the agency made the most economic allocation of funds for professional services resources. Despite increased work load, service to Indiana ratepayers, especially low-income Hoosiers, has not suffered. As an example, through the OUCC's advocacy, the natural gas Universal Service Programs (such as Winter Warmth) for low-income assistance of Citizens Gas, NIPSCO and Vectren customers were reinstated in 2009 along with a more equitable balance in utility/ratepayer funding, resulting in approximately an additional \$1M of cost savings for these utilities' customers.

While final numbers will not be complete until the end of fiscal year 2010, the OUCC anticipates its budget reserve will be close to 6% for its Operating Fund; 10% for its Expert Witness Fund; and 6% for the agency's total budget.

2. Cost Saving Measures: The OUCC likewise has taken action on cost saving measures to drive efficiencies in its operations and has thereby attained annual agency budget savings. The OUCC Business Office Division and other agency staff identified many ways in which the agency could reduce expenses, using creative problem solving while maintaining or improving office productivity. Some areas of savings included expenses related to technology services/expenditures, publication subscription/expenditures, printing needs/leases, equipment needs, travel/training requests, temporary service needs and professional service contract negotiations.

115 WEST WASHINGTON ST. • SUITE 1500 SOUTH • INDIANAPOLIS, INDIANA 46204

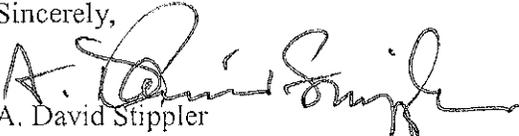
TOLL FREE: 1.888.441.2494 • TELEPHONE: 317.232.2494 • FAX: 317.232.5923

WWW.IN.GOV/OUCC

Worthy of note is that, while the OUCC is a dedicated fund agency not supported by the General Fund, the cost savings achieved are credited to future utility fee assessments paid by Indiana utilities, supporting the OUCC's operating expenses, which in turn inure to the benefit of all Indiana utility ratepayers.

If you have any further questions about these matters, I would welcome the opportunity to discuss them with you.

Sincerely,



A. David Stippler
Utility Consumer Counselor



INDIANA STATE FAIRGROUNDS

1202 East 38th Street
Indianapolis, IN 46205-2869
(317) 927 • 7500 ★ FAX (317) 927 • 7695

June 18, 2010

Senator Vi Simpson
Minority Leader
4965 West Woodland Drive
Bloomington, IN 47404-8935

Senator Simpson:

Thank you for your service to the State of Indiana and your concern for transparency in government spending. We hope the following information will address the concerns you expressed in your June 1st letter.

In response to decreases in state appropriations and the Governor's request that state agencies reduce spending, the Indiana State Fair Commission has taken proactive measures to reduce operating costs and increase self-generated revenue. We have realized decreases in operating costs without making significant programming cuts. To accomplish savings we reorganized our staff in a manner that decreases administrative costs and better utilizes the multi-versed talent of personnel. Eliminating some positions and realigning the organization chart for maximum efficiencies. Additionally, we have left many full time positions unfilled.

We have frozen replacement spending on equipment, held off on non-emergency maintenance projects, made use of energy-saving technology, reduced our "back of house" spending significantly for the Fair (golf carts, shirts, travel, pins, food) and increased the use of volunteers at State Fair events. All of these efforts have yielded cost savings in line with the budget reductions requested by the Executive Branch.

To relax the financial burden of the state and maintain the quality of programming, the ISFC has also actively pursued new avenues of revenue generation; including increasing the price of barn leases, charging for some parking and pursuing non-traditional rental business. The commission continues to explore avenues through which revenue can be increased and spending decreased, while maintaining the quality and quantity of programming.

Attached are State Fair Board and Commission meeting minutes where these operational changes have been publically discussed. If you need any more information please do not hesitate to ask.

Respectfully,

A handwritten signature in black ink, appearing to read "C. Hoye", is written over the word "Respectfully,".

Cynthia C. Hoye
Executive Director
Indiana State Fair Commission

Cc: Andre Lacy Chairman Indiana State Fair Commission

Encs.



Indiana State Fair Commission
April 8, 2010
Executive Director and Staff Report

Facility Management Team Updates:

- **Rental activities** in March included: Murat Shrine Circus, Midwest TGIF Fanciers Cat Show, 15th Annual Chrysler Performance Trade Show & Swap Meet, Art, Rubber Stamp & Paper Arts Festival, Indianapolis Art & Antiques Show, Stewart's Indiana Flea Market, Indiana Flower & Patio Show, Indy 1500 Gun & Knife Show, Naptown Roller Derby, Midwest Reptile Show, Midwest Coin Show & Auction, Indianapolis Antique Advertising Show & Indy Antique Toy Show, 12th Annual Spring Indianapolis Bed, Gem, Mineral & Jewelry Show, Green Fest Indy 2010, and Super Sunday Indy Automotive Swap Meet & Car Sale. Also in March were Indiana State Police Salvage Title Checks, A Noble Evening in the Garden, 4-H State Fair Leadership Conference, and Dillman Karate International.
- In March, the following **new shows** were booked for 2010 and beyond: Indiana State Department of Agriculture for a meeting on April 13, 2010 in the Normandy Barn; Unheard Voices Entertainment Enterprises on May 24-28, 2010 in the Farm Bureau Building
- **Upcoming new events this summer** include the Mini Indy Grand Nationals in late June which will bring more than 750 RVs to the Fairgrounds for camping, followed by the National Jr. Hereford Show in July. These are two events that do not come every year but will definitely help our summer revenue.
- **Public Skating** in the Pepsi Coliseum resumed in March, after being suspended for shows in February.

- Some of the organizations that have inquired about potentially renting our facilities in the past few weeks include:
 - Sherwin Williams – painting demonstrations in June 2010
 - Midtown Writers – stage for young artists in April 2010
 - Tower Show Productions – December 2010
 - American Society of Interior Designers – September 2010
 - Dan's Sports Card Promotions – sports car show in June, September, October, and November 2010
 - New Dawn Entertainment – Cedrick the Entertainer in May 2010
 - WEDJ – Latino festival in June 2010
 - WFBQ – job fair in June 2010
 - WTHR – Jeopardy game show in April 2010
 - Soul Food & Music Festival – September 2011
 - Emmis Communications – Taste of Home Cooking Show in Fall 2010

- **Concessions** – Contracts were sent to returning vendors in February. The following are the percentages of contracts returned by type:
 - Expo Hall – 50% - As expected, there will be some turnover in the Expo Hall. Some vendors had difficulty staffing their booths for the entire 17 days in 2009, while others simply do not have the marketing budget to support a booth.
 - Food – 83% - All of the Food vendors with outstanding contracts have been contacted and are expected to be returned shortly.
 - Outside Concessions – 56%
 - Machinery Field – 64%

We have received approximately 125 applications and are in the process of sorting through them and contacting those vendors that we are interested in having for the 2010 Fair. Additional applications are received daily.

- As the show season wraps up, Buildings and Grounds' show support also starts to shift from inside to outside maintenance. We have about 450 man hours tied up in the construction of the various horse arenas for our first show of 2010. On average, it costs approximately \$450 per inch of depth every time we move dirt either to or from the Pepsi Coliseum. Therefore, to put 14 inches in the coliseum costs about \$6,300 in contracts, labor and fuel. Note this does not include any capital equipment replacement costs.
- We are having trouble finding an economical solution to the relocation of high voltage cable that the Boy Scout Bridge site. To date the bids are about \$4,000 over the budget and I am not having any success in reducing the cost.
- IPL has delivered the transformer pads for the 46th St Campground project. We will begin digging this week and expect to complete the entire project by mid May.
- Cripe has proposed a design fee of \$50,000 for the Pioneer Our Land Pavilion and Pepsi Coliseum roofs, to ensure the process moves along I recommend we add \$10,000 for reimbursable fees for items such as mail, drawing reproduction, permits etc.

- The FET has worked in the following facilities, Toyota Blue Ribbon, Ag Hort, Centennial Hall, Champions and the South Pavilion, this includes using the "green machine" to sanitize the restrooms. Further, our carpenters spent about 130 man hours in the Speed Barns taking care of haylofts, stairs, wash racks and stalls. In addition, this winter we were able to repaint all the six foot panels and one third of the eight foot panel. This equals about two-thirds of all our hog and sheep panels. We will work with operations to put all the livestock gates, panel, stalls etc on a reoccurring program that will eventually allow us to paint the entire inventory on a five to six year cycle.
- The Flower and Patio Show gave us six large trees that we had to remove from the West Pavilion and replant throughout the grounds.
- **Pepsi Coliseum – RPI/RFQ initiative** – The RFI for Pepsi Coliseum Management was mailed to 18 recipients as well as posted on the Indiana State Fairgrounds web site. A facility tour and information session is scheduled at 10 am on 4/13/10 and respondent packages are due 4/27/10. A review committee will be formed by 4/15/10.

Event Producer – State Fair Team Update:

- Majority of **programming** is being finalized with a focus on free entertainment with fair admission.
- The **advertising** buys for the State Fair have been placed with the media and promotions are being developed for on air/on site to help stretch the budget.
- The **sponsorship** program is currently at 74% of the 2010 cash sponsorship goal. There are several large proposals out which should be confirmed within the next few weeks.
- Now that the State Fair portion of the **website** is live, focus will be on the fairgrounds web pages so immediately after August, the site will be refreshed as we go into our fall show season.
- **Ticket sales** for the five concerts currently on sale are still going well. Two additional shows have been announced: Chris Tomlin and TobyMac, Wednesday, August 11 and Selena Gomez, Sunday, August 15.
- Plans are being finalized for the new **Boy Scout Bridge** on the northeast side, which will tie into the Pathway for Water Quality. There will be a dedication during the Fair on Sunday, August 15 – which is Boy Scout Day at the State Fair.
- Pricing for the 775,000 **State Fair programs** is coming in about 8 – 10% under budget due to reduced cost of paper. This is great news since our program will probably be 60 pages printed.
- **State's Largest Classroom** spring dates 100% booked and will occur April 20 – May 20.
- The **Normandy Barn** is adding panels on the pork industry to coincide with the "Year of Pigs", in addition to the exhibits in the greenhouse which will feature soybeans and corn as feed for swine.

- Several **grants** are still active, with research for 2010/11 government grant availability underway.
- Spring 2010 **Inside the Grounds Magazine** has been posted online.

Administration Team Update:

- The **Fair Board** met on March 11th. The main focus of the meeting was Public Safety. Presentations were made by Ray Allison, Public Safety Team Leader, and First Sergeant Rick Reed of the Indiana State Police. Rick is the State Fair Detail Commander for the ISP.
- **Audit** continues and we are preparing reports, pulling files, and answering questions as requested by the auditors.
- **Cross training** of job functions was completed; however training and evaluation for efficiency are still proceeding.
- The indianastatefaironline.com domain was obtained and **CrystalTech** was chosen as the host provider for the online entries of the Fair Tracker program. By switching to the independent web hosting service, we are obtaining lower monthly costs, increased response time for changes to the program, and reduced potential failure points in the data processing, without sacrificing the security and speed for the exhibitor. After the season, we will evaluate the possibility of extending our sales presence on the internet.
- The **new servers** were finally received and being set up. Due to the complexity of the failover settings and critical nature of the computer, work is proceeding on a slower basis than normal, with numerous checks, burn ins, and testing periods.
- The **CallPilot system** was updated to combat memory issues that was preventing rollovers and causing lockouts to the voice mail system.
- **Communications Products Inc** contract with the telephone system was extended for 60 days to allow for evaluation and enhancement potential.
- Processed **judge's contracts**, completed PO's, Report of Collection forms and updated magazine ads for Fair Board Directors
- **Contracts Office Update:** The following contract activity occurred in March: Muncie Novelty was sent a contract for ticket printing; 2010 Fair Program bids were returned with a recommendation coming to the Commission for Mignone Communications; two RFI solicitations were sent with the Pepsi Coliseum due April 27th and the Property Insurance due April 19th; three items were issued for solicitation: Cleaning Chemicals, Security Services and Event Staff; CPI was presented a letter to extend their contract 60 days pending review.
- **Supplies Update:** We have been obtaining price quotes for annual vendor price comparisons as required in 80 IAC 1-57. Bids for cleaning product ITB were mailed and

are due back April 22nd. The Green Team has met with two potential suppliers of “green” lighting fixtures and is studying the feasibility of proposals submitted.

- **Human Resources Update:** We are making preparations for the Second Annual ISF Job Fair that will take place Thursday, June 3rd. Background checks are being done for summer interns and returning Fair employees in Gates and Parking. We have been working closely with the Fair Board on the status of professional services contracts to adhere to IRS rules as well as preparations for hiring Fair employees.

Committee Work – there are several active Committees within the organization that are managed by a talented group of staff. The following Committees meet throughout the year and we thought the Commission might be interested in their ongoing work.

The Green Team has proposed a solar powered cell phone and PDA charging station as a feature for the 2010 State Fair. The goal is to build upon the success of last year’s alternative energy installations by showcasing another practical use of solar technology. Green Team members are also researching how other facilities that generate biomass waste are utilizing its energy potential. The goal is to utilize at least a portion of the 5 to 10 tons of biomass generated weekly by the Speed Barns. Rich and Mike Dalka recently attended the Indiana Biomass Working Group meeting at the Purdue Beck Agriculture Center. Bruce Sigmon is coordinating the elimination of all Styrofoam food containers for the 2010 Fair, expanding on the existing policy prohibiting Styrofoam for year round operations. Once these projects are completed, the Green Team will evaluate the ROI of other improvements to select future goals.

The goal of the **Safety Committee** is to reduce the number of employee injuries, the severity of injuries when they do occur, as well as the workers’ compensation claims costs for the Commission. We have been working on a safety handbook for Fair-only employees. The handbook gives a brief but thorough overview of safety and emergency procedures on the Fairgrounds during the State Fair. We have also been developing new topics and materials for weekly safety training sessions for all Commission employees.

In March 2009 the **Records Retention Committee** was tasked with inventorying all records/files currently being housed on the Indiana State Fairgrounds and to establish a retention schedule that matched and/or exceeded the current schedule required by the State of Indiana. The Committee did a department by department inventory to files including those housed in the Pepsi Coliseum and in the lower level of the Communications Building. Based on content of each file, the Committee was able to identify duplication of records, responsibility of original documents and a retention schedule for each file. The Committee also recognized that the ISFC currently has sufficient storage and records retention space. As of December 2009 the Committee has met the initial goals and objectives and has established a Records Retention Schedule for all files located in the offices of the ISFC.

Every month, the **Marketing and Sales Committee** meets to develop new marketing avenues for the Fairgrounds and opportunities to help existing and new show promoters market their events. In addition, the committee develops new ideas/leads for potential Indiana State Fairgrounds sales and revenue streams. The committee is comprised of members from the Facility Enhancement and Event Producer Teams along with John Barto. Currently, the team is exploring the feasibility of having winter boat storage in

one of the buildings and adding a Winter Farmers Market as new sources of revenue for the Fairgrounds.

The Step It Up committee is comprised of 10 employees, with representatives from each of the three teams covering various departments. As the collective "voice" of Fairgrounds employees, our goal is to continue team-building, raising staff morale and including all in the distribution of information organization-wide as needed. In addition, the committee recognizes long-standing service to the Fairgrounds during semi-annual get-togethers. With the success of the holiday pitch-in last December, we recommend continuing the June/July pre-Fair luncheon – making it a pitch-in of summer favorites as well.

IRS 2006 Audit – will finalize their audit in writing on Friday. This Monday, we agreed to the terms and adjustments needed. We have already made adjustments in cell phone use policy for employees, the Barn Managers, workers that need to be on payroll versus contract and are in the process of sorting out off-duty security workers. We will provide the Commission with additional information next month.

Discovery Hall – thanks to Andre, we had a wonderful session with Cassidy/Turley on the financial formulas for the conversion of the Discovery Hall in Office Space. David Ellis, Pat Berger and Rich Trombley are proceeding with more fact finding.

DRAFT MINUTES
INDIANA STATE FAIR BOARD MEETING
4:00 p.m., March 11, 2010
COMMUNICATIONS BUILDING BOARD ROOM
INDIANA STATE FAIRGROUNDS
INDIANAPOLIS, IN

I. CALL TO ORDER

BOARD MEMBERS PRESENT

Patrick Barker
Lee Ann Eizinger
Tom Gary
Paul Graf
Roger Hale
Dr. Chuck Hibberd
Joe Kelsay
Bud Krohn, Jr.
Jim Lankford
Bill Leininger
Bryan Messersmith
Steve Patterson
Al Polin
Steve Simmerman
Lynette Walter

II. OPENING REMARKS

Roger called the meeting to order and thanked everyone for attending. Cindy said Anne Valentine is leaving state government and will be going to work for the City Arts Commission. We were very fortunate to have her talent and support.

Roger and Cindy attended a reception held by the Pork Producers a couple weeks ago. They spoke with some legislators and they are very excited about the State Fair. Roger reminded everyone to get their contracts in to the Contract Office as soon as possible.

Roger is challenging all Fair Board directors to set some goals for themselves for 2010. The goals should be what they would like to achieve for this year. He would like to get a copy from each Fair Director by the April meeting.

Chairman Andre Lacy will be meeting with us at the April Fair Board meeting.

Roger said we will be organizing an Animal Health Committee. It will be to deal with issues on animal health during the Fair and all other animals on the Fairgrounds. Roger would like to see if Jim Weisman will chair the committee. We would meet with all the livestock chairmen from all the departments and meet a couple days before the State Fair begins.

III. MEETING MINUTES

Roger called for changes or corrections to the February 11, 2010 minutes. Steve Patterson moved to accept the minutes as presented. Seconded by Bill Leininger, a vote was taken and the motion carried.

IV. EXECUTIVE DIRECTOR'S REPORT

Cindy welcomed everyone to the Fair Board meeting. She reported that we are recommending suspending indefinitely further efforts in consideration of building two sheets of ice on State Fairgrounds property for IWSA. Cindy said we are looking at a RFI/RFQ for people that might have an interest in putting capital improvements in the Pepsi Coliseum.

Joy said the bill that is pertaining to the schools made it farther than it ever had but the schools will not start after Labor Day per legislative mandate. There was a letter sent out to all the Superintendents of all the schools in the State of Indiana asking them too voluntarily take up the initiative to back up the schools starting at the end of August. Bill Leininger said up in the northern part of Indiana they are backing up school a week on their own.

Cindy and Steve Patterson went to the Zone III meeting in Michigan and she said they are finding out that more and more extensions are having a lot of problems across the country.

V. FINANCIALS

David Ellis went over the financials for the month of February.

VI. PUBLIC SAFETY REPORT

Ray Allison said 1st Sergeant Rick Reed from the Indiana State Police would be here at 5:00 p.m. to give everyone an overview of their roles and responsibilities during the State Fair. During the State Fair we turn the public safety over to the ISP and the American Red Cross to take care of the medical problems on the Fairgrounds. The Operation Center will be open during the State Fair and you can call 317/927-7520 twenty-four hours a day. We will start the twenty-four hour operation two days before the State Fair begins and will continue through the end. The Operation Center building has been renamed to the Public Safety Center. Ray would like to have some feedback on the Emergency Pamphlet we handed out to the Directors and all buildings on emergencies during the State Fair. We will pass out a public safety handbook to everyone. Ray would like to be included in the Animal Health Committee that is being created. Steve Patterson would like for the Public Safety meeting to be held two days earlier than normal so they can get information to their people on time before the Fair starts.

VII. HUMAN RESOURCES & SUPPLIES & CONTRACTS

Mark Anderson said he has been in contact with some of the Fair Board Directors regarding their contracts and he will be getting with everyone else as soon as possible. Almost everyone who has previously been on contract will now be on the payroll. Mark

said he will give everyone a copy of the child labor laws. Anyone that hires a person under eighteen years old must get Pat Berger's approval.

VIII. ENTRY DEPARTMENT

Kay Peterson reported that the Open Class book went to the printer on Monday. The 4-H book is back from the printer and it is online. We are hiring an outside company to host the online entry data and with having a private vendor we can go online to correct it anytime.

IX. STAFF REPORTS

Andy said he appreciated everyone that has e-mailed him their programs for the Fair Program. He needs all of the program literature in as soon as possible so he can get it ready to go over at the April Fair Board meeting.

Mike Dalka said we will still have bottled water if needed and we will allow for beverages. He will talk to each one individually regarding the garden tractors.

X. PRESENTATION & DEVELOPMENT

Margaret handed out the flyer "What's New for 2010". She said we have invited the Boy Scouts to come to the May meeting to update everyone on the Boy Scouts Bridge that will be here for the State Fair. The Boy Scouts will be celebrating their 100th year.

There will be two new shows released tomorrow. One is a Christian concert.

Margaret said we have about 70% of our goal for sponsorships. Toyota will be here at the April meeting and they want to be involved out here in some capacity.

Ray Allison introduced 1st Sergeant Rick Reed from the ISP which is over the ISP during the State Fair. Rick Reed said the ISP is here to make sure everything and everyone is safe and to have a good time. Cindy said if anyone has a safety issue they need to inform Rick Reed immediately.

XI. DIRECTOR REPORTS

Bill Leininger: Judges are in place. He sent out a letter to all his staff and he is getting great responses back from everyone.

Pat Barker: All his judges' contracts have been sent back except for one and he has a verbal commitment from him. He has a meeting set up with Mark Anderson to go over all his contracts.

Lynette Walter: She has a meeting set up for this Tuesday night with all the sheep barn staff. She hopes to have all her supply orders done at that time.

Bud Krohn: He would like to get more defibrillators here on the Fairgrounds for during the State Fair. He needs \$200 for a couple judges coming

from California and New Mexico. He said they did eliminate one judge for dairy goats so that saved \$600.

Jim Lankford: He will have a meeting this coming Saturday with a group of horse pullers to talk about the pay outs. The money will be the same. He said they will be working with Rich Trombley's staff to do the grading. He went to an extension meeting, which was very informative.

Al Polin: He said he has a new challenge this year with the Celebration Park.

Steve Simmerman: He said the staff he has in the Grandstand does a wonderful job and he would like for the same people to stay there. He is working through all the contracts.

Bryan Messersmith: Finishing up all his contracts. He went to a horse sale and got a lot of good feedback on the State Fair.

Paul Graf: All judges hired and contracts back except for one.

Lee Ann Eizinger: She got her official paper from the Governor yesterday to be a Fair Board Director. She took a short tour of the Farm Bureau building. She thanked everyone for the warm welcome.

Steve Patterson: He has sent out 76 contracts and has approximately another 50 to go. The contracts for the dog contest are done and he is working on a couple more contests. He might be moving the Fashion Show to the Farm Bureau building. He will have his first draft of his schedule to Andy Klotz tomorrow for the program.

Tom Gary: He has all his judges' contracts in. He would like to get copies of the contracts from last year.

Chuck Hibberd: He said the 4-H programs are all going great.

Joe Kelsay: They continue to work on things to make the best for this venue.

Jeannie Keating said the "Farmers Feed Us" campaign continues and they are in their last 30 days for the campaign.

XII. DIRECTOR OF ADMINISTRATION

Pat Berger said we had not planned on having a March meeting so there is no money in the budget for the dinner. If anyone would like to donate money that would be great. He said April is the month we normally meet in the Farm Bureau building and we invite the first assistants and any staff the Fair Board Directors would like to bring. It will be primarily to go over the Fair Program. We will have tables set up so everyone can make sure we have their orders for tents, phones, etc. and every Fair department should be represented. We did bid out the tent contract this year so we will be working with a new tent company. Also, we bid out the hat and shirt contract and we

have a new vendor for that. No one has money in their budget for pins this year except for 4-H so there will not be any departmental pins this year.

XIII. NEXT MEETING

The next meeting of the Indiana State Fair Board of Directors will be April 8, 2010 in the Farm Bureau Building.

XIV. ADJOURNMENT

Cindy Hoye

From: Cindy Hoye
Sent: Thursday, February 25, 2010 1:09 PM
To: - All Users *ALL EMPLOYEES*
Cc: Andre Lacy
Subject: update information to staff
Attachments: teamchart.pdf, cchorg.10.doc; staffreport 210 (4).final.doc

Update on the organization progress – February 25, 2010

It's been about a month since we launched our new organization structure, and I wanted to share where we are in moving the organization forward. I will start by stating this past weekend was terrific, with one of the best ever Saturday's of the Boat, Sport and Travel Show...this means strong revenues in food and beverage, parking and a happy customer with happier clients. I hope this weekend is more of the same.

Remember, the goal in our new organizational approach is to mitigate a severe decrease in operating revenues from the state while maintaining our customer service, maintenance and growth of our business. As you know, the focus goes to our two core lines of business; State Fair and our year-round facility rentals while developing a talented team for succession management. Knowing you all are such caring people about your jobs, the event and this place, the last thing we collectively want to do is put this organization back where we were in the late eighties, nor do we want to be in the red three years.

So exactly where are we in the reenergizing the new organization and what's to come? What we know is that we are still a work in progress. We need to iron out what are the exact team names, titles, roles and responsibilities and then ultimately job descriptions. But based upon the work we need to accomplish, it might be the fall before your exact new job description is in your hands. However, your team leader will be finalizing the roles of each individual over the next two weeks and that will provide more clarity. In the mean time, attached is a simple color outline that shows the intent of the organization with three teams that intersect. Additionally, I have attached an outline that was the framework provided to the Commission and the staff report from February as an update on various activities of these three teams.

A perfect example of how the "team approach" should work is the parking staff now cleans their lots before their shifts – thus saving another crew in collecting trash from the lots. This cross discipline is exactly the concept of working together efficiently. With reducing our expenses, streamlining processes, maximizing talents and setting new goals, I am confident we are well on our way. Realizing there are a number of elements that still need clarity, hang with me and remember, my door is always open for comments, concerns, ideas and feedback. Thanks for your positive attitudes and your support of this organization.

Cindy

Cynthia C. Hoye, CFE
Executive Director
Indiana State Fair Commission
317-927-7501
choye@indianastatefair.com

Presented Feb. 11, 2010
by Cindy Hoyer

Goals for Executive Director, Indiana State Fair Commission – 2010

State Fair - Continue to add new elements and direction to keep the product fresh and positioned for our customers wants and needs (commodities, news features, entertainment). For this year – we have it set up to feature Boy Scouts, Year of Pigs, healthy food station, highlight Japan with the cooperation of Economic Development, Fair Kick-off party that supports youth, build a Habit Home, refinement of facilities for livestock to reduce cost in building transitions, paid parking Deaf School, feature “wow” image of farming (God Bless America Sculpture) and create a new host Farm Family of the Day Program. (In addition to retaining and enhancing all the traditional program elements and entertainment).

- Attendance - one million people
- Hit our budget goal \$600,000
- Future Fair Dates – focus for the year – finalize fall of 2010 (2012 and beyond)
- Create and build a Youth Scholarship Fund
- Update RV parking 46th Street

Public and employee safety is always first, customer service second – continue to train, and raise the bar for both.

Year as the Chairman of the Board of the IAFE

- Continue to position Indiana as a leader in the Fair Industry (one of the Governor’s goals)

Overall Management

Budget Adjustments – on going fiscal management / operational management

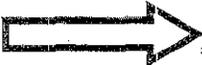
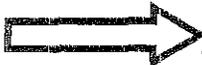
- Prepare the organization for the next three years, with profitability and succession management planning: including assessments of programs
- Focus on efficiencies, processes, controls, procedures
- Develop a Strategic Plan for the next 3-5 years
- Continue to explore funding possibilities with Pepsi Coliseum
- Maximize creativity with utilization of facilities – rentals, office space, etc.
- Sponsorship/partnership development

Long-term future

- Recognized as the BEST in the country for State Fair and Fairgrounds
- Preventative Maintenance plan – with Capital plan document
- State Fair Farm – year-round agriculture destination – including development livestock facility
- Get in the mix with mass transit station near Fairgrounds
- At the end of the year, our Fair and Fairgrounds meet the mission – preserved and enhanced
- Plan and execute a Commission Long Range Planning meeting/retreat that addresses at least (i) Vision for the future (ii) Addressing the needs of the Pepsi Coliseum (iii) A process for managing and funding the L-T Capital requirements (iv) Pro-actively plans the human needs and organizational structure to fulfill our Mission

Inspire and nurture the BEST TEAM of people to accomplish these goals. . . LEAD

Indiana State Fair Commission
 Actual 2009, Budgeted 2010, & Proposed 2011 and 2012 Income/Expense Summaries
 (\$,000)

	2009	2010	2011	2012
Indiana State Fair				
Revenue	\$10,536	\$9,880	\$10,000	\$10,500
Expenses	<u>9,697</u>	<u>9,280</u>	<u>9,400</u>	<u>9,900</u>
Gain/(Loss)	839	600	600	600
Fairgrounds				
Earned Revenue	6,281	5,965	6,263	6,576
Tax & General Fund Appropriations	9,885	6,900	7,100	6,500
Operating Expenses (before depreciation)	10,649	10,536	11,063	11,616
Preventive Maintenance/Capital Improvements	<u>1,178</u>	<u>1,700</u>	<u>1,000</u>	<u>1,200</u>
Gain/(Loss)	4,339	629	1,300	260
Debit Service (Principal & Interest)	<u>1,870</u>	<u>2,137</u>	<u>2,149</u>	<u>2,192</u>
Overall Surplus/(Deficit)	 <u><u>\$3,308</u></u>	<u><u>(\$908)</u></u>	<u><u>(\$249)</u></u>	<u><u>(\$1,332)</u></u>
Cash Reserves**				
Restricted	\$5,183	\$5,150	\$5,164	\$5,241
* Earmarked	3,454	4,154	4,854	5,554
Operating	 <u>4,929</u>	<u>3,354</u>	<u>2,391</u>	<u>282</u>
Running Balance	\$13,566	\$12,658	\$12,409	\$11,077
Bond Debt (Principal only)	\$14,395	\$12,860	\$11,235	\$9,565
* Earmarked:				
Discovery Hall	\$2,755	\$3,355	\$3,955	\$4,555
Pepsi Coliseum Fund	\$699	\$799	\$899	\$999

** 2009 Cash Reserves include beginning balances

Background on the rationale for re-organization of ISFC Staff – 2/11/10

1. Provides for alignment to generate earned revenue while focusing on our core line of business and developing a strong succession management plan while preparing for financially leaner times.
2. The culture we are developing is built on what we do well during the Fair and that is:
 - We always work well as a team by helping each other
 - This plays to the talents and strengths of our organization and individuals
 - We have to experiment and be flexible
 - Measurements of effectiveness and efficiencies must be ongoing
3. The goal is to break down silos and prioritize our functions into three primary teams:
 - Administration**
 - Legal
 - Finance
 - Technology
 - Board Support
 - Supplies
 - Human Resources
 - Event Producer – State Fair**
 - Communications
 - Programming
 - Advertising
 - Education
 - Development
 - Special Projects
 - Facility Management**
 - Maintenance
 - Projects
 - Event Management – Sales, Marketing, Operations, Security, Parking
 - Pepsi Coliseum Skate Shop
 - Ticketing
4. Specifically this elevates two Directors to Vice Presidents or rather Team Leaders, eliminates a division, realigns staff roles and their reporting and finally moves some offices for efficiencies.
5. This is an ongoing process and we are still considering more contract support in various divisions within the organization. For example could there be cost savings by finding a contractor to implement our parking? Our approach through this process will be to reduce budget while providing efficiencies to the operations. Shore up our current profit centers while looking to create new opportunities. Continue to look at elimination of programs that are ineffective and retool divisions for additional roles.

Cindy Hoye

From: Cindy Hoye
Sent: Thursday, January 28, 2010 5:14 PM
To: 'Andre Lacy'
Cc: 'Ted Andrew Mckinney'; 'HayhurstFarms@aol.com'; 'jkelsay@isda.in.gov'; 'Dana Huber'; 'GaryE25258@aol.com'; Roger Hale; 'Matthew Rekeweg'; 'Valentine, Anne'
Subject: FW: reorganization

This was just sent to all staff to help with understanding what happened today. Obviously, it was an emotional day for everyone. The managers were presented the new organization framework and the rationale in great detail. I enlisted the services of HR Dimension (Steve Grow) to assist in the implementation of today and the future "change management" for each new team. The new teams are Facility Management (headed up by Dave Hummel), Fair/Event Producer (Margaret Davidson) and Administration (Pat Berger). While the downsizing was difficult, most of the staff is looking forward to the new challenges. Each team meets together next week with a one month plan to be created immediately. On going reviews will take place and I will share other points of explanation in the future.

Thanks for your support - Cindy

From: Cindy Hoye
Sent: Thursday, January 28, 2010 5:04 PM
To: - All Users
Subject: reorganization

A reorganization of the Fairgrounds staff was announced today as a direct result of the financial implications to our budget. Today was a tough day at the Fairgrounds as decisions had to be made which directly affect our ability to continue our daily operations. Unfortunately in this reorganization a total of nine employees have been laid off.

The new organization will focus on a team effort, utilizing staff in the most efficient and effective roles as possible. I do believe these changes will allow us to move forward as a healthy, viable business. With our core business model as facility managers and event producers, we all must be creative and willing to put forth the best effort possible. I have no doubt this is the right course to take, and need you all to work toward this common goal. Understand that our financial picture is challenging and we will over the course of the next several months to evaluate where we are in relation to our bottom line.

I personally value each of you and know we can pull together to strengthen the organization. My door is always open if you have any questions or ideas. Please feel free to contact me directly. Thanks for your support.

Cindy

Cynthia C. Hoye, CFE
Executive Director
Indiana State Fair Commission
317-927-7501
choye@indianastatefair.com



Meeting Minutes
Indiana State Fair Commission
January 14, 2010
Administration Building
Indiana State Fairgrounds Event Center
Indianapolis, Indiana

The meeting of the Indiana State Fair Commission was called to order at 10:05 a.m. by Chairman Andre Lacy. The following Commission members were present: Chairman Andre Lacy, Ted McKinney; Matthew Rekeweg; Dana Huber; Susan Hayhurst; Joe Kelsay (Indiana Agriculture Director); Gary Emsweller (C.A.S.H.'s Representative) and Roger Hale, President of the Indiana State Fair Board.

Commission Staff present: Cynthia C. Hoyer, Executive Director; Dave Hummel, Deputy Executive Director; Joy Rothrock, Director of Legal and Governmental/Public Affairs; Pat Hudson, Executive Secretary; Pat Berger, Director of Administration; Margaret Davidson, Director of Presentation/Development; David Ellis, Director of Finance; Andy Klotz, Public Relations Manager; Justin Armstrong, The Barn Director of C.A.S.H. and Rich Trombley, Director of Buildings & Grounds

Others present: Lou Gerig.

Chairman Andre Lacy recognized a quorum and called the meeting to order.

MEETING MINUTES

Chairman Andre Lacy made the motion to approve the minutes of the December 10, 2009 Commission meeting with two corrections. Seconded by Dana Huber, the motion carried. A copy of the minutes is in the official minute book.

FINANCIAL REPORT

2009 YTD Fairgrounds Revenue was \$6,198,939 and YTD Tax Revenue was \$9,882,268. 2009 YTD Fairgrounds Expenses were \$10,798,557. Non-Operating Expenses were \$1,285,236.

2009 YTD Revenue Grand Total was \$16,081,207.

David Ellis recommended the transferring of funds over to the Treasurer's Office in the amount of \$6,250,000. Chairman Lacy said we recognize the petition or the appeal of having custody of funds be at the State level rather than the Commission level and that we have chosen to have a threshold of no less than one million dollars available in our Fairgrounds account. We have an open question going forward in terms of how quickly the Treasurer's Office will respond to our needs if necessary. Ted McKinney made a motion to approve the transfer of funds to the Treasurer's Office. Seconded by Dana Huber, the motion carried.

Chairman Lacy thanked Lou Gerig for his attendance at the Commission meeting.

Copies of the financials are attached to the official minutes.

PRESIDENT'S REPORT

Roger Hale said the Fair Board has been working hard to reduce its budget by 5% and is submitting the budget to the Commission, reflecting the 5% reduction for approval. The Fair Board has approved the 4-H Handbook for 2010. The Fair Board Directors attended the INAFFE Convention this past weekend. The Fair Board is working on revising the Sale of Champions.

C.A.S.H. CHAIRMAN'S REPORT

Gary Emsweller reported that they are trying to put together a C.A.S.H. meeting for January or February to review the educational programs conducted in 2009 and make plans for 2010.

CHAIRMAN'S COMMENTS

Chairman Lacy opened up discussion with Commission members about their thoughts to close out the meeting. The Commission is very complimentary of a successful 2009 given the economy and the new 17 day format of the State Fair. They would like to show their appreciation to the staff for these extraordinary accomplishments. Cindy was asked to send to Commission members her goals for the year as a way to measure the success of her leadership in 2010. Additionally, it was suggested to enter into an HR audit with the staff and look for support from a "change management" perspective for the team.

FEBRUARY COMMISSION MEETING

The February Commission meeting will be held on Thursday, February 11, 2010 at 10:00 a.m.

There being no further business, the meeting adjourned at 10:55 a.m.

Meeting Minutes
Indiana State Fair Commission
March 11, 2010
Administration Building
Indiana State Fairgrounds Event Center
Indianapolis, Indiana

The meeting of the Indiana State Fair Commission was called to order at 10:05 a.m. by Chairman Andre Lacy. The following Commission members were present: Chairman Andre Lacy; Ted McKinney; Dana Huber; Susan Hayhurst; Matt Rekeweg; Joe Kelsay (Indiana Agriculture Director); Gary Emsweller (C.A.S.H.'s Representative) and Roger Hale, President of the Indiana State Fair Board.

Commission Staff present: Cynthia C. Hoye, Executive Director; Dave Hummel, Deputy Executive Director; Joy Rothrock, Director of Legal and Governmental/Public Affairs; Pat Hudson, Executive Secretary; Pat Berger, Director of Administration; Margaret Davidson, Director of Presentation/Development; David Ellis, Director of Finance; Andy Klotz, Public Relations Manager, Justin Armstrong, The Barn Director of C.A.S.H. and Rich Trombley, Director of Buildings & Grounds

Others present: Representative Bill Ruppel and Lou Gerig,

Chairman Andre Lacy recognized a quorum and called the meeting to order. He recognized and thanked Representative Ruppel and Lou Gerig for attending the Commission meeting.

MEETING MINUTES

Gary Emsweller made the motion to approve the minutes of the February 11, 2010 Commission meeting as distributed. Seconded by Roger Hale, the motion carried. A copy of the minutes is in the official minute book.

FINANCIAL REPORT

2010 YTD Fairgrounds Revenue was \$1,483,936 and YTD Tax Revenue was \$873,588. 2010 YTD Fairgrounds Expenses were \$1,956,654. Non-Operating Revenue (Expenses) was \$733,288.

The auditors are here and will be until sometime in April.

Copies of the financials are attached to the official minutes.

PRESIDENT'S REPORT

Roger Hale said that he and Pat Berger had been appointed by Cindy Hoye to establish an Animal Care Committee to be used at the State Fair. It will be a program to make sure no animal is abused and to check animals as they come in more thoroughly and to isolate animals that may have a health problem. They will ask Dr. Jim Weisman to be a part of the committee. Also, there will be someone from the Board of Animal Health on the committee to set the rules and regulations. He said they are still working and gathering information on the Sale of Champions. Roger is challenging all the Fair Board Directors to establish goals for themselves for 2010.

Roger and Cindy attended a reception held by the Pork Producers a couple weeks ago. They spoke with some legislators and they are looking forward to working with us during the State Fair.

Ted McKinney said the Commission would like to be involved along with the Fair Board for the fundraiser on July 31st. Cindy said we have a Youth Development Fund right now and we want to enhance that fund as a way to give back to all youth who participate during the fair such as livestock kids, 4-H public speaking and demonstrations and FFA youth. Long term this might be a way to enhance the Sale of Champions and develop more of a process of raising the money. It is planned for Saturday night, July 31st on the north side of the Fairgrounds. She has asked Dana Huber and Susan Hayhurst to be on the committee.

C.A.S.H. CHAIRMAN'S REPORT

Gary Emsweller said he didn't have anything to report and he would defer to Justin. Justin will give a presentation on the education program.

EXECUTIVE DIRECTOR'S REPORT

Chairman Lacy brought everyone up to date on the IWSA. He said we will stay supportive of helping them with dormitory space, and accommodating requests for ice time. Chairman Lacy working with Cindy chose to make the recommendation to the Commission that we would suspend indefinitely further efforts in consideration of building two sheets of ice on State Fairgrounds property. Roger Hale made the motion to accept Andre's recommendation for IWSA. Seconded by Susan Hayhurst, the motion carried.

Dave Hummel said the show season is going well. Cindy said we are trying to lock people in for a long period of years. One of the realignment's of our organization is to strengthen our year-round sales team.

Dave Hummel said the Super Bowl Committee came to us requesting a hold on several of our buildings for activities which we had done. Recently because of the possibility of the players strike in 2012, they have come to us and ask us to hold two weeks for the Super Bowl. We can hold some of the buildings for two weeks but we can't hold all the ones they want because we have contracts for 2012 already in place. We have pledged the Transportation Center to them for both weeks.

Cindy said when we have been working with Office Management and Budget, and one of the ideas was to take a look at the Pepsi Coliseum and explore a process where we can see if there is some outside management that would want to come in and manage the Pepsi Coliseum. In addition to that provide some capital dollars to the facility to begin some alterations. Cindy said she has had two individuals come to her that are interested in this opportunity. Dave Hummel said the original building was managed by an organization which owned the Chicago Stadium and the Chicago Blackhawks. Ross and Babcock managed it after the other organization until the explosion in 1963. We will go through the RFI process, then it will be brought back to the Commission for you to look at and determine if we proceed to the RFP.

Margaret went over the document "2010 What's New". Toyota's contract will run through June this year and they do want to do something for the State Fair but we do not know at what level. They do know that we need to know as soon as possible. Margaret said we have looked at a combo ticket sale and it would have to be upper grandstand. We will have to figure what we need to cover our cost.

Pat Berger said that CPI for several years has had the maintenance agreement for our telephone system and they also have a contract for conventional services for WI-FI to exhibitors and shows. We have had some concern with them for the past two years on their level of service for our

exhibitors and shows. Ermco has been out here for years doing our electrical service. Also, Ermco got into the communications business five or six years ago. Dave Hummel and Pat Berger have decided since CPI isn't providing great service maybe it is time to approach Ermco. They have a history of providing great service to exhibitors and us. Also, they have someone here at the Fairgrounds seven days a week. Ermco will come back to us this week with their proposal.

Joy said Senator Delph pulled out of HB1367 the language delaying school start dates until after Labor Day. He asked the School Superintendents and School Boards Association leaders in an e-mail to voluntarily move back their calendars to late August. Senator Delph considers this action as a very positive step in achieving the ultimate goal. Representative Ruppel said the HB1367 is still alive. He said the budget is running approximately \$100 million a month behind in revenues. He said if we do not have more cuts we will be in the red by approximately \$1 billion by June.

Cindy said Chairman Lacy was inducted into the Junior Achievement of Central Indiana Business Hall of Fame this past month.

Cindy asked Justin Armstrong to give a presentation on education. He went through a PowerPoint on the history of our education program. Justin said there are opportunities for formal family programming which includes birthday parties and all kinds of opportunities for programming as well as professional development for teachers and for agricultural. He said we have not put out a schedule for the "Largest Classroom" for this fall of 2010 because we don't know if we can do it financially. A copy of the PowerPoint is attached to the official minutes.

UNFINISHED BUSINESS

David Ellis said the Finance/Audit Committee will be a group made up of no more than two Commission members and a limited number of other individuals who will advise the Commission on financial matters. The primary responsibilities of the Committee will be to recommend short and long-term financial plans and evaluate the current financial status of the Commission. The expectation is for the Committee to meet on a quarterly basis and we would like to start them the first of April.

NEW BUSINESS

Rich Trombley said we are requesting the Commission's approval for Purchase Order number 3721 for \$80,000 for the South Pavilion Roof Design. Ted McKinney made a motion to approve the P.O. for the South Pavilion Roof Design. Seconded by Matt Rekeweg, the motion carried. A copy of the proposal letter is attached to the official minutes.

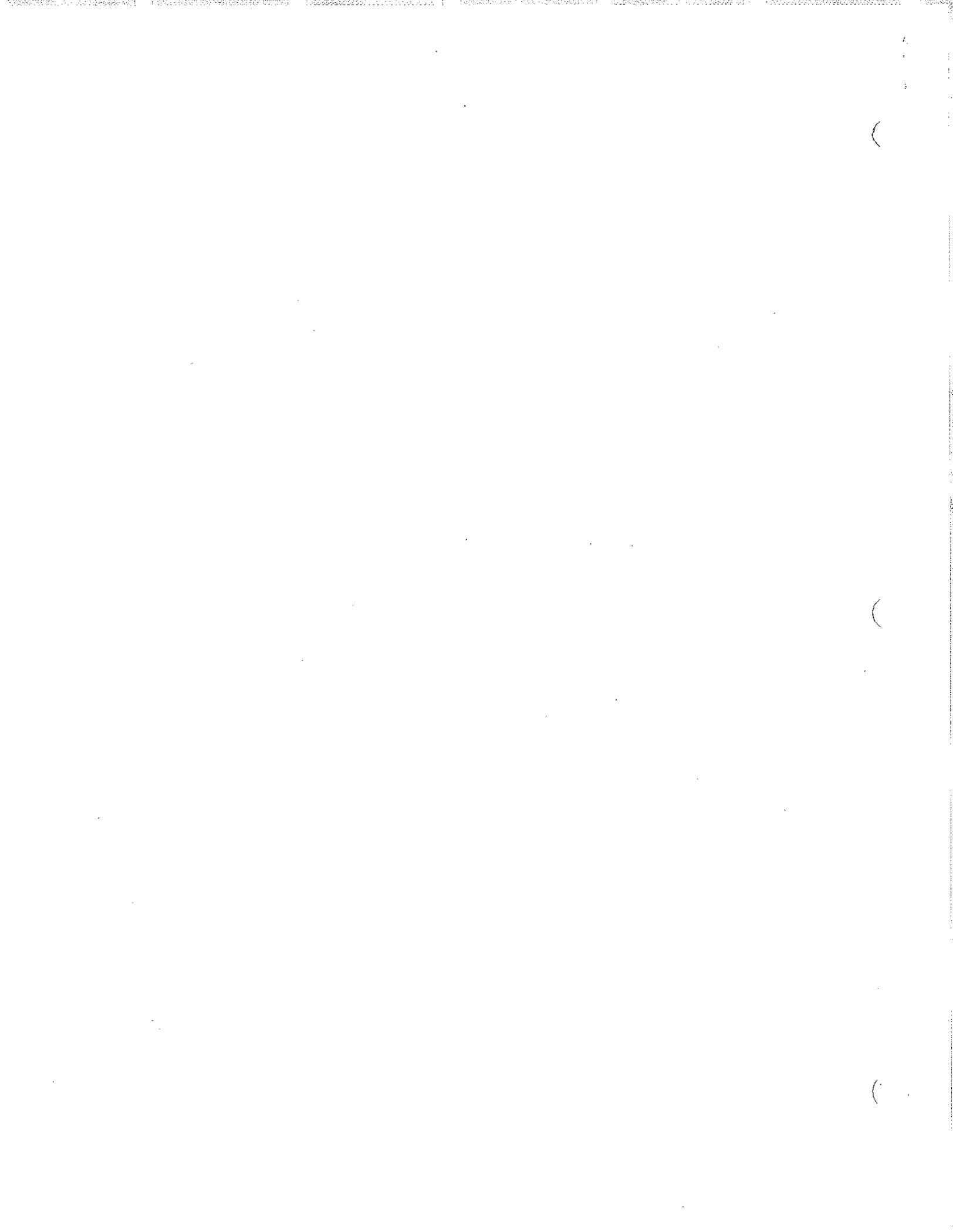
CHAIRMAN'S COMMENTS

Chairman's Comments included discussion about reaching our financial goals, importance of Strategic Planning and an interest to include outside supporters, and finally a hearty discussion about the need to present production agriculture that feeds the world and sustainable agriculture that is responsible to our environment.

APRIL COMMISSION MEETING

The April Commission meeting will be held on Thursday, April 8, 2010 at 10:00 a.m.

There being no further business, the meeting adjourned at 11:40 a.m.



DRAFT MINUTES
INDIANA STATE FAIR BOARD MEETING
4:00 p.m., February 11, 2010
COMMUNICATIONS BUILDING BOARD ROOM
INDIANA STATE FAIRGROUNDS
INDIANAPOLIS, IN

I. CALL TO ORDER

BOARD MEMBERS PRESENT

Patrick Barker
Lee Ann Eizinger
Tom Gary
Roger Hale
Dr. Chuck Hibberd
Jeannie Keating for Joe Kelsay
Bud Krohn, Jr.
Jim Lankford
Bill Leininger
Bryan Messersmith
Steve Patterson
Al Polin
Steve Simmerman
John Tarr
Anne Valentine
Lynette Walter

II. OPENING REMARKS

Roger called the meeting to order and thanked everyone for attending. Roger introduced Lee Ann Eizinger, who is the new Director appointed from District 2 and asked her to give a brief history of her background. Lee Ann said she is honored to be a part of the Indiana State Fair family and she was a ten year 4-H member.

III. MEETING MINUTES

Roger called for changes or corrections to the January 8, 2010 minutes. Bill Leininger moved to accept the minutes as presented. Seconded by Steve Patterson, a vote was taken and the motion carried.

IV. EXECUTIVE DIRECTOR'S REPORT

Cindy welcomed everyone to the Fair Board meeting. She said we have had a challenging year and with traveling for the IAFE she has seen lots of Fairs having financial problems. We have been cut \$2 million from our budget this year so we need to realign our revenue and we will need to do some strategic planning for the next three years. We are looking at cross training employees so they can help in different departments. We are divided into three categories of teams and they are Facility Management, Event Producer and Administrative. Pat Berger will head up Administrative, Margaret Davidson will have Event Producer and Dave Hummel with

Facility Management. We are going through a re-organization so we have eliminated seven full time and two part-time positions.

Cindy said we are checking on the possibilities of outsourcing parking. Ray Allison is checking on the options.

Margaret introduced Dean Illingworth and Steven Craig from Habitat for Humanity. Dean Illingworth gave an overview for the building of the home here at the Indiana State Fair in August. He said they built approximately 300 homes for the Habitat for Humanity last year in Indiana and 22 of them were in Marion County. The Commission, Fair Board and Staff will be given a chance to help work on the home here. The Habitat for Humanity will be working with different sponsors to make this an Ag related project. The family that will be getting this home works for Kroger and Kroger is very active in the process.

V. PRESIDENTS REPORT

Roger Hale asked Anne Valentine to tell us about her new addition to the family. She adopted a little girl on December 10, 2009 and her name is Abigail Grace Valentine.

VI. FINANCIALS

David Ellis went over the financials for the month of January. He gave an overview of the 2010 Budget Summary. The 2010 Budget Summary is attached to the official minutes.

VII. HUMAN RESOURCES & SUPPLIES & CONTRACTS

Mark Anderson said he has moved down to the Communications Building and also will be helping with supplies and contracts. Mark said a lot of the people that were on contract last year will have to go on payroll this year because of IRS rules. Also, Julie Izzo will be helping with supplies.

Mike Dalka handed out packets of forms to all the Directors for the Fair. He said they will inventory everything to make sure they are where they are supposed to be. He would like to have the forms turned in by the May Fair Board meeting.

Monica Smiley gave everyone copies of their contracts from last year and most of them will not be renewable contracts.

VIII. ENTRY DEPARTMENT

Kay Peterson discussed the changes being made to the Open Class Premium book. Corrections to the attached changes: No Indiana bull classes for Shorthorn Plus. Boer Goats will be moved from the middle of the weekend to the 1st Tuesday and Wednesday. Pat Berger said the Premium Book is part of the contract with the exhibitors so that is the reason the changes have to be voted on. Steve Patterson moved to adopt the changes to the premium book. Seconded by Tom Gary, a vote was taken and the motion carried. A copy of the changes is attached to the official

minutes. Megan Bergman in the Entry Department is now handling the judges contracts.

IX. PRESENTATION & DEVELOPMENT

Margaret gave everyone a packet with license plates and key chains. She handed out a calendar that will be posted online for the non-livestock and livestock events during the State Fair.

Margaret said we are talking about having a fundraiser to help get funds for the State Fair. We are looking at Saturday, July 31st. It will be a chance to honor some of the past directors and keep them involved in the State Fair.

Margaret gave some guidelines for our partnerships with companies and she said Ellison Bakery is a new sponsor for the Home & Family Arts Building.

We have leased the property for the space the new billboard occupies adjacent to Fall Creek. We will receive revenue for leasing the space plus advertising on the billboard.

X. STAFF REPORTS

Dr. Renee McKee handed out an article that will be sent to the Extension Office to be shared with 4-H members over the state.

XI. DIRECTOR REPORTS

- Pat Barker: He has gotten back several judge contracts and only has a few still out. His first assistant is working on the P.O.'s.
- Bill Leininger: He has turned in his judge contracts except for one and that will be done next week. Bill said he had a new granddaughter in January.
- Jim Lankford: He will get with Mark Anderson and re-evaluate a few things. Everything else is on track.
- Lee Ann Eizinger: She passed since this was her first meeting.
- Bud Krohn: He got a new first assistant for Llamas and Alpacas. They had an organizational meeting for Our Land Pioneer Building and all the vendors were excited about this year coming up.
- John Tarr: Everything is going fine and they have had several Young Farmers meetings.
- Chuck Hibberd: Everything is going well.
- Bryan Messersmith: He needs to pay one of his judges that is coming out of Canada more than the \$600.00 for one day. Roger Hale said the Executive Council recommended approval for the payment to the judge.
- Steve Simmerman: Working with the Band Day coordinator on a three year contract.

Tom Gary: Everything is in place and he has a list of his judges.

Steve Patterson: Everything is going well. He thinks the fundraiser will be a great event. The Fair Board needs to support the fundraiser and he looks forward to it.

Lynette Walter: She said her brother-in-law passed away in the middle of January and she thanked everyone for their support and kind words. She has all but three contracts back for judges.

Al Polin: Everything is in order.

Jeannie Keating: The Department of Agriculture has moved to One North Capitol.

Anne Valentine: School start date bill did get through the Senate but will probably not get a hearing in the House. The Governor's office is trying to stay out of the debate as of now.

XII. DIRECTOR OF ADMINISTRATION

Pat Berger said the mail boxes for the Fair Board Directors have been moved across the hall from where they were and that former office has been made into a meeting room.

XIII. NEXT MEETING

The next meeting of the Indiana State Fair Board of Directors will be March 11, 2010 in the conference room in the Communications Building.

XIV. ADJOURNMENT

DRAFT MINUTES
INDIANA STATE FAIR BOARD MEETING
DECEMBER 10, 2009
-COMMUNICATIONS BUILDING BOARD ROOM
INDIANA STATE FAIRGROUNDS INDIANAPOLIS, IN

I. CALL TO ORDER

BOARD MEMBERS PRESENT

Patrick Barker
Tom Gary
Paul Graf
Roger Hale
Dr. Chuck Hibberd
Joe Kelsay
Jim Lankford
Bill Leininger
Bryan Messersmith
Steve Patterson
Al Polin
Steve Simmerman
John Tarr
Lynette Walter

II. OPENING REMARKS

Roger called the meeting to order and thanked everyone for attending. He also thanked everyone for all their efforts in working out their budgets. He discussed the IAFE Convention and the numerous awards presented to Indiana State Fair. He commended the Presentation/Development and Education teams. He also congratulated Cindy on being appointed the Chair of IAFE for 2010.

III. MEETING MINUTES

Roger then called for changes or corrections to the November minutes. John Tarr moved to accept the minutes as presented. Seconded by Bryan Messersmith, a vote was taken and the motion carried.

IV. EXECUTIVE DIRECTOR'S REPORT

Cindy Hoyer thanked everyone for attending and reported on the following:

❖ IAFE Convention

- Very proud of our accomplishments
- Vision - Premier year round gathering place that maximizes it's resources to host a wide variety of diverse activities.
- Best State Fair in the Country... WELL DONE!!
- Kenneth Feld of Feld Entertainment was a keynote speaker highlighted on the following:
 - Time is our most valuable commodity

- Customer satisfaction is #1
- Peoples attention span is shorter
- Family framework is different
- Challenges in Circus business
 - Down to one ring from three in the past
 - Animal extremists, how they affect circus
- ❖ Governor of California is interested in selling 4 fairgrounds
- ❖ TN State fair is in trouble, may not run in 2010

Pat Berger added that the MI State fair is in talks to consider holding a livestock only fair for the 4-H programs.

Cindy said that the Missouri State fair is cutting back their Extension program by 44%.

V. FINANCIALS

David Ellis stated that there haven't been any changes in the Fair financials since last month and that 698K profit is a pretty solid number.

He thanked everyone for meeting with him to go over their budgets. He asked everyone to cut their food budget by 20%.

VI. PURDUE EXTENSION

Chuck Hibberd gave a presentation highlighting what is going on at Purdue Extension.

VII. ENTRY DEPARTMENT

Kay discussed the premium book changes. Pat stated that the premium book will be voted on at the January 8th meeting. He added that the general terms and conditions have been distributed and any changes must be made quickly.

VIII. PRESENTATION & DEVELOPMENT

Margaret Davidson reported on the following:

- We are busy with the 2010 campaign
- Website will be up by January.
- Boy Scouts will have a mobile exhibit on site the middle weekend.
- Humanities council meeting, may be adding HFA programming.
- American Gothic statue, getting closer
- Working with media & promotional sponsors
- Will be doing an expanded value book
- We will be offering a midway discount pass, Walmart will be retailer

Michelle Leavell stated that they are working on the Grandstand line up and have confirmed the following four acts:

- ❖ 8/7 - Rascall Flatts
- ❖ 8/14 - Keith Urban
- ❖ 8/17 - Jeff Dunham
- ❖ 8/20 - Sugarland

Margaret handed out an article from the Herald Bulletin on the winner of the Statehood day Essay. Megan Moran won the essay, discussing her favorite things about Indiana, especially attending the Indiana State Fair. She then shared a video that Jon McLaughlin shot during his performance at the 2009 fair, which features many aspects of our Fair.

IX. STAFF REPORTS

Bruce Williams discussed IT expenses for the 2009 fair and ways they are looking to reduce cost for 2010.

Andy Klotz said we are increasing our use of social media.

X. DIRECTOR REPORTS

Paul Graf: We have our judges all verbally confirmed. We had a Breed Rep meeting, and our budget is lined out. We will have a scales committee meeting tonight after dinner.

Tom Gary: I had my budget meeting. All our judges are lined up, except for the honey judge and one other.

Lynette Walter: Sheep barn is moving along. Starting open market lamb show, we are also hosting the national Tunis show. We've added another sanctioned Boer goat show. Vegas was very educational, Roger and I ended up being moderators. Some of the county fairs across the country are having beer/wine gardens; we might want to think about this.

Jim Lankford: Still working on Judges. Major change will be in coliseum arena, we will be working with Rich's crew.

Pat Barker: We got our budget done. I've met with the 4-H rabbit people. My premium book changes are in, and my judges are turned in.

Bill Leininger: The Hoosier Beef Congress was great. The numbers were down a little. I'll be hiring my judges in January. I've completed my budget.

Steve Simmerman: I'm working on my budget. There has officially been a formal separation of the Indy International Wine Competition and the Indiana State Fair. However, we did receive a letter from the Indiana Uplands Wine Trail that they still want a presence at the Indiana State Fair.

Al Polin: I've had my budget meeting with Dave. Looking at cost cutting questions... is the dinner really necessary, how to cut bus transportation costs. Everything else is going ok.

John Tarr: We are getting along real well. I met with Dave on our budget. We would like to expand the kitchen in Pioneer Village. We have free labor if Indiana State Fair will buy the materials.

Bryan Messersmith: Working with budget. Looking to reduce cost of rental lawn tractors. Everything else is good.

Steve Patterson: We have a staff meeting with coordinators on Saturday. We will work on judges. We are working on special contests like a BBQ cook-off and cookie contest. Our budget is done.

Chuck Hibberd: Carl is working on budget. We've had to make some adjustments on the Animal ID process. We will use a dual track system this year. We will authorize the use of radio frequency ID tags for counties that don't have retinal scanning equipment.

Joe Kelsay: We are reaching out to the commodity groups to see how we can all work together.

XI. DIRECTOR OF ADMINISTRATION

Pat reminded everyone of the meeting at the convention.

XII. NEXT MEETING

The next meeting of the Indiana State Fair Board of Directors will be January 8th, 2009 at 4:00pm in Veteran's room 3 at the Marriott East Hotel.

XIII. ADJOURNMENT

Meeting Minutes
Indiana State Fair Commission
December 10, 2009
Administration Building
Indiana State Fairgrounds Event Center
Indianapolis, Indiana

The meeting of the Indiana State Fair Commission was called to order at 10:05 a.m. by Chairman Andre Lacy. The following Commission members were present: Chairman Andre Lacy, Matthew Rekeweg; Dana Huber; Susan Hayhurst; Representative Bob Bischoff (State Fair Legislative Advisory Committee Representative); Joe Kelsay (Indiana Agriculture Director); Anne Valentine (Governor's Representative); Gary Emsweller (C.A.S.H.'s Representative) and Roger Hale, President of the Indiana State Fair Board.

Commission Staff present: Cynthia C. Hoye, Executive Director; Dave Hummel, Deputy Executive Director; Pat Hudson, Executive Secretary; Pat Berger, Director of Administration; Margaret Davidson, Director of Presentation/Development; David Ellis, Director of Finance; Andy Klotz, Public Relations Manager and Justin Armstrong, The Barn Director of C.A.S.H.

Others present: Lou Gerig and Bruce Williams.

Chairman Andre Lacy recognized a quorum and called the meeting to order.

MEETING MINUTES

Chairman Andre Lacy made the motion to approve the minutes of the November 12, 2009 Commission meeting as distributed. Seconded by Roger Hale, the motion carried. A copy of the minutes is in the official minute book. Chairman Lacy welcomed Lou Gerig to the Commission meeting.

FINANCIAL REPORT

2009 YTD Fairgrounds Revenue was \$5,848,779 and YTD Tax Revenue was \$9,887,301. 2009 YTD Fairgrounds Expenses were \$9,888,545. Non-Operating Expenses were \$1,170,787.

2009 YTD Revenue Grand Total was \$15,736,080.

Chairman Andre Lacy made a motion to approve the financials. Seconded by Gary Emsweller, the motion carried.

Copies of the financials are attached to the official minutes.

PRESIDENT'S REPORT

Roger Hale said all the Fair Board Directors had worked hard the past month to submit changes for the Premium Book. They are getting their budgets in line with the reductions that are asked of them.

Roger said a group went to the IAFE Convention to represent the Indiana State Fair. He said the group from our State Fair was introducing speakers, leading round table discussions and helping wherever help was needed. He said we received several awards and he thanked Margaret's group and everyone that was involved in helping us to receive all of the awards. He said one of the most important things that happened was that Cindy was installed as the new Chairperson for the IAFE. Also, Cindy said the education programs from Pat Berger and his team helped win some of the awards. Roger would like for Margaret's and Pat Berger's teams to go to the Board meeting this afternoon to be recognized for their work. Chairman Lacy said maybe we could have a press conference to show our awards off and then use the product of the press conference to enhance the sponsors. Lou Gerig said we could display the awards in the State House and talk about the next year's State Fair for maybe thirty days while the legislature is in session. Chairman Lacy said the State Fair institution is living the mission statement and being true to who it really is.

C.A.S.H. CHAIRMAN'S REPORT

Gary Emsweller said C.A.S.H. plans on meeting in January to finalize the 501c3. He welcomed the new people to the Commission since he wasn't at the November Commission meeting.

EXECUTIVE DIRECTOR'S REPORT

Cindy Hoye said she will be traveling a lot in 2010 with being the new Chair for the IAFE. She included in her tab "Getting To Know Your Incoming Chair" so that sheet will give everyone a little background. The mission is to champion the important role Fairs play to telling the story of contemporary agriculture.

Cindy wanted everyone to know how thankful she is to all of us for giving her the opportunity to help continue putting Indiana on the map, support was not only from the Staff but also the Commission and the Fair Board.

Cindy included with her activity report, the Non-Binding Letter of Intent between the Indiana World Skating Academy, Inc. and the Indiana State Fair Commission. Last week there was a lot of publicity about the Indiana Ice planning to build a \$12 million hockey facility. Cindy said she and some other Staff members will be meeting with Pam Robinson and Paul Skjodt next week to continue the dialogue. Currently there is no formal relationship between IWSA and Paul Skjodt but it sounds like there might be a relationship at some point. Senator Kenley put \$4 million in the budget for ice rinks to be built at the State Fairgrounds for IWSA. IWSA will need to raise the remaining \$6 million before we can start to build the ice rinks.

Cindy and Pat Berger went to Purdue and submitted a plan for MBA students to take a look at helping us with not only analyzing lines of business but also helping us with the strategic planning process. We should learn in the next couple weeks if we will get the students.

Cindy said she has some concern with the Board of Health and would like to advise the Commission. Representative Ruppel has been involved. Our concessionaires are reviewed by the State Board of Health on a year round basis to make sure we are providing safe food to our customers.

David Ellis said we had discussions with the State Treasurer about getting the State Fair Fund set up. We have talked to them about how to access the funds and they are having us to talk to the Budget Agency and State Board of Accounts. They have talked about trying to set us up on PeopleSoft and how we can access this Fund. The Treasurer's office said they have not done this for anyone else but they may be able to wire funds directly from the investment fund monies they are holding for us into our operating account. We hope this will work out. David said we are hoping to have it done by the end of the year.

~~Cindy said we have asked everyone to decrease the expenditures of the Fair by 5% to be in compliance with the Governor's request. We are concerned about sponsorship dollars. Cindy is asking for the ability to start charging for parking in the Deaf School during the State Fair. It would generate approximately \$75,000. We are looking at an option of exploring a partnership with Lucas Oil Stadium to see about renting a shuttle from downtown to be free to the public. Cindy said we will receive more reduction in our General Fund appropriation.~~

~~Chairman Lacy said he and Cindy will be meeting with Ted McKinney to get his ideas on structuring a finance committee that can talk about our finances and report back to the Commission to get the Commission's thoughts. Cindy said she has been asked by the Governor's office to keep the money that we have for Discovery Hall on hold for awhile longer.~~

COMMISSION DIRECTOR'S REPORTS

Directors reviewed their written activity reports. Copies of these reports are a part of the official minute book.

DIRECTORS' REPORT HIGHLIGHTS

Rich Trombley's wasn't here so his report stands as written.

Pat Berger said the Ethics Commission may be contacting some of the Commission to take the Ethics training.

Margaret Davidson said the advertising campaign is well on its way. Everyone will start seeing it much earlier this year. She said we are working on sponsorships daily and they are going fairly well. We do have a couple of new sponsorships that have come through. Red Gold is talking about doing more than they have been doing money-wise as a sponsor at the State Fair. She said we are very busy working on the special events for the Fair. At this time, we have four acts already confirmed for the State Fair, who are Rascal Flatts on August 7th, Keith Urban on August 14th, Jeff Dunham on August 17th and Sugarland on August 20th. Some of the free shows will be back; they are the dog show, Peking Acrobats and the Racing Pigs.

Margaret showed a video of Jon McLaughlin when he was at the State Fair this year. Jon McLaughlin is from Anderson, Indiana and had not been to the Indiana State Fair since he was four years old. He will be using this video to promote his upcoming new single. Also, it will be on Facebook and YouTube.

Margaret said we will announce in January at the IAFFE convention that 2010 State Fair will be the "Year of the Pig".

Dave Hummel said in December the Christmas Gift & Hobby Show and the Holiday Mart were two very good shows and their attendance was the same or above last year. The Roller Derby was in the Pepsi Coliseum for the first time and we had 3100 in attendance. Public Ice Skating is going very well. The Budweiser Fight Night was canceled, but he and Jeannie Raymann will be meeting next week with three potential people that have indicated that they would like to continue to promote boxing here.

Justin Armstrong said his report stands as written.

NEW BUSINESS

Cindy said the list of capital projects has not been acted on yet because we are waiting on the Commission's approval. Chairman Andre Lacy made a motion to approve the Last Quarter Maintenance, Capital and Equipment Projects. Seconded by Susan Hayhurst, the motion carried. The list of capital projects is attached to the official minutes.

Cindy said we entered contract negotiations with the Stagehands. ~~Because of the current funding issues at the State level we would not accept any increase in their costs since the State employees did not have a raise last year and will not be getting a raise this year.~~ We asked them to abide by the same guideline. ~~Because of the State budget, we recommend a one year contract, if the Commission agrees to that.~~ Previous contracts have been three year contracts. ~~It will be the same rate as last year.~~ Chairman Andre Lacy made a motion to approve the International Alliance of Theatrical Stage Employees Contract for one year. Seconded by Dana Huber, the motion carried. The memo is attached to the official minutes. Dave Hummel said the Stagehands are responsible for labor to set up and tear down sound, light and projections.

CHAIRMAN'S COMMENTS

Chairman Lacy said he would like to share with everyone some of his beliefs on governance. He said he has participated in a number of other organizations where governance becomes more important for companies than indemnities. A lot of that ends up with transparency in building opportunities for transparency between the CEO and the Board, which in this case is the Commission. Within the laws of the State of Indiana in terms of Executive Sessions, we are proposing that the Commission excuses the Staff so the Commission and Cindy can have a session to listen to Cindy and offer some thoughts and suggestions to her.

The Chair opened up discussion based upon 21st Century Governance. Commission members and the Executive Director discussed a format that will address concerns, challenges, hopes and dreams. Additionally, Chairman Lacy stated even though his name plate says "Chairman" he described his role as

the lead Director and asked for forward thinking. Chairman Lacy pointed out the front of the Commissioner's note books have our Mission Statement on the front, which is what we are all about.

Ideas that surfaced were seeking more assistance from the Commission members as advocates for programs, issues, etc. The Commission would like to hear from the Executive Director in January, on her goals and vision for this Fairgrounds/Fair and then be measured/reviewed based upon those goals for 2010. The Commission would like to continually clarify the difference in their role from the Fair Board realizing many people are confused. An update on the Wine industry was discussed as Dana Huber serves to energize a new relationship with this industry.

The Christmas luncheon for the State Fair Commission employees and Commission will be served right after the Commission meeting adjourns. Chairman Lacy wished everyone a Merry Christmas and Happy Holidays.

JANUARY COMMISSION MEETING

The January Commission meeting will be held on Thursday, January 14, 2010 at 10:00 a.m.

There being no further business, the meeting adjourned at 11:15 a.m.

Activity Report - December 10th, 2009
Cynthia C. Hoye - Executive Director, ISFC

Indiana Board of Health - The Board of Health brought to our attention a procedural change that affects how they will review violations during the State Fair. In the past they compared stand to stand only. They now will be compiling information based on ownership. For example, if an operator has 6 stands total, the violations will be compiled as one. Therefore, if one stand has a violation this year, and a different stand has that same violation the next year, then that operator will be considered a repeat offender even though it was a different location that had the violation. The Board of Health sent out eight letters to owners from this past fair. These letters require the owners to respond back to the Board of Health, a Plan of Action, to correct their past violations. Copies of those eight letters along with the supporting documents were given to us to review.

Budgeting Process for 2010- Several key factors will be discussed during the Commission meeting:

- We have been conservative, lived within our means, prudent with our spending and therefore have built a good base of reserves
- We will be anticipating a significant reduction from the General Fund
- Now need the Commission's Finance Team to help guide future spending plans
- Budgeting with the Fair is smooth – decrease goal of 5%
- All budgets will be presented at the January Commission meeting

Krannert School of Business - We have submitted our project plan to the Krannert School of Business MBA program. The project is phased into two parts with the first being the analysis of various lines of business which will then lead us into a strategic planning process. At this point, we must wait until the end of the semester to judge student's interest in our project.

IWSA - There is more public media activity with this project. I will provide more information and handouts on this subject at the Commission meeting.

IAFE - What a fantastic convention for the GREAT Indiana State Fair. I couldn't be prouder of the accomplishments and recognition we received. From the Best of Show in the Hall of Communications Awards, which we have never won, to the highlighted Ag Educational Program where we were front and center as one of the leaders within the Fair Industry. My thanks to the leadership of Pat Berger on the Ag Committee and Margaret Davidson with the Advertising Committee and especially thrilled to have Roger, Lynette and Steve from the Fair Board in attendance. The convention is also a time for professional development and sharing of programs that are successful and we have loads of ideas to share. Finally, we secured four major headline concerts at the convention and that alone is worth the trip.

My Chair responsibilities begin. Thank you in advance for affording me the support and opportunity to serve this organization for the benefit of the Indiana State Fair.

Revenue Stream

- 68% Earned Revenue
- 32% Subsidized by State

Governor has asked us to be more

“self sufficient...earn more revenue”

Revenue Stream

- 68% Earned Revenue
- 32% Subsidized by State

*Governor has asked us to be more
"self sufficient...earn more revenue"*

2010 & Beyond

1. Reorganization
2. Efficient Operations
3. Eliminate Non-Essential Programs
4. Defer Maintenance
5. Preserve Emergency Funds

Financial Overview

Nov 12, 2009

Indiana State Fair Commission
Estimated 2009 & Proposed 2010 through 2012 Income/Expense Summaries
 (\$,000)

	2009	2010	2011	2012
Indiana State Fair				
Revenue	\$10,498	\$10,500	\$11,100	\$11,400
Expenses	9,801	9,900	10,500	10,800
Gain/(Loss)	<u>697</u>	<u>600</u>	<u>600</u>	<u>600</u>
Fairgrounds				
Revenue*	16,191	13,470	13,457	13,527
Operating Expenses (before depreciation)	10,973	10,424	10,737	11,059
Preventive Maintenance/Capital Improvements	963	0	1,000	1,200
Gain/(Loss)	<u>4,255</u>	<u>3,046</u>	<u>1,720</u>	<u>1,268</u>
Debit Service (Principal & Interest)	<u>2,134</u>	<u>2,166</u>	<u>2,149</u>	<u>2,192</u>
Overall Surplus/(Deficit)	<u>\$2,818</u>	<u>\$1,480</u>	<u>\$171</u>	<u>(\$324)</u>
* Revenue includes the following General Fund Appropriations	\$2,057	\$1,629	\$1,457	\$1,457
Cash Reserves**				
Restricted	\$4,936	\$5,150	\$5,164	\$5,241
Earmarked	3,376	3,976	3,576	2,976
Operating	4,653	5,319	5,876	6,075
Running Balance	<u>\$12,965</u>	<u>\$14,445</u>	<u>\$14,616</u>	<u>\$14,292</u>
Running Operating Balance without General Fund Appropriations	\$2,596	\$2,447	\$1,161	(\$620)
** 2009 Cash Reserves include beginning balances				
Bond Debt (Principal only)	\$14,395	\$12,860	\$11,235	\$9,565

THE MARTEN HOUSE
 Hotel and Lilly Conference Center

n 1 2012 budget deficit

Modifications to

Operations to Date:

- 3% reduction of year round operating budget, maintaining support of shows
- Cut capital/maintenance/equipment budget by 30%
- Five full-time benefited positions not refilled
- Drastically limited over-time
- Reduced uniform expense for employees by 57%
- Golf cart usage for transportation - saving in fuel and maintenance on trucks

Indiana State Fair Commission

Statement of Revenues and Expenditures - FAIRGROUNDS

From 10/1/2009 Through 10/31/2009

(In Whole Numbers)

	Current Full Year Estimate	Anomalies	Amount to be Reduced	5% Reduction	Total Expense After Reduction & Anomalies	Comparitive Reduction
OPERATING EXPENSES						
Contract Services	608,323	0	608,323	30,416	577,907	5.00%
Professional Services	708,136	67,232	640,904	32,045	608,858	14.02%
Advertising	284,546	0	284,546	14,227	270,319	5.00%
Printing & Postage	106,066	0	106,066	5,303	100,762	5.00%
Utilities	1,558,666	0	0	0	1,558,666	0.00%
Telephone	39,619	0	0	0	39,619	0.00%
Office Supplies	145,565	4,308	141,257	7,063	134,194	7.81%
Equipment Rentals	48,804	0	48,804	2,440	46,364	5.00%
Maintenance Services & Supplies	745,344	12,870	732,475	36,624	695,851	6.64%
Travel & Training	10,246	2,785	7,461	373	7,088	30.82%
Food & Clothing	171,208	0	171,208	8,560	162,647	5.00%
Other Operating Expense	215,809	46,415	141,589	7,079	162,315	24.79%
Total OPERATING EXPENSES	<u>4,642,331</u>	<u>133,610</u>	<u>2,882,631</u>	<u>144,132</u>	<u>4,364,590</u>	<u>5.98%</u>

Anomalies:

SBOA 2007 Finacial Audit	67,232
Counter Point Software	4,308
Mimaki Printer	12,870
Accounting Software Training	2,785
Harness Race Premiums	46,415
	<u>133,610</u>

Funding Sources - **Beginning July 2010**

- \$6.2 million – Riverboats (capped)
- \$300,000 - Pari-Mutual*
- \$1.6 million - General Fund (5-10%)
(Originally, the Property Fund ranged upwards of \$2.5 Million.)

Modifications to **Operations to Date:**

- 3% reduction of year round operating budget, maintaining support of shows
- Cut capital/maintenance/equipment budget by 30%
- Five full-time benefited positions not refilled
- Drastically limited over-time
- Reduced uniform expense for employees by 57%
- Golf cart usage for transportation - saving in fuel and maintenance on trucks

As We Plan For The 2010 Budget And Beyond

Operations – look at all expenditures – are they a necessity

State Fair

- Reducing 5% per department
- Additionally cutting – “backstage” elements, food, golf carts, tents, tickets, flowers
- Concern on sponsorship support
- Fair dates - priority

Fairgrounds

- Reducing 5% per department
- Additionally cutting – associations, our fleets, subscriptions, mailing costs, etc.

Organization – review the overall structure for the future

- Personnel
- Scaling back our hours in labor
- Job sharing

Programming -

- Analyzing areas such as – pro shop, technology, parking/facility charge, outside labor force, charitable events

Maintenance

- Preserving and insuring the Investment – insuring the major earned revenue producing facilities
- Trying not to defer maintenance

Creativity

- What can we do creativity to solve our challenges!

**Cynthia Hoye, Activity Report
Indiana State Fair Commission
November 12, 2009**

Stagehand Union Contract negotiations

This contract is up at the end of the year – and they are seeking to negotiate terms for the next three years. We are reluctant to look towards any increase in terms.

Habitat for Humanity – at the Fair

For years, we've been after Habitat to build a home during the Fair...and this is our lucky year! Habitat will build a moveable home that is constructed entirely during the Fair. Habitat's focus is calling this an "Ag Home" and seeking support from agri-businesses and organizations. Additionally, the hope is to find a family involved in agriculture that is a worthy recipient. Construction would take place on the middle north road (TBD) during the morning hours – with a break for lunch at which time the public could tour the construction. Habitat volunteers would resume construction in the afternoon, followed by evening viewing hours for public. We anticipate this to be a signature "new element" of the Fair this year.

God Bless America

Is a phenomenal public art piece – this is reminiscent of the America Gothic. We are looking to secure a partner and use this as a drawing card to the agriculture message during the State Fair. Margaret can give you details.

Boy Scouts

As you are aware, we are thrilled to use the backdrop of the State Fair to celebrate the 100th anniversary of Scouting. The Fairgrounds has long been an advocate for celebrating youth and this will be a very special effort.

International Association of Fairs and Expositions

The end of the IAFE Convention on December 3rd marks the beginning of my term as the Chair of the IAFE. Not only is this an extraordinary privilege for me personally – but a tremendous time to show the "world" that the Indiana State Fair is a true leader in the fair industry. It will be an honor to represent both! I have been invited to speak at the Western Fairs Association meeting, the Midwest Fairs Association Meeting, the Vermont/Connecticut and Illinois State Association meetings, the IAFE Spring workshop and Managers meeting and the Iowa Zone meeting to name a few of the opportunities. In the meantime, your staff directors will hold down the "fort" and I am only a phone call or email away!

Governor's Efficiency Meeting – Performance Measurements

Our team is on track with monitoring and reducing our total operating expenses. Each area is charged with asking themselves "is this a necessity" and will it mean we are still safe, not sacrificing performance or the ability to offer excellence in customer service? Fundamentally we are changing the culture by reducing expenditures and maximizing our revenues. (We have met our measurement for this year!)

Horse Barn Stabling

At the July and then again September Commission meetings, we discussed the need for a recommended policy change for pleasure horse stabling. As you recall, we have done the cost analysis which shows pleasure horse stall rental revenues do not breakeven as a

Discovery Hall

Rich has secured the updated costs to complete Phase III of Discovery Hall (however there is a twist). We are looking at flipping the construction priority to the third floor rather than the first two exhibit floors, which would offset our Operational Expenses with housing during the Fair. It would also provide the opportunity to earn revenue by renting out the space. The costs are these:

- \$850,000 MEPT
- \$400,000 interior finishes
- \$300,000 elevator tower
- \$600,000 drywall, doors, partitions, accessories
- \$48,000 design
- \$150,000 construction management
- \$150,000 curbs, sidewalks and asphalt

Total Phase III – Top Floor - \$2,500,000

Finance Overview

During this Commission meeting, we will present an overview of our finances. Focus will be on how we manage the reduction in State support (10% decrease from General Fund) and how we approach the final list of capital/projects/equipment.

STATE OF INDIANA

DEPARTMENT OF VETERANS AFFAIRS
302 WEST WASHINGTON STREET ROOM E120
INDIANAPOLIS, INDIANA 46204-2738



Mitchell E. Daniels, Jr., Governor
Charles T. "Tom" Applegate, Director

June 18, 2010

State Senator Vi Simpson
4965 West Woodland Drive
Bloomington, IN 47404-8935

Dear Senator Simpson,

The Indiana Department of Veterans Affairs (IDVA) is a very small agency and, in fact, may be one of the smallest. Since 1945 the mission of IDVA has been to ensure that Hoosier veterans, their dependents and survivors receive any and all federal and state veterans' benefits to which they may be entitled. We have accomplished that mission by making sure the County Veterans' Service Officers (CVSOs) are sufficiently trained to assist the target group with their claims for benefits.

Traditionally, the staff at IDVA has been a small one. I have only two State Service Officers whose job is to process the thousands of applications for state veterans' benefits we receive annually. They also play a big part at our annual conference in the training of the CVSOs. The demands of the job require two state service officers. One state service officer would not be able to keep up with volume of applications received every year. The staff is rounded out with a deputy director, an administrative assistant and a part-time temp as our receptionist.

The Indiana Veterans' Memorial Cemetery (IVMC) located at Madison, Indiana is another branch of IDVA. My superintendent and two grounds keepers maintain the beautiful cemetery as the final resting place of our proud and deserving Hoosier veterans.

The other side of IDVA is the educational branch, the State Approving Agency (SAA). On the SAA side is the Director, a Program Coordinator and five Program Directors. Their mission is to ensure the colleges and universities within the state follow the guidelines of the federal VA in administering their G.I. Bill programs. The entire budget of the SAA comes from the federal VA.

And finally, the Indiana Veterans' Home, located in West Lafayette, Indiana, sees to the needs of our veterans and their spouses after they reach retirement age or they are unable to care for themselves. They are under a separate budget.

STATE OF INDIANA

DEPARTMENT OF VETERANS AFFAIRS
302 WEST WASHINGTON STREET ROOM E120
INDIANAPOLIS, INDIANA 46204-2738



Mitchell E. Daniels, Jr., Governor
Charles T. "Tom" Applegate, Director

To meet the targeted reversion I have had to make no cuts in programs or personnel. I will be able to meet the reversion by better handling the funds allotted to me in areas such as conferences, newsletters, travel, vehicle usage, etc. The specific amount of the reversion will not be determined until the close of the fiscal year, however we intend to continue the cost-cutting initiatives started this year, to include following the Governor's guidance concerning the pay freeze.

Thank you for giving me the platform to tell the story of IDVA and the opportunity to share my strategy for meeting the targeted reversion.

Sincerely,

Tom Applegate



INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

We Protect Hoosiers and Our Environment.

Mitchell E. Daniels Jr.
Governor

Thomas W. Easterly
Commissioner

100 North Senate Avenue
Indianapolis, Indiana 46204
(317) 232-8603
Toll Free (800) 451-6027
www.idem.IN.gov

June 22, 2010

Senator Vi Simpson
Minority Leader
State House
200 West Washington Street
Indianapolis, IN 46204-2785

Dear Senator Simpson:

This letter responds to your June 1, 2010 request for information on how IDEM is doing its part to deal with the State's serious income shortfall while continuing to protect Hoosiers and our environment.

IDEM has recognized that we had an obligation to Hoosier taxpayers to be good stewards of both the environment and the funds provided by the taxpayers. Therefore, since 2005 when I created our "streamlining and efficiency task force", we have been working to provide better environmental protection while becoming more efficient. These efforts included reducing our reliance on contractors to provide core environmental permitting and remediation functions and the logical next step of taking over the air pollution work previously contracted to various local governments. The efficiencies that IDEM has gained allow us to submit a 2010-2011 general fund budget proposal that was \$5.3 million below our 2008-2009 budget. In Addition, we accommodated a biennium federal funding decline of \$1.1 million.

At the end of 2008, we took the painful but prudent step of suspending our various state funded grant and loan programs to ensure that there would be enough money to continue to provide core environmental protection services. As the State's financial situation became clearer, we took additional actions, including eliminating virtually all contracts for environmental services and returning to our 2005 staffing level through normal attrition, using internal transfers rather than new hiring to maintain critical functions as people left the Agency. We also renegotiated contracts on rented office space and automotive emissions inspections to reduce spending. With the exception of the suspension of grants and loans, no IDEM programs have been materially changed during this process. Also there have been no layoffs at IDEM. At this time, I am unable to predict what reversions may occur because we don't know the final budget values until the closing of the FY budget.

These reductions evolved over time and each decision was made based upon saving taxpayer funds while continuing to protect Hoosiers and our environment. I personally communicated our thought process in the many presentations that I gave during this time starting as far back as my presentation to the House Environmental Affairs Committee on January 28, 2009. Links to these speeches are provided below for your convenience:

http://www.in.gov/idem/files/commissioner_2009_jan_eqsc.ppt

http://www.in.gov/idem/files/commissioner_2009_feb_ways_and_means.ppt

http://www.in.gov/idem/files/commissioner_2009_april_idem_update.ppt
http://www.in.gov/idem/files/commissioner_2009_april_idem_update_irwa.ppt
http://www.in.gov/idem/files/commissioner_2009_april_idem_update_cites.ppt
http://www.in.gov/idem/files/commissioner_2009_june_indiana_steel.ppt
http://www.in.gov/idem/files/commissioner_2009_eqsc.ppt
http://www.in.gov/idem/files/commissioner_2009_ieha.ppt
http://www.in.gov/idem/files/commissioner_pres_2009_dec_idem_2010_outlook.ppt
http://www.in.gov/idem/files/commissioner_pres_2010_jan_nirpc.ppt
http://www.in.gov/idem/files/commissioner_pres_2010_jan_goshen_college.ppt
http://www.in.gov/idem/files/commissioner_pres_2010_jan_house_enviro.ppt
http://www.in.gov/idem/files/commissioner_pres_2010_may_tr-state_elec.ppt

I have also made it a point to keep IDEM staff informed of our budget challenges and the steps the Agency is taking to address these shortfalls shown by the attached "From the Commissioner" communications.

Thank you for giving me an opportunity to answer your questions.

Sincerely,



Thomas W. Easterly
Commissioner

Attachments

Commissioner's Notices

From the Commissioner

December 29, 2008

Dear IDEM:

I hope all of you have or have had a wonderful holiday break and are now looking forward to 2009. I am writing this on Christmas Eve and plan to visit my children in eastern Pennsylvania where I will meet my new granddaughter Sophia.

If you read the newspaper articles in IDEM in the news, you might have the impression that we are taking a number of unprecedented and unwise actions that will reduce environmental protection. I want to assure each you that our intent is the opposite—we want to increase protection of Hoosiers and our environment. I will address many of the changes below, but first want to address the State's financial condition.

The Economy: Indiana is currently one of 7 States without a budget deficit. The other 6 are: Alaska, Montana, North Dakota, Texas, West Virginia, and Wyoming. The conservative budgets we have had for the past four years have kept Indiana solvent in very trying economic times, but the most recent independent financial forecast indicates that revenues will be about \$750 million below budget this year. All of State government, including IDEM, is taking actions to close the gap between our budgeted spending and these lower revenues. The most noticeable changes include additional restrictions on hiring, the elimination of raises this year and additional restrictions and approval requirements for out of State travel.

The Governor and his cabinet are working together to meet this budget challenge while maintaining employment for existing State employees. One of the additional actions IDEM is taking is to suspend grants and loans from a number of funds managed by OPPTA. These grants and loans promote environmentally beneficial actions, but as valuable as these grant programs are, it is more important to properly fund our core environmental programs, including OPPTA's technical assistance programs. Until the economy improves, we will continue to make difficult decisions to postpone activities that are good, but not absolutely necessary. Working together with our sister agencies, we will get through this challenging time together and I believe that we will be surprised by and proud of the environmental progress that we can make by rethinking our historical practices.

Has IDEM dissolved its enforcement function? NO. We have moved the enforcement case managers back to the programs they support to improve coordination with the compliance function. Our goal is to protect Hoosiers and our environment—this means that every regulated entity must meet its environmental responsibilities. Enforcement is a valuable and necessary tool to persuade people "who don't get it" that they must comply. Before considering this change, I visited with Grant Nakayama the Assistant Administrator of EPA's Office of Enforcement and Compliance Assistance and his staff to see if EPA had a preference or recommendation concerning State enforcement programs. His answer was no and in fact half of the EPA Regions are organized one way and half the other way. One of his staff opined that the problem with placing enforcement in program offices is that the programs are more interested in solving the environmental problem than in punishing people.

Since our goal is solving the environmental problem and punishment is a tool, not a goal; that OECA staff comment helped clarify the need to change IDEM's organization. IDEM's enforcement personnel have made tremendous progress in speeding up the resolution of cases, but a number of cases are unresolved "because we are waiting on program." Placing the enforcement function back into the programs will allow me to hold a single media office accountable for making sure that we are not waiting on each other to improve the environment.

Are we eliminating contracts with local air agencies? YES. The six local air agencies (Anderson, Evansville, Gary, Hammond, Indianapolis and Vigo County) generally existed before there was a State air regulatory program and they contributed to significant reductions in air pollution. With the passage of the Clean Air Act and the formation and maturing of IDEM, the local agencies became agents of the state delivering State services in their local areas. As IDEM's performance and efficiency in permitting, complaint response and enforcement resolution has improved the air quality benefits of separate local agencies has decreased, especially since most of our remaining air pollution issues are best addressed at the multistate and national levels.

As we evaluated how we would provide air quality services if there were no local agencies, we determined that IDEM staff could provide the same level of service for a cost that was significantly lower than the State's share of the funding for the local agencies. This is supported by our recent experience of in-sourcing excess liability trust fund technical reviews and air permit reviews previously done by contractors. While some people have expressed concern about this change, I am confident that IDEM employees will be able to deliver high quality air program services to these six local areas while reducing the total cost of government to the taxpayers of Indiana.

Are we relaxing enforcement policies? NO. We are updating and releasing as a Nonrule Policy Document previously deliberative guidance that prioritizes our enforcement response to different kinds of environmental violations. For example, neglecting to fill in a box on a report is normally less of a priority than an actual release of pollution to the environment. This is parallel to EPA's use of HIPV and SNC criteria to decide whether to pursue a violation—the difference is that we want to have

some kind of appropriate response to every violation so that the person knows that it should not happen again.

Have we decided not to address environmental violations by other State agencies? NO. Every entity, including State government, must meet its environmental responsibilities. However, we do handle these violations in a separate process used only for other State agencies. When there is a violation at a highway rest area or a storage tank at a State facility, the person on duty at the location normally needs upper management approval to correct the problem. As we all know, getting the attention of the upper management for something that they have not had to deal with in the past can be difficult. We have had much faster resolution of these issues when appropriate levels of IDEM management (including the Commissioner) works with their counterparts in the other agency to make sure that the environmental issue is corrected. Once we help them to understand the seriousness of the environmental issue, our sister agencies have quickly addressed the problem.

In the event that we could not resolve the issue at the state agency management level, EPA would normally enforce against the State to make sure that the issue is addressed.

Let's work together to not just survive, but to thrive during the New Year.

Tom Easterly, Commissioner

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Commissioner's Notices

From the Commissioner

December 9, 2009

Dear IDEM:

As you know, Governor Daniels has directed that all agencies reduce spending because of the state's revenue shortfall, which now exceeds \$450 million. IDEM is doing its part. We've have reviewed programs and expenditures and are implementing actions that will help us meet our spending reduction goal. Here is how IDEM will be impacted:

- Through attrition and reassignment, we are working to reduce the number of staff to the 2005 level. Currently, there are about 14 more employees than in 2005. I have initiated a review process for employment consideration of any new staff not currently on the IDEM staff. This may help us reach our goal, but if it does not, limited layoffs may be unavoidable.
- We will renegotiate the lease and reduce space at the Shadeland facility.
- We will cancel or renegotiate some third-party contacts and move to online renewals of the asbestos license program.
- The voluntary unpaid leave program is available for employees. Information is available online. To date, 50 employees have pledged 324 days.

Our leadership team continues to look for other efficiencies of your time and taxpayers money. I encourage you to do the same and to suggest ways that we can continue to find savings. During this time of uncertainty, we need to focus on doing the best job we can to protect Hoosiers and our environment.

I pledge to do my best to work through this issue while avoiding unnecessary adverse impacts to IDEM employees and maintaining or improving the environmental protection that we all work to provide.

Tom Easterly, Commissioner

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Commissioner's Notices

From the Commissioner

January 27, 2010

Dear IDEM:

First, to answer an often asked question--the doctors think that my health issues have been successfully addressed. All test results indicate that there is no sign of the prostate cancer and by having the bypass operation before I had a heart attack, my heart has not been damaged and now has a healthy blood supply. As you may recall, both of these issues were initially uncovered during one of those routine physicals that normally seem to be a waste of time. This was followed by a series of additional tests because some test results just didn't look right. In short, I am an advertisement for the value of routine physicals exams with appropriate medical testing. Two potentially fatal health issues were addressed before they caused damage and I can continue to look forward to a normal lifespan.

Second, I want to bring you up to date on some agency changes and the State's financial condition.

The biggest change is that on January 4, I filled the Chief of Staff position with Kent Abernathy -- more information on Kent's background can be found in his [bio](#). The reason that I decided to fill the Chief of Staff position is to help us get back on track in meeting our goals by allowing me more time to guide controversial initiatives to completion. I am asking Kent to provide routine management oversight for the support programs in the Agency. He will also help me in ensuring that there is proper follow through and synchronization of initiatives throughout the department. The actual working relationship of Kent with the Assistant Commissioners and each of you will evolve over time, but I look forward to more time to personally work directly on improving the environment.

For example, I plan to spend more time on many issues such as the six long expired NPDES permits that need to be renewed, the seven EPA lead communities that are not adequately addressing their Combined Sewer Overflows, and the significant Anti-degradation rulemaking that needs to be completed. While the Office of Water has worked diligently on these and many other issues and has made progress on all of these issues, we did not get to where we wanted to be at the end of 2009 (just last Friday we were able to issue one of the six expired permits with EPA's concurrence).

As the chair of the Environmental Council of the States (ECOS) water committee; I am working with EPA on two new ways for States to work with EPA. One is the Partnership Council of the Office of Water and the States (PCOWS) where EPA water leadership meets with ECOS water committee representatives roughly four times a year to develop a common understanding on policy and budget issues. The other is working with Cindy Tuck from California (who is also a Hoosier since she was born in Evansville) as the two State representatives on the EPA/State Steering Committee implementing EPA's new Clean Water Act Enforcement Action Plan.

While we have challenges ahead, we have made tremendous progress in improving Indiana's environment. Did you know, for the first time since air quality standards were established in the 1970's, that 2009 was the first year that Hoosiers in all 92 counties had clean air to breathe? I am still waiting for the final quality assured data before issuing a public announcement, but this is a major accomplishment. Also, while we are still working with EPA on the remaining seven cities, all 98 of the IDEM lead communities are in the process of properly addressing their combined sewer overflows. Our permitting speed in all programs is outstanding, we are very close to completing full implementation of the virtual file cabinet, and we have cleaned up a number of contaminated properties while making progress in improving our RISC guidance and CAFO/CFO rules.

On the budget issue, the revised budget projection is for a \$1.88 billion shortage in this biennium. In the first month of this new forecast, revenues currently appear to be slightly below the new forecast and the current plan is for IDEM to continue with its plan to terminate or renegotiate contracts and continue to reduce staff to the 902 person level (we were 10 people above goal last week, so we should get there soon). Our current personnel target includes the currently vacant AC position for the Office of Air Quality. We are still working to find the right person to fill this critical position. Until we get more information on actual revenues during the biennium, IDEM and all agencies are to continue to look for ways to further reduce costs while providing necessary services.

These reductions, when combined with announced reductions at the Universities, and K-12 education along with the money in reserve from our past budget surplus (i.e. spending less than we received in taxes) will be used to help meet the budget shortfall.

Tom Easterly, Commissioner

[Extranet Home](#) > [Commissioner's Corner](#) > [Commissioner's Notices](#) > [Notices Archive](#) > Archived Notice

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STATE OF INDIANA

Pamela J. Bennett, Director

Mitch Daniels, Governor

INDIANA HISTORICAL BUREAU
140 North Senate Avenue
Indianapolis, IN 46204
Phone: (317) 232-2535
Fax: (317) 232-3728
TDD: (317) 232-7763

June 21, 2010

Honorable Vi Simpson
Indiana Senate Minority Leader
Indianapolis, IN

Senator Simpson:

This letter is in response to your request about the Indiana Historical Bureau's (IHB) budget. The Historical Bureau has not eliminated any programs or positions, but has made some changes within major programs to meet the 10% reversion. IHB oversees two major programs: the Historical Marker Program, which researches and approves new markers that are requested by the public, and the Historical Marker repair/maintenance program for current markers throughout the state.

To attain the reversion goal, the Historical Bureau has done the following:

1. No pay raises have been given, and at least one employee has participated in the Voluntary Unpaid Leave program. Travel has been reduced.
2. IHB has 2 vacancies that have not been approved by the strategic hiring committee.
3. IHB's Historical Marker Program has been modified. In previous years, \$1,000 grants were provided to help offset the full \$2,000 costs of the markers. In FY 10, applicants must provide the full cost of new markers. Both of the positions not filled by IHB are researchers; however, research procedures are being revised for efficiencies that do not hinder the high quality of research needed for this program. The normal September deadline for new applications has been suspended for 2010 in order to refine research procedures and complete work on the eleven marker applications in hand. See www.IN.gov/history under Historical Markers.
4. In 2008, the IHB established the "Adopt a Marker" initiative to increase repairs and maintenance of markers installed throughout the state since 1947. Results of that very successful initiative are shown at <http://www.in.gov/history/2349.htm>. The attached email was a welcome surprise from Massachusetts. The IHB Historical Marker repair/maintenance program continues with volunteers throughout the state who conduct county surveys to document marker conditions. Marker dedicated fund monies are used as needed to match local contributions for repairs.
5. IHB also has an annual IUPUI intern in Public History to provide excellent research support at a minimal cost. Volunteers, currently five, help to keep other programs moving forward.

The Historical Bureau will not know the exact amount of its reversion until the budget closes.
Thank you for your request.

Sincerely,

Pamela J. Bennett
Director

Attachment: Adopt a Marker email

Submitted with Indiana Historical Bureau
Pamela J. Bennett, Director
June 21, 2010

From: Lee Wright [mailto:lee@leewright.net]
Sent: Monday, April 12, 2010 11:27 PM
To: Indiana Historical Bureau
Subject: Your "adopt a marker" program

Came across your program this evening and sent the message below to my colleagues, some 700 people engaged in historic preservation in Massachusetts.

What a great model for other states.

Congratulations.

Best--

Lee Wright

The Marlborough Historical Society Board of Trustees
The Marlborough Historical Commission

From: masshistpres-bounces@cs.umb.edu [mailto:masshistpres-bounces@cs.umb.edu] **On Behalf Of** Lee Wright
Sent: Monday, April 12, 2010 11:21 PM
To: masshistpres@cs.umb.edu
Subject: [MassHistPres] State program for historic marker repair

Here's a great model that other states should follow: Indiana's "Adopt a Marker" program

<http://www.in.gov/history/2349.htm>

But, it's not what you think. Instead of asking individuals or organizations to pay money to the state government so that state employees or contractors can repair the markers, the "Adopt a Marker" program in Indiana . . .

- Lists marker in need of repair and includes a recent photo of the marker
- Has instructions on how repairs should be made
- Shows before and after photos and credits the individuals or organizations who made the repair

And it's all online.

Wonderful in every way, right?
Any chance of a program like that here in Massachusetts?

Any place online where one can see the list of markers in Massachusetts?



Mitchell E. Daniels, Jr.
Governor

Lewis C. Ricci
Executive Director

Final

100 N. Senate Avenue
Room N505
Indianapolis, IN 46204

P: (317) 232-1268
F: (317) 232-5595
711 or (800) 743-3333 (Relay IN)

www.IN.gov/arts

July 21, 2010

Senator Vi Simpson
Room 3A – N
Indiana Statehouse
200 W. Washington Street
Indianapolis, Indiana 46204

Dear Senator Simpson,

Thank you for your inquiry about our current financial situation and necessary changes to our operations and services. Based on the economic downturn in our state and nation, the IAC anticipated potentially significant budget reductions and continued budget revisions. As a result, the agency began taking steps to address this in advance of the 2008 Budget Session.

- Mid-year 2009, the agency relocated its office space from off-campus to the Government Center North building, thereby eliminating more than \$80,000 per year in rent.
- At about the same time, the IAC reduced its full-time staff by 2 (or 20%). Remaining staff have been cross-trained and duties realigned to address the reduction in staffing.

In late July, 2009, the Indiana Arts Commission announced it would eliminate two grant programs and scale back others for FY 2009 to help address a 20% reduction in appropriations approved by the General Assembly as well as an additional 5% reversion at that time.

- The IAC eliminated the Presenter Touring Program and American Masterpieces Program.
- The Arts In Education Program was cut by 50%.
- The Individual Artist Program was reduced by 20%.
- The Major Arts Organizations grant program was reduced by 23%.
- Block grants to the IAC's Regional Arts Partnership program were scaled back by 21%.

Commissioners

Jeanne Mirro, Chair
Fort Wayne

Karen Ellerbrook,
Vice-Chair
Evansville

Irene Smith-King,
Secretary
Gary

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South Bend

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Kelly Schreckengast
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South Bend

Earl Williams
Muncie

While these measures helped in part to address what is in the current fiscal year a 30% reduction in IAC state appropriations (20% from General Assembly and two 5% reversions), and the anticipation of at least one additional reversion of 55 for the upcoming year, the IAC realized that more would need to be done either through additional cuts to grant programs or by a dramatic restructuring of the grants administration program. After several months of development and public input, the IAC voted in March 2009 (with revisions in April 2010 in a special session) to restructure its regional grants and services delivery system in an effort to help grants throughout the state rebound toward pre-cut levels.

The majority of IAC grants and services will continue to be administered regionally as they have been. Primary changes occur in the amount of money allocated to Regional Arts Partners for their own arts programming, and for delivery of technical assistance services which will be project-specific rather than provided in a lump sum. In addition, some technical assistance has been re-centralized, and some funds for arts projects have been reduced. Through this reallocation, the IAC accomplishes greater economy of scale for all grant programs, greater accountability for regional service delivery, and more equitable distribution of grant money to organizations of similar size providing similar programming. It also focuses more targeted services on our small and midsized arts organizations which are most at risk during these difficult economic times. The end result is that many grants to smaller and midsized, community-based cultural providers may actually return to pre-budget-reduction levels in the upcoming year.

In addition, it should be noted that the IAC has fully implemented all global cost-saving measures as requested by OMB, including restrictions on travel, marketing and new hires.

So many thanks for all you continue to do to help the arts in our State and to serve our citizens.

All best regards,

A handwritten signature in black ink, appearing to be 'LR' with a long horizontal stroke extending to the right.

Lewis Ricci

Executive Director



News Release

Contact: Rex A. Van Zant
317-232-1273 (voice)
317-232-5595 (fax)
rvanzant@iac.IN.gov

Date: March 22, 2010

Release: Immediate

Arts Commission to hold information session on restructure of grants and service delivery system

(Indianapolis, Indiana) – In the wake of continued budget reductions, the Indiana Arts Commission (IAC) announced today an information session March 24, 2010 to review plans to restructure much of its grants and service delivery system.

The information session will be held from 4:00 – 5:00 p.m. (EDT) in the Auditorium of the Indiana Government Center South Building. The session is intended to provide details of the restructuring proposal approved at the March 12 Commission meeting.

“Our processes have always been open to the public, and the Commission felt strongly that before implementation there should be an opportunity to share details of the plan with our constituents and solicit public input,” explained IAC Executive Director Lewis C. Ricci. “The plan focuses agency funding and energy on services which address common needs in the State, and helps to partially restore grants to pre-cut levels for organizations of all sizes.”

The restructuring of service delivery is the IAC’s effort to address current and anticipated reductions to its state budget appropriation, which has declined 30% for the current fiscal year.

“The Indiana Arts Commission is following the example set by Governor Daniels and the legislature in making tough choices to address the financial challenges facing our state now and for the foreseeable future,” Ricci said. “Our current business model worked with a larger budget, but it cannot be sustained in this economic environment. The alternative being presented uses economies of scale in our service operations and some redistribution of funds which result in more of our money being available to our granting pool statewide. It also standardizes grant categories statewide, giving all applicants fair access to available grant money.”

The March 24 meeting will permit IAC Commissioners and staff with the opportunity to present the details of the plan to a larger audience, answer questions about the process and rationale for the changes, and receive public comment.

(more)

Indiana Arts Commission

100 N. Senate Ave., Rm. N505

Indianapolis, IN 46204

"It is important for the public to know that this is a restructuring of our regional service delivery system, and that the IAC will still be distributing the majority of its grants through a regional system." Ricci emphasized. "We anticipate that many of the organizations currently acting as our regional service partners will continue to do so under this restructured system as regional agents, although other organizations will now be able to apply for agent status as well."

Those planning to attend the March 24 meeting must enter the Government Center South public entrance and follow directions to the first floor auditorium.

For more information about the proposed restructuring including a list of frequently asked questions, visit the IAC website at www.IN.gov/arts

On behalf of the people of Indiana, the Indiana Arts Commission advocates engagement with the arts to enrich the quality of individual and community life.

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*Indiana arts...
Imagine that!*

Indiana Arts Commission

100 N. Senate Ave., Rm. N505

Indianapolis, IN 46204



News Release

Contact: Rex A. Van Zant
317-232-1273 (voice)
317-232-5595 (fax)
rvanzant@iac.IN.gov

Date: April 16, 2010

Release: Immediate

Arts Commission to adopt modified restructuring plan to sustain grants, programs and services

(Indianapolis, Indiana) – After extensive review of public input and recommendations from its regional re-granting organizations, the Indiana Arts Commission (IAC) today approved a modified version of a restructuring plan unveiled last month.

“The Commission’s desire to gather additional public input as well as review possible options from our regional representatives is reflected in the adoption of this revised plan,” said Lewis C. Ricci, executive director of the Indiana Arts Commission. “As with our original restructuring proposal, this plan will still involve regional delivery of the vast majority of our grants and services to community-based cultural providers.”

One change from the original restructuring plan would be returning one specific grant program to regional delivery that had been proposed for centralization.

“Based on public input, as well as concerns expressed by regional partner organizations, Arts Organization Support II grants would return to the regional granting agent,” Ricci said. “The IAC will still provide a centralized grant application process and have final approval on these grants, but at the same time preserves the regional review and grant award process in which the regional organizations have developed expertise.”

In the original restructuring plan all technical assistance services would have been centralized. In the modified plan the IAC will still deliver some centralized technical assistance, but will also work with each regional partner to deliver specific, strategic local services based on cultural needs assessments and planning conducted by the IAC. The regional re-granting agents would receive a specific amount of money designated as “strategic initiative funds” to deliver these services.

“In the current economic climate we can no longer provide a lump sum to each regional agent for development and delivery of general, technical assistance services,” Ricci said. “Under this plan, the IAC will develop the overarching goals and objectives with the regional agents submitting proposals for specific strategic programs to meet those goals and objectives.”

(more)

Indiana Arts Commission

100 N. Senate Ave., Rm. N505

Indianapolis, IN 46204

The initial restructuring plan was developed over several months to address the IAC's reductions in state budget appropriation and endeavor to minimize financial impact on the agency's grant recipients. By restructuring some grant program levels and centralizing grant delivery of one program, the goal of the IAC's original plan and revised plan is to restore many grants to pre-budget reduction levels.

"Having worked with Director Ricci and the IAC staff on many initiatives, I am very impressed by the dedication and effort made to maximize the efficiency of their operations with the funding available to them and still minimize impact to their constituents and the people they serve," said State Representative Eric Koch (R-Bedford). "These are very challenging times for all segments of government, and I applaud the Commission for its vision, creativity and flexibility in meeting these challenges."

On behalf of the people of Indiana, the Indiana Arts Commission advocates engagement with the arts to enrich the quality of individual and community life.

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Indiana, arts...
Imagine that!

Indiana Arts Commission

100 N. Senate Ave., Rm. N505

Indianapolis, IN 46204

Final

OFFICE OF FAITH-BASED AND COMMUNITY INITIATIVES



Mitchell E. Daniels, Jr., *Governor* • Isaac E. Randolph, Jr., *Executive Director*

June 18, 2010

The Honorable Vi Simpson
Minority Leader
The Senate, State of Indiana
State House
Indianapolis, Indiana 46204

Dear Senator Simpson:

I am responding to your letter dated June 1, 2010 in which you request information about implemented and or proposed cuts for SFYs 2010 and 2011.

The Office of Faith-Based and Community Initiatives (OFBCI) does not intend to cut its services or programs to Hoosiers. First, approximately 98% of the OFBCI's revenues are federally derived. The State provides about two-percent (2%) to match an administrative grant awarded by the Corporation for National and Community Service (CNCS).

I am pleased to report that the OFBCI will maintain its commitment to Good Works Indiana – Strengthening Families grantees in FY 2011. Moreover, our agency received substantial increases to its administrative and AmeriCorps*State grants supported by the CNCS. Under the Edward M. Kennedy Serve America Act of 2009, the OFBCI will receive an additional one million dollars for its AmeriCorps*State formula grants in PY 2011. This grant, plus support for four (4) grantees funded at the national competitive level, will support almost 1,000 AmeriCorps Members across our state. These grants will yield between five (5) and ten (10) million dollars in education awards, which Members can use to apply to existing student loans or current college tuition.

Finally, in an effort to remain frugal with the taxpayers' money during this difficult economic period, the OFBCI has not increased staff salaries for the past two (2) years. Our agency has limited in-state and out-of-state travel and supply purchases. Finally, the agency's senior staff has accrued more than two weeks in unpaid leave.

302 West Washington Street, Room E012
Indiana Government Center, South Complex
Indianapolis, Indiana 46204
Tel: (317) 233-4273
Fax: (317) 233-5660
www.IN.gov/ofbci

I thank you for the opportunity to present the facts as they relate to the Office of Faith-Based and Community Initiatives (OFBCI).

Sincerely,

A handwritten signature in cursive script, appearing to read "Isaac Randolph, Jr.", written in black ink.

Isaac E. Randolph, Jr.
Executive Director

cc: Lawren Mills, Office of the Governor



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

June 17, 2010

Senator Vi Simpson
Senate Democrat Leader
4965 West Woodland Drive
Bloomington, IN 47404

Re: Budget Reductions

Dear Senator Simpson:

This is in response to your letter dated June 1 in which you request information on program cuts our agency has made. Our agency's primary program is to audit all state and local governmental units in accordance with Indiana Code 5-11-1.

We have made the following cuts and cost-savings measures during the 2009-10 fiscal year:

1. We have had 15 field examiners retire or resign during the current fiscal year. None of these vacancies have been filled.
2. Our agency has traditionally held a 2-day Annual Meeting in order to provide training to all of our field examiners throughout the State. The decision was made to cancel our Annual Meetings for 2009 and 2010 as well as any out-of-state travel. Training needs will be met through field district meetings and webinars.
3. We implemented an agency policy effective October 1, 2009 that every field examiner being reimbursed mileage would not be reimbursed for the first 10 miles they travel to and from their audit location each day.
4. In accordance with the State's Temporary Voluntary Unpaid Leave (TVUL) program we have allowed all of our employees to take days off without pay if they wished.
5. We have saved in other operating costs during the current fiscal through the following cost-cutting measures and changes in procedures: Hard copies of our audit reports are no longer mailed out; instead we email electronic copies to officials, citizens, etc. This has resulted in substantial savings of postage, paper, toner, report covers and binders. All of my Supervisors and my 2 Deputies turned in their blackberries. We discontinued a news clip service.

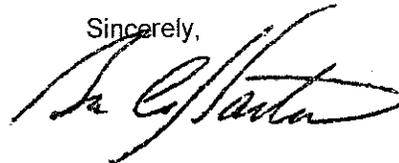
Senator Vi Simpson
June 17, 2010
Page 2

To date we have been able to operate with a reduced budget without any layoffs. This has been due in large part to our employees' willingness to take TVUL days and donate part of their mileage reimbursement. Additionally we have implemented some operating efficiencies as mentioned above.

We continue to fulfill our statutory duties through this budget reversion. Services to the citizens have not been impacted by these actions.

Please contact me should you need any additional information.

Sincerely,

A handwritten signature in black ink, appearing to read "B. Hartman", written in a cursive style.

Bruce A. Hartman, CPA
State Examiner

MB

cc: Governor Mitch Daniels
Chris Ruhl, Budget Director



STATE OF INDIANA

MITCHELL E. DANIELS, JR., Governor

Jim Corridan, Director & State Archivist

INDIANA COMMISSION ON PUBLIC RECORDS

402 West Washington Street Room W472
Indianapolis Indiana 46204-2739
Telephone: (317) 232-3380
www.IN.gov/icpr

June 15, 2010

Honorable Vi Simpson
Indiana Senate Minority Leader
Indianapolis, IN

Senator Simpson;

Thank you for your letter seeking information from the Indiana Commission on Public Records (ICPR) about its finances. During the nearly twelve months that have passed in the 2009-10 fiscal year, the Commission has worked to meet its reversion requirement of 10%. We have retained all the programs of the Commission and its staffing. ICPR is composed of the State's Records Center, State Archives, Forms Management, Records Management, and the Scanning & Microfilming Departments.

To attain the reversion goal, ICPR has done the following:

1. No pay raises have been given and at least one employee has participated in the Voluntary Unpaid Leave program, one position is on hold and has not yet been filled.
2. ICPR has shifted parts of its operating expenditures to a dedicated account established to support the State Archives and preservation of materials.
3. We have also been creative in finding win-win strategies to generate additional revenue for ICPR while reducing costs for other agencies. For instance, ICPR has established a service to provide confidential shredding of documents to agencies and utilizes its regular transportation service to the government center to pick-up and deliver the materials. The State is saving nearly 25% over previous expenses under the new program.

ICPR will not know with certainty our reversion amount until the budget closes..

Thank you for you request.

Sincerely,



Jim Corridan
Director & State Archivist



June 21, 2010

Hon. Vi Simpson
Minority Leader
Indiana General Assembly
200 W. Washington
Indianapolis, IN 46204

Dear Senator Simpson,

It is my pleasure to respond to your letter of June 1, 2010, in which you ask for information on spending reductions made by the Department of Natural Resources.

I believe you will find that we have taken a variety of wide-ranging actions that have allowed us to make the necessary spending adjustments required to bring our budget in line with the realities of state revenue while causing the least impact to our constituents and our state's natural resources.

Following is a list of programmatic actions we have taken during the past fiscal year, and enclosed with this letter you will find previous public mention of each. The fiscal impact of these actions will be available once the state officially closes the books on FY10 in the coming weeks.

- Lake and River Enhancement – restrict spending to marine enforcement patrol funding
- Williams Dam – closure of campground, removal of on-site property management upon retirement
- Ernie Pyle Birthplace – reduction in state spending, de-accession
- Grissom Air Museum – assisted museum in self-sufficient operation and eliminated general fund subsidy
- Wabash River Heritage Corridor Commission – new statutory funding from mineral rights allowed elimination of general fund subsidy
- Pool hours – reduction in pool hours and associated seasonal staffing
- Nuisance Wildlife Hotline – eliminated outside contract to maintain hotline

- Reduction in printing and marketing costs –most notably, we have reduced the annual Hunting and Fishing guides to the essential rules, regulations, and need-to-know information
- Closure of the State Museum on Monday's – besides a few special occasions, the ISM, like most other similar institutions, is now closed to the public on Mondays

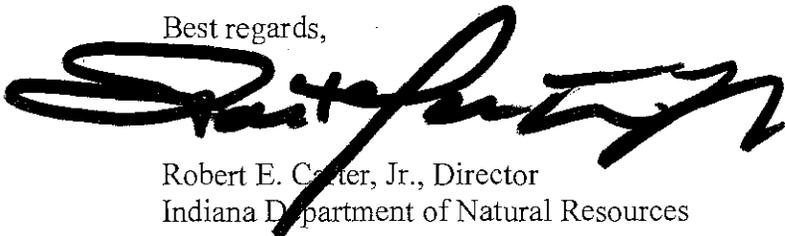
In addition, we have taken several other actions, listed below, which in aggregate have allowed us to align our budget more closely with the actual revenue realized by the state.

- Strategic management of full-time vacancies due to attrition
- Fleet reduction – primarily a marked reduction in passenger vehicles
- Reduction in in- and out-of-state travel – we have imposed strict guidelines on all travel, and have encouraged better coordination of essential travel
- Voluntary Unpaid Leave – DNR has seen a strong response from employees wishing to do their part to help us meet our revised spending plans
- Reduction in seasonal and intermittent hiring – we've reduced the number of summer hires over previous years, but have increased our utilization of state and federal job-training and job-placement programs
- Careful prioritization of capital spending – we have limited capital projects to health-and-safety-related issues and a few necessary emergency repairs

We have been diligent in doing our part to ensure that the state is able to meet its Constitutional obligation to operate with a balanced budget while striving to maintain the quality of service and stewardship expected of the Department. We've also been fortunate that Hoosiers and outdoor enthusiasts from across the country have continued to take advantage of the opportunities provided by the DNR, and as such we have continued to see an increase in things like license sales and park attendance, which has led to an increase in dedicated revenue allowing for some offset to our reduced general fund subsidy.

Please feel free to contact me if you have further questions or concerns.

Best regards,



Robert E. Carter, Jr., Director
Indiana Department of Natural Resources

Enclosures

Lake & River Enhancement Program

The goal of the Division of Fish and Wildlife's Lake and River Enhancement Section is to protect and enhance aquatic habitat for fish and wildlife, to insure the continued viability of Indiana's publicly accessible lakes and streams for multiple uses, including recreational opportunities. This is accomplished through measures that reduce non-point sediment and nutrient pollution of surface waters to a level that meets or surpasses state water quality standards.

To accomplish this goal, the LARE Program provides technical and financial assistance for qualifying projects. Approved grant funding may be used for one or more of the following purposes:

1. Investigations to determine what problems are affecting a lake/lakes or a stream segment.
2. Evaluation of identified problems and effective action recommendations to resolve those problems.
3. Cost-sharing with land users in a watershed above upstream from a project lake or stream for installation or application of sediment and nutrient reducing practices on their land.
4. Matching federal funds for qualifying projects.
5. Watershed management plan development.
6. Feasibility studies to define appropriate lake and stream remediation measures.
7. Engineering designs and construction of remedial measures.
8. Water quality monitoring of public lakes.
9. Management of invasive aquatic vegetation
10. Sediment removal from qualifying lakes.

June 16, 2010 Message from the Department of Natural Resources:

"Due to the ongoing budget issues facing the state, new LARE grant awards for Biological, Engineering, and Watershed Land Treatment projects have been suspended indefinitely.

As you know, the state is facing an unprecedented fiscal crisis. All state agencies are pursuing emergency measures to contain spending and safeguard the state's balanced budget. These measures include postponing certain projects, realigning staff and other resources, and re-evaluating programs and procedures. As a part of this process, we are re-evaluating certain portions of the LARE program, including how funds are utilized. However, DNR remains committed to the health of Indiana's lakes and rivers and to the specific projects - such as control of aquatic invasive species and sediment removal - that LARE has provided assistance with in the past. LARE staff will continue to be a resource, and we will continue to provide whatever assistance we can to our project partners. The nature and amount of that assistance may well evolve as we continue to deal with budgetary restrictions.

The LARE staff will continue to service the ongoing projects that have previously been awarded grants. These projects currently amount to over \$1.75 million.

Additional sources of potential funding are being explored, but for now applicants and potential LARE applicants may also wish to seek other sources of funding."

More Information About LARE

Technical assistance to this program is provided through the LARE staff's aquatic biologists, and program specialists.

- LARE Staff Contact Information
- LARE Program Manual
- LARE Program Brochure
- LARE Project Reports
- LARE Project Applications & Funding Approvals Fiscal Year 2000-01 to Present

Vanator, Jon

Subject: LARE grant applications status

Memo to: LARE Contacts

From: Greg Biberdorf, IDNR, DFW, LARE Program Manager

Date: March 18, 2010

Subject: LARE Grant Applications Status

Following a review of all applications for aquatic vegetation management and sediment removal submitted for Lake and River Enhancement (LARE) program funding in 2010, the Department of Natural Resources has made determinations regarding the project proposals. Since funds are very limited and grants are awarded on a competitive basis, this year's focus will be limited to the eradication of "super exotics" such as hydrilla, starry stonewort, and parrot feather. We have to stop these exotic vegetation infestations where they are found to avoid similar problems elsewhere in Indiana's lakes. These are the main priorities until these plants are no longer a threat to other lakes. This does mean, however, that many other aquatic vegetation control and sediment removal projects, while still eligible for 2011 funding, will not be funded in 2010.

Last year's highest priority, the whole-lake hydrilla eradication project at Lake Manitou, remains at the top of LARE's 2010 aquatic vegetation control list. We hope that other sources of funding will be available for this critical eradication project next year. This would free up more funding for other projects.

As always, we simply cannot accommodate every request for funding. However, your continued support of and interest in Lake and River Enhancement is greatly appreciated.



Indiana Department of Natural Resources

Mitchell E. Daniels, Jr., Governor
Robert E. Carter, Jr., Director

Lake and River Enhancement Program
Division of Fish & Wildlife
402 W. Washington Street, Rm W273
Indianapolis, IN 46204

June 7, 2010

(LARE applicant)

Re: Lake and River Enhancement Program update

Thank you for your application for Lake and River Enhancement funds for (_____)

Due to the ongoing budget issues facing the state, new LARE grant awards for Biological, Engineering, and Watershed Land Treatment projects have been suspended indefinitely.

As you know, the state is facing an unprecedented fiscal crisis. All state agencies are pursuing emergency measures to contain spending and safeguard the state's balanced budget. These measures include postponing certain projects, realigning staff and other resources, and re-evaluating programs and procedures. As a part of this process, we are re-evaluating certain portions of the LARE program, including how funds are utilized. However, DNR remains committed to the health of Indiana's lakes and rivers and to the specific projects - such as control of aquatic invasive species and sediment removal - that LARE has provided assistance with in the past. LARE staff will continue to be a resource, and we will continue to provide whatever assistance we can to our project partners. The nature and amount of that assistance may well evolve as we continue to deal with budgetary restrictions.

The LARE staff will continue to service the ongoing projects that have previously been awarded grants-projects that currently amount to over \$1.75 million.

Additional sources of potential funding, are being explored, but for now applicants and potential LARE applicants may also wish to seek other sources of funding

Sincerely,

Gregory L. Biberdorf
LARE Program Manager

INDIANA LAKES MANAGEMENT WORK GROUP

Natural Resource Education Center

Ft. Harrison State Park, 5753 Glenn Road, Indianapolis

June 9, 2010

AGENDA

- 9:00 a.m. I. Subgroup meetings
- Biology Subgroup – Bill Jones
- a. Invasives, blue-green algae, fertilizer issues
- Structures/Density/Recreation Subgroup – Pete Hippensteel
- a. Presentation by Steve Lucas regarding proposed aerators rule and piers rule
 - b. Follow-up on letter to NRC regarding aerators issues of LMWG were:
 - 1) The exemption should only be allowed for a single aerator.
 - 2) The exempted area should be limited to no further than 25 feet from shore.
 - 3) The spraying of water above the lake surface (i.e. fountains) should be prohibited.
 - c. Follow-up on piers discussion
- 11:00 a.m. II. Convene full group – Chair Dembowski
- a. Self-introductions of members and guests
- III. Report from Biology Subgroup – Bill Jones
- IV. Report from Structures/Density/Recreation Subgroup – Pete Hippensteel
- 12:00 Noon Lunch break (on your own)

- 1:00 p.m. V. Action items for full group to follow up on:
- a. Vacancies on LMWG - Rep. Dodge and/or Chris Smith
 - b. Chair of LMWG for July 1, 2010-June 30, 2011
 - c. Ralph Taylor Memorial - Chris Smith
 - d. Phosphorous free fertilizer draft legislation by IWF - Rep. Dembowski
- 1:30 p.m. VI. Review of Summary of actions on recommendations in 1999 Final report
- 2:15 p.m. VII. Plans for interim report to be provided to LSA and presented to Senate Natural Resources Committee - Greg Biberdorf
- 2:30 p.m. VIII. LARE program update – Chris Smith/Greg Biberdorf
- 2:45 IX. Other items
- X. Opportunity for public comment
- XI. Next meeting - potential dates in August, September, October?
- 3:00 p.m. XII. Adjourn

Outdoors events

Outdoor events: Williams Dam campground closes, National Wild Turkey Federation banquets, archery shoots, Goose Pond events

February 14, 2010

To add an event to the Outdoor calendar, e-mail outdoor@heraldt.com or call 812-331-4359.

Campground closes

The campground at the Williams Dam Public Fishing Area southwest of Bedford will close in March, according to Indiana Department of Natural Resources officials. The fishing area, fishing platform and two boat ramps will remain open but will be without staff after June.

Wild turkey banquets

Area chapters of the National Wild Turkey Federation will have banquets. They include:

Glaciers Edge Strutters, Martinsville. Banquet will be Feb. 23 at American Legion Post 230, 701 E. Morgan St., Martinsville. Contact Nathan Lowder, 765-349-1499.

Monroe County Limbhangers, Bloomington. Banquet will be Feb. 27 at the Amvets, 5227 W. Airport Road. Doors open at 4 p.m.; dinner starts at 6 p.m. Tickets: \$50 for single (with membership); \$70 for couple (one membership); \$265 for sponsor (includes membership and \$100 raffle tickets); \$5 Jakes ticket. Contact Aaron Stolberg, 812-360-4400.

Muscatauck River Longbeards, Brownstown. Banquet will be March 20 at Pewter Hall, 850 W. Sweet St., Brownstown. Contact Michael Spalding, 765-479-2646.

Sycamore Land Trust birthday party

Sycamore Land Trust members and friends are invited to Cedar Crest for an informal evening to celebrate the trust's 20th birthday and honor the founders and key leaders from 5 to 8 p.m. Feb. 25. Please bring SLT a birthday gift. Go to www.bloomington.in.us/~sycamore for more.

Boat, sport and travel show

The Indianapolis Boat, Sport and Travel Show will be Friday through Feb. 28 at the Indiana State Fairgrounds. There will be more than 600 exhibitors, seminars on fishing, Dock Dogs, a camp exhibit, Twiggy the water-skiing squirrel, and selections of hunting, archery and camping gear. Hours are 3-9 p.m. Friday and Feb. 22-25, 10 a.m.-9 p.m. Saturday and Feb. 27, 10 a.m.-5 p.m. Feb. 21 and 28 and 1-9 p.m. Feb.

26. Regular admission prices are \$12 for adults, \$11 for seniors 60 and older, \$8 for children ages 6-12 and free for children 5 and younger. Go to www.indianapolisboatsportandtravelshow.com/.

Deer, turkey, waterfowl expo

The 13th annual Indiana Deer, Turkey and Waterfowl Exposition will be Feb. 19-21 in the Exposition Hall of the Indianapolis State Fairgrounds. Events will include the Indiana State Waterfowl Calling Championships, open to Indiana residents at least 17 years old. Go to www.indianadeerandturkeyexpo.com/.

Archery shoots

The Bloomington Archery Club will host a 3-D shoot on Saturday at its range on May Road, south of Bloomington. Sign up will be 10 a.m. to 1 p.m. Ribbons will be awarded. Call the clubhouse at 812-825-9237, Scott Henderson at 812-272-7212 or Randy Kieft at 812-825-9854.

The Bloomington Archery Club will host an indoor 3-D brush shoot on Feb. 27. Registration begins at 11 a.m.

SICWMA annual meeting

The Southern Indiana Cooperative Weed Management Area will celebrate its second year with an annual meeting for partners March 3 at Muscatatuck National Wildlife Refuge. The public is invited from 9:30 a.m. to 2 p.m. A free lunch will be provided for all who preregister. CWMA is a grass-roots group committed to prevent or control alien species in southern Indiana. Keynote speaker will be Doug Keller from the Indiana Department of Natural Resources who will speak on aquatic invasive species. Contact Mary Jane Deel at White River RC&D at 812-883-3006, ext. 5, or e-mail Maryjane.Deel@in.usda.gov by March 1 if you plan to attend. Meeting is free if you register by March 1; cost is \$5 if you register at the door.

Marsh Madness

Goose Pond Fish and Wildlife Area's annual Marsh Madness bird festival will be March 5 and 6 at various locations around Greene County. Weekend pass costs \$7 through Feb. 19 and \$10 after that. The supply of passes is limited. Tickets for March 6 only cost \$5. The event kicks off 5-6:30 p.m. March 5 with a chili dinner at Humphrey's Park Roy Clark Community Building in Linton. Indiana Wildlife Federation executive director John Goss will deliver the keynote speech. March 6 activities will go from 6 a.m. to 6 p.m. and will include bus tours to Goose Pond, as well as workshops on photography, oil painting and backyard wildlife habitat. There will also be presentations on birds of prey and crafts and activities for children. For ticket info, e-mail mail@friendsofgoosepond.org or call 812-659-9901. To register for workshops, call 812-847-0165.

MCSWCD meeting

The annual meeting of the Monroe County Soil and Water Conservation District will be March 4 at St. Paul United Methodist Church on West Third Street in Bloomington. Doors will open at 6 p.m. Guest speaker will be Jim Farr, Bean Blossom watershed coordinator. Advance tickets are available through Feb. 26 for \$5 per person, then tickets will cost \$10 per person. Call 812-863-2080 or e-mail martha.miller@in.nacdnet.net.

Maple syrup camp

A Maple Syrup Camp for students in grades 4-8 will be March 5-7 at Bradford Woods. Space is limited to 20 girls and 20 boys. Cost is \$125. To register, call Sheryl McGory at 765-342-2915, ext. 5202, or e-mail smcglory@indiana.edu.

Garden panel

A garden panel about identifying and eradicating invasive species and giving landscape alternatives with native plants will be 6:30 p.m. March 11 at T.C. Steele State Historic Site, 4220 T.C. Steele Road, Nashville. The panel will include Ruth Ann Ingraham, local author and co-founder of INPAWS; Ellen Jacquart, director of stewardship for the Indiana Chapter of The Nature Conservancy; Cathy Meyer, naturalist with the Monroe County Parks and Recreation; and Gene Bush, gardener and garden writer for Munchkin Nursery and Gardens. Contact tcsteeshs@dnr.in.gov or call 812-988-2785.

Catfish tourney

A catfish tournament sponsored by Hoosier Energy and Indiana Catfish Association will be March 20 at Turtle Creek. There is a \$2,500 payout. Entry fee is \$10. Go to www.indianacatfish.com for more.

Brown County State Park

Events at nature center unless listed:

10 a.m. Saturday: Native Americans on Southern Indiana.

10 a.m. Saturday: Winter tree ID with members of Brown County Native Woodland Project. Meet at Lower Shelterhouse for two-hour hike. Dress for the weather. Hot drinks provided.

2 p.m. Saturday: Discovery hike.

3 p.m. Saturday: What's Fur fer? talk.

Feb 26: Learn to square dance at Abe Martin Lodge with the Bucks and Does.

Call 812-988-5240. Gate fee is \$5 per vehicle (\$7 out-of-state).

McCormick's Creek State Park

All events at nature center unless listed:

Feb. 20: Eco-craft ideas workshop. \$3 per person. Preregister by calling 812-829-4344.

Gate fee is \$5 per vehicle (\$7 out-of-state). Call 812-829-4344.

Spring Mill State Park

4 p.m. Saturday: Pioneer Village Stroll. Meet next to the Weaver's Cabin in the Pioneer Village for the one-hour stroll.

1-3:30 p.m. Feb. 21: Touch Table, featuring natural and cultural objects you can touch. Spring Mill Inn Game Room.

7:30 p.m. Feb. 24: Winter Whispers adult nature study group meets in the Elm Room at Spring Mill Inn.

10 a.m. Feb. 27: Winter Whispers field trip. To participate, you must attend the Feb. 24 meeting. Meet in the game room at Spring Mill Inn. Dress for weather. Group will be outside one to two hours.

Gate fee is \$5 per vehicle (\$7 out-of-state).

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Williams Dam campground to close



News Brief - News: Nature

Wednesday, 10 February 2010 08:01

Williams, Ind. — The Indiana Department of Natural Resources Division of Fish & Wildlife plans to phase out a small campground that is part of the Williams Dam Public Fishing Area southwest of Bedford in Lawrence County.

Camping will no longer be allowed beginning in March.

However, the 37-acre fishing area, fishing platform and two boat ramps that provide free public access to the White River will remain open but without staff on site after June 2010. Only the 30-unit campground and a handful of buildings associated with the campground are being removed.

Williams Dam is one of 29 state-managed public fishing areas across Indiana and the only one with a campground and on-site staff. Future management will include mowing, trash pick up and law enforcement patrols.

The closure of the campground is based on several factors, including:

- Rising costs to operate a facility that generates little revenue;
- Staffing changes;
- Non-compliance with State Department of Health sanitary regulations.
- The campground lacks a sanitary dumping station required by the State Department of Health, and installing one could cost as much as \$40,000.

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For immediate release: Feb 09, 2010
Posted by: [DNR]
Contact: Phil Bloom
Phone: (317) 232-4003
Email: dnrnews@dnr.in.gov

Williams Dam campground to close

The DNR Division of Fish & Wildlife has announced plans to phase out a small campground that is part of the Williams Dam Public Fishing Area southwest of Bedford in Lawrence County.

Camping will no longer be allowed beginning in March.

However, the 37-acre fishing area, fishing platform, and two boat ramps that provide free public access to the White River will remain open but without staff on site after June 2010. Only the 30-unit campground and a handful of buildings associated with the campground are being removed.

Williams Dam is one of 29 state-managed public fishing areas across Indiana and the only one with a campground and on-site staff. Future management will be consistent with management at other public fishing areas which involves mowing and trash pick up. Law Enforcement will continue patrolling the area.

The planned closure of the campground is based on several factors, including:

- Rising costs to operate a facility that generates little revenue;
- Staffing changes;
- Non-compliance with State Department of Health sanitary regulations.

The campground lacks a sanitary dumping station required by the State Department of Health, and installing one could cost as much as \$40,000.

[« Back to News Release List](#)

Link to this event: http://www.in.gov/portal/news_events/51014.htm

INDYSTAR.COM

State ready to shut Ernie Pyle home

Final action could come today; move will save \$50,000 a year spent on out-of-the-way site

By Bill Ruthhart

Posted: May 18, 2010

State officials today are expected to take the final step in permanently closing the Ernie Pyle State Historic Site.

Pyle's boyhood home, located in the small town of Dana about 25 miles north of Terre Haute, has been a state historic site since 1976 and since 1995 has included a visitor center full of historic exhibits from his life as a famed World War II correspondent.

Department of Natural Resources officials decided Jan. 1 to close the site, citing a savings of \$50,000 in maintenance costs per year. The cut was part of DNR's efforts to meet spending reductions ordered by Gov. Mitch Daniels as the state faces slumping revenue.

Friends of Ernie Pyle, a group that has supported the site, has fought since January to appeal the decision.

Phil Hess, president of that group, said earlier this month he and others had met with Daniels' top aides, trying to persuade the administration to reconsider its decision.

But the Department of Natural Resources Commission placed the Pyle home on today's agenda and is expected to vote to close it permanently as a state-owned public facility.

In a letter earlier this year to Hess and the Friends of Ernie Pyle, DNR Director Robert Carter said the state would be willing to consider transferring the home to the group and even would consider an exception to allow it to retain its state historic site designation if certain upkeep and service requirements were met.

Otherwise, Carter said, the home would be turned over to the state's Department of Administration, which would sell it at public auction and move all its artifacts to the Indiana State Museum. Some already have been transported.

State officials also pointed to the low attendance at the Pyle site -- about 1,500 visitors a year -- as a reason to close it.

Hess said Monday he's disappointed with

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INDYSTAR.COM

the state's decision and worries about the home's future.

Hess said his group has about \$40,000 in savings, but he doubted that would be enough to run the home for a year.

Unlike the state, he said, the group would face insurance expenses. It also would have to make bathrooms handicapped-accessible before reopening the site.

Another option would be to transfer the site to a local government. Hess said the town of Dana does not have the money to operate it but that county officials would support the group in "every way, except financially."

"I wouldn't expect to be able to keep the exhibits here," Hess said, adding that other members of the group have been more optimistic about raising enough money to run the site.

"The community has cheered us on and said, 'Keep the site in Dana,' but cheering is a lot easier than doing.

"I don't know what we'll do."

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NO, I have some rules!

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January 27, 2010



Mid-Day Update

Indiana FFA switches departments, from education to agriculture - 7 Hours Ago

Indiana closes Ernie Pyle site

Boyhood home of World War 2 reporter closed

The Associated Press

DANA, Ind. — The state historic site featuring famed World War II correspondent Ernie Pyle's Indiana boyhood home has been closed.

The state agency that oversees the small museum in the western Indiana town of Dana says it has been by far the least visited of a dozen such historic sites.

Department of Natural Resources spokesman Phil Bloom said the Pyle site has averaged 1,500 visitors a year, with the next-lowest attended sites drawing about 10,000 people.

Retired site curator Evelyn Hobson says she's mad that Indiana State Museum staffers took much Pyle memorabilia from the property to Indianapolis.

Bloom says the state museum is expanding its World War II exhibit to give more attention to Pyle and his memorabilia.

The Herald Bulletin 1133 Jackson St. Anderson, IN 46016

For immediate release: May 11, 2010
Posted by: [DNR]
Contact: Marty Benson
Phone: (317) 233-3853
Email: dnrnews@dnr.in.gov

Natural Resources Commission meeting, May 18

The Indiana Natural Resources Commission (NRC) will meet May 18 in Indianapolis, at Fort Harrison State Park Inn's Roosevelt Ballroom, beginning at 10 a.m. EDT. Members of the public are welcome.

Topics on the agenda include:

- Preliminary adoption of amendments governing wild animal rehabilitation permits. The amendments would, among other changes, establish new requirements for becoming a licensed rehabilitator, and strengthen rules regarding housing requirements for keeping such animals.
- Preliminary adoption of amendments governing the use of DNR properties, specifically Redbird State Recreation Area and Interlake State Recreation Area.
- Consideration of a non-rule policy governing prospecting to provide guidelines to prospectors, DNR employees and riparian owners.
- Preliminary adoption of amendments governing the use of cast nets and live gizzard shad, threadfin shad, and alewife as bait for fishing.
- Consideration of nature preserve designation for a 1,300-acre property in Floyd County to be named the Dr. Sherman A. Minton Nature Preserve.
- Consideration of a recommendation to deaccess Ernie Pyle State Historic Site.

For a complete agenda and more extensive background information and these and other topics, see <http://www.in.gov/nrc/2354.htm>

The NRC is an autonomous board that addresses issues pertaining to the Department of Natural Resources. The 12 member board includes seven citizens chosen on a bipartisan basis, three ex officio members from state agencies, and one representative of the Indiana Academy of Science. The Commission meets at least four times annually.

The Fort Harrison State Park Inn is at 5830 N.Post Road in Indianapolis, phone (317) 591-0904.

[« Back to News Release List](#)

Link to this event: http://www.in.gov/portal/news_events/53949.htm

****AMENDED****

NATURAL RESOURCES COMMISSION MEETING

Fort Harrison State Park Inn--Roosevelt Ballroom
5830 North Post Road
Indianapolis, Indiana

May 18, 2010

10:00 A.M. EDT (9:00 A.M., CDT)

AGENDA

I. MINUTES

II. DIRECTOR'S REPORT

III. REPORT Deputy Director, Bureau of Lands, Recreation and Cultural Resources (John Davis)

IV. REPORT Deputy Director, Bureau of Resource Regulation (Ron McAhron)

V. REPORT - Chair, Natural Resources Advisory Council (Patrick Early)

CHAIR AND VICE CHAIR

1. Updates on Commission and Committee Activities

DNR, EXECUTIVE OFFICE

2. Consideration and identification of any topic appropriate for referral to the Advisory Council

ADVISORY COUNCIL

3. Consideration of proposed Standard Operating Procedure to assist with implementing the statutory directive that the Natural Resources Commission and the Department of Natural Resources seek repayment of costs expended regarding the reviews of conservancy districts; Administrative Cause No. 10-028W ([Download Related Materials](#))

INDIANA STATE MUSEUM AND HISTORIC SITES

4. Consideration and evaluation of the Ernie Pyle State Historic Site for deaccession ([Download Related Materials](#))

DIVISION OF OUTDOOR RECREATION

5. Consideration of preliminary adoption of amendments to 312 IAC 8, which governs the use of DNR properties, to address public use of Redbird State Recreation Area and

Interlake State Recreation Area and to make technical changes, including restructuring of definitions; Administrative Cause No. 09-025T ([Download Related Materials](#))

DIVISION OF RECLAMATION

6. Consideration of preliminary adoption of amendments to 312 IAC 25 governing surface mining and reclamation; Administrative Cause No. 08-067R ([Download Related Materials](#))

DIVISION OF FISH AND WILDLIFE

7. Consideration for approval of a new non-rule policy (Information Bulletin #62) governing prospecting to provide guidelines to prospectors, DNR employees, and riparian owners; Administrative Cause No. 09-171A ([Download Related Materials](#))
8. Comprehensive Fish and Wildlife Rule Enhancement Project: Response to suggested substantive amendments; Administrative Cause No. 08-061D ([Download Related Materials](#))
9. Consideration for preliminary adoption of amendments to 312 IAC 9-3-14.5 governing furbearing mammals; Administrative Cause No. 10-074D [THIS ITEM HAS BEEN WITHDRAWN.]
10. Consideration for preliminary adoption of amendments to 312 IAC 9-10-9 that govern wild animal rehabilitation permits; Administrative Cause No. 10-015D ([Download Related Materials](#))
11. Consideration for preliminary adoption of amendments to 312 IAC 9 governing the use of cast nets and live gizzard shad, threadfin shad, and alewife as bait; Administrative Cause No. 10-075D ([Download Related Materials](#))

DIVISION OF NATURE PRESERVES

12. Consideration of the dedication of the Dr. Sherman A. Minton, Jr. Nature Preserve, Floyd County ([Download Related Materials](#))

NRC, DIVISION OF HEARINGS

13. Consideration of recommended report of the Natural Resources Commission with respect to the Petition for Maxinkuckee Lake Conservancy District (Marshall County); Administrative Cause No. 09-167C [**Consideration of this item will occur after 11:00 a.m., EDT.**] ([Download Related Materials](#))
14. Consideration of recommended report of the Natural Resources Commission with respect to the Petition for Northwest Lake Conservancy District (Johnson County); Administrative Cause No. 09-207C ([Download Related Materials](#); [Exhibit A](#))
15. Consideration of report of public hearing and comments, and recommendation of final adoption of amendments to 312 IAC 9, governing fish, reptiles, and permits (3rd Technical Rule Package); LSA Document #09-616(F); Administrative Cause No. 09-058D ([Download Related Materials](#))

16. Consideration of final action on readoption of rules governing off-road vehicles and snowmobiles (312 IAC 6.5); LSA Document #10-51(F); Administrative Cause No. 10-001T ([Download Related Materials](#))
17. Consideration of final action on readoption of rules governing grant programs (312 IAC 26); LSA Document #10-161(F); Administrative Cause No. 10-006T ([Download Related Materials](#))
18. Consideration of final action on readoption of rules governing research, collection, quotas, and sales of plants (312 IAC 19); LSA Document #10-60(F); Administrative Cause No. 10-005N ([Download Related Materials](#))

DIVISION OF LAND AQUISITION

19. Information Item: Acquisition of 2,050 Acres in Putnamville Indiana for a new Fish and Wildlife Area in exchange for 1,035 acres of land at Atterbury Fish and Wildlife Area for the expansion of Camp Atterbury Joint Maneuver Training Facility.
20. Information Item: Exchange of an Easement over Deep Lake at Greene Sullivan State Forest to allow water withdrawal for the Bear Run Mine in exchange for 40 acres of highly desirable in-holdings.

PERSONNEL INTERVIEW

21. Consideration of Douglas Green as Assistant Property Manager of Willow Slough State Recreation Area, Morocco, Indiana
22. Adjournment



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BREAKING: 'Green' Energy Company Threatens Economics Professor ... with Package of *Dismantled Bomb Parts*

Posted By [Christopher Horner](#) On June 24, 2010 @ 12:16 pm In [Column 1](#), [Uncategorized](#) | [90 Comments](#)

Spain's Dr. Gabriel Calzada — the [author of a damning study](#) ^[1] concluding that Spain's "green jobs" energy program has been a catastrophic economic failure — was mailed a *dismantled bomb* on Tuesday by solar energy company Thermotechnic.

Says Calzada:

Before opening it, I called [Thermotechnic] to know what was inside ... they answered, it was their answer to my energy pieces.

Dr. Calzada contacted a terrorism expert to handle the package. The expert first performed a scan of the package, then opened it in front of a journalist, Dr. Calzada, and a private security expert.

The terrorism consultant said he had seen this before:

This time you receive unconnected pieces. Next time it can explode in your hands.

Dr. Calzada added:

[The terrorism expert] told me that this was a warning.

The bomb threat is just the latest intimidation Dr. Calzada has faced since releasing his report and following up with articles in *Expansion* (a Spanish paper similar to the *Financial Times*). A minister from Spain's Socialist government called the rector of King Juan Carlos University — Dr. Calzada's employer — seeking Calzada's ouster. Calzada was not fired, but he was stripped of half of his classes at the university. The school then dropped its accreditation of a summer university program with which Calzada's think tank — Instituto Juan de Mariana — was associated.

Additionally, the head of Spain's renewable energy association and the head of its communist trade union wrote opinion pieces in top Spanish newspapers accusing Calzada of being "unpatriotic" — they did not charge him with being incorrect, but of undermining Spain by daring to write the report.

Their reasoning? If the skepticism that Calzada's revelations prompted were to prevail in the U.S., Spanish industry would face collapse should U.S. subsidies and mandates dry up.

As I have previously reported at PJM ([here](#) ^[2] and [here](#) ^[3]), Spain's "green jobs" program was repeatedly referenced by President Obama as a model for what he would like to implement in the United States. Following the release of Calzada's report, Spain's Socialist government has since acknowledged the debacle — both [privately](#) ^[4] and publicly. This month, Spain's government instituted massive reductions in subsidies to "renewable" energy sources.

Dr. Calzada is a friend of mine, kindly writing a blurb for the jacket of my latest book: *Power Grab: How Obama's Green Policies Will Steal Your Freedom and Bankrupt America* ^[5]. My book details the Spanish "green jobs" disaster uncovered by Dr. Calzada, plus similar "green" economic calamities occurring in Germany and Denmark — also programs Obama has praised — as well as in Italy and elsewhere.

As I detail in *Power Grab* ^[5], they felt Spain would be in a dire position without the U.S. playing the role of sucker. With today's revelation, now we know just how far the "green energy" lobby will go to keep the money flowing.

(Click [here](#) ^[6] for coverage on this incident from Spanish media.)

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URL to article: <http://pajamasmedia.com/blog/breaking-green-energy-company-threatens-economics-professor-with-package-of-dismantled-bomb-parts/>

URLs in this post:

[1] author of a damning study: <http://www.juandemariana.org/pdf/090327-employment-public-aid-renewable.pdf>

[2] here: <http://pajamasmedia.com..//blog/spains-green-policies-an-economic-disaster/>

[3] here: <http://pajamasmedia.com..//blog/leaked-spanish-report-obamas-model-green-economy-a-disaster-pjm-exclusive/>

[4] privately: <http://pajamasmedia.com..//..//..//..//blog/spains-green-policies-an-economic-disaster/2/>

[5] Power Grab: How Obama's Green Policies Will Steal Your Freedom and Bankrupt America: <http://www.amazon.com/Power-Grab-Policies-Freedom-Bankrupt/dp/1596985992>

[6] here: <http://www.expansion.com/2010/06/24/opinion/tribunas/1277399007.html>

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HeraldTimesOnline.com

Grissom Air Museum faces state funding loss

Associated Press

February 2, 2010

PERU — The museum at Grissom Air Reserve Base in northern Indiana is losing the last of what had been \$75,000 a year in state funding.

Grissom Air Museum leaders say that it will open as scheduled for the season on March 2. The museum's state funding was cut by 10 percent in 2008 and has been eliminated for this year.

Museum board chairman Ron Myers says the funding loss is a serious blow. He says museum leaders expected a reduction in state funding, but not a total cutoff.

Myers said the museum will have to rely more on admissions and support from members and sponsors to continue operations.

The 26-year-old museum has some two dozen aircraft on display at its site along U.S. 31 about midway between South Bend and Indianapolis.

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Indiana environment funds feel pinch of budget cuts

By Rick Callahan, Associated Press Writer
Published Nov 18th, 2009

Indiana is dipping into a wide range of state funds, including several devoted to improving or protecting the environment and natural resources, as part of its latest steps to offset a steep drop in state revenues.

Twenty-three dedicated funds are on an initial list that Gov. Mitch Daniels' administration expects to tap to combat the revenue shortfall—and a quarter of those have missions related to the state's environment or natural resources.

Those include funds that promote recycling, help remove invasive aquatic plants clogging some of the state's lakes and support efforts to redevelop old industrial sites.

Hoosier Environmental Council executive director Jesse Kharbanda said it's understandable that state funds have to make sacrifices during a budget crisis. Tax collections continue to fall millions short of estimates, and Daniels has said the surplus that stood at \$1.3 billion in July would be wiped out by next August if the trend continues.

But Kharbanda questions whether funds intended to help the environment or the state's natural assets are "getting the short end of the stick in terms of being raided."

"One wonders how much of it is a reflection of the lack of clout of the stakeholders of these different funds and how much of it is merit?" Kharbanda said.

State Budget Director Chris Ruhl said environmental groups aren't being targeted and that the Indiana Department of Environmental Management maintains more such funds than most other agencies.

"Its target list is larger than other agencies, and frankly, IDEM has a lot of funds where there's excess or surplus monies," he said.

Ruhl said the budget agency has analyzed many of Indiana's more than 100 dedicated funds, focusing on those with balances of \$500,000 or more. The state then assessed how much was obligated and how much money was drawn from each fund on an ongoing basis.

Other funds on the list include an Indiana State Police fund that aids DNA collection and analysis and a court fee-financed fund that supports alcohol- and drug-prevention efforts.

Ruhl said budget officials expect to tap about 30 dedicated funds and that together they should provide hundreds of millions of dollars.

In June, the state shifted \$11 million from a fund that finances loan and grant programs to attract recycling businesses to Indiana to the state's main checking account to help offset last fiscal year's revenue shortfall.

That fund, sustained by state fees trash haulers pay at landfills, is going to take another hit to its balance, which currently stands at \$6.5 million. Ruhl said he questions how successful the recycling fund and other funds on the state's list have been at delivering their intended results.

Jeff Miller, a member of the Recycling Market Development Board that oversees the grant and loan programs, said the panel is pursuing a cost-benefit analysis to quantify the jobs and environmental benefits of the recycling businesses the program brings to Indiana.

"Many of us board members see our program as differing from other funds, in so far as our program creates jobs," he said. "Job creation is of such great importance."

While the state is preparing to siphon away millions of dollars from dedicated funds, it's also scouring its agencies for far smaller amounts to tap.

The state Department of Natural Resources opted not to renew the \$75,000 contract for the executive director of a panel that promotes the cultural and natural heritage of the Wabash River, Indiana's official river. The agency cited the revenue shortfall and Daniels' order that state agencies cut their budgets by 10 percent.

John Gettinger, chairman of the Wabash River Heritage Corridor Commission, said the DNR's action leaves the panel without an executive director for the first time since 2002 and will threaten its efforts to promote recreational and cultural activities along the 470-mile river.

"We feel that we have a right to manage our own budget, that it was a power that the Legislature gave us," he said. "We ran our own show up until this situation developed."

DNR spokesman Phil Bloom said the contract isn't the only one the agency may cancel as it works to meet the governor's directive. He said all funds, accounts, grants and contracts are under review.

"We are taking a look at all contracts and putting on hold those that aren't mission critical or duplicative in how they function and this is one of them," Bloom said.

John Goss, a former DNR director who now serves as executive director of the Indiana Wildlife Federation, hopes the state doesn't deplete a fund that helps control invasive aquatic weeds and prevent sediment buildups on Indiana lakes and rivers.

Goss said the fund, which is supported by a fee on boat trailer licenses, has improved water quality, fish habitat and navigation on dozens of Indiana lakes over the last decade.

"If they're going to wipe it out, that would be a setback for all these weed control and sediment control programs. They've been a big success," Goss said.

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State Park and Reservoir Swimming Pool Hours for 2010

Property	Mon.	Tues.	Wed.	Thurs.	Fri.	Sat.	Sun.	Full Time Operation
Brown County	12-6pm	Closed	12-6pm	12-6pm	12-6:30pm	12-6:30pm	12-6:30pm	June 5th
Clifty Falls	12-6pm	Closed	12-6pm	12-6pm	12-6:30pm	12-6:30pm	12-6:30pm	June 12th
Harmonie	11am-5pm	Closed	11am-5pm	11am-5pm	11am-6pm	11am-6pm	11am-5pm	June 18th
Lieber	12-6pm	Closed	12-6pm	12-6pm	12-6pm	12-6pm	12-6pm	May 29th
McCormick Creek	12-5:30pm	12-5:30pm	12-5:30pm	12-5:30pm	12-7pm	12-7pm	12-7pm	May 29th
Mounds (Anderson)	12-6pm	Closed	12-6pm	12-6pm	12-6pm	12-6pm	12-6pm	June 12th
O'Bannon Woods	12-6pm	Closed	12-6pm	12-6pm	12-6pm	12-6pm	12-6pm	May 29th
Ouabache	12-6pm	Closed	12-6pm	12-6pm	12-6pm	12-6pm	12-6pm	June 11th
Shakamak	11am-4:30pm	11am-4:30pm	11am-4:30pm	11am-4:30pm	11am-6pm	11am-6pm	11am-6pm	May 29th
Spring Mill	12-4pm	12-4pm	12-4pm	12-4pm	12-6pm	12-6pm	12-6pm	June 5th
Turkey Run	11am-5pm	Closed	11am-5pm	11am-5pm	11am-5pm	11am-5pm	11-5pm	June 12th
Versailles	12-6pm	Closed	12-6pm	12-6pm	12-6pm	12-6pm	12-6pm	June 12th

Note: Some pools may close prior to Labor Day Weekend when lifeguards begin to return to school. Be sure to check at each property.

Note: All times listed are local times.

Miscellaneous

Camp stores

Located at many parks, and operate seasonally for your convenience.

Canal boat rides (seasonal)

Whitewater Canal Historic Site \$1.00 per person. Children in arms ride free.

Boat rides

Hardy Lake, and Cagles Mill Lake and Twin Caves at Spring Mill State Park, \$3.00 per adult, and \$1.00 per child.

Swimming

\$2.00 daily pool admission per person. \$35.00 Swimming Permit good for 25 daily pool admissions. Swimming at beaches is free. \$.25 Lockers (where available). Note: Swimming at DNR Pools and Beaches will close in the middle of August.

- Lifeguards are on duty at all swimming pools.
- A Swim at Your Own Risk policy is in effect at all beaches except at Indiana Dunes State Park.
- Swimming pools and the beaches may close toward the end of the summer season when lifeguards are unavailable.
- Pool hours may vary by property. [Click here to see the 2010 pool hours schedule](#). For any up-to-the minute changes, contact the property you plan to visit. Property phone numbers can be found in the [Indiana Recreation Guide](#).
- For pool operations, all infants, toddlers or small children who are not "potty trained" shall be required to wear an elasticized swim diaper before entering the pool area.
- Fecal incidents may result in closure of the pool. These closures can last from several hours to 24 hours.
- For children age 12 and under to enter a beach or pool area they must be supervised by someone age 16 or older.

Toboggans

Pokagon State Park \$10.00 per hour rental.

Wyandotte Cave tours

NOTICE: Groups claiming tax exempt status must furnish a tax exemption certificate in accordance with regulations of the Department of Revenue. In most cases, lodging is not tax exempt. Most fees subject to state sales taxes. A fee of \$27.50 will be charged for all checks returned by the bank.

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Got a raccoon problem? Groundhogs in your alley?
 Hoosiers dealing with nuisance wildlife can now access a broad range of information, any time, any day, through the Indiana Department of Natural Resources website.

An easy link to the DNR's new Nuisance Wildlife webpage is on the main DNR website. Just visit www.dnr.in.gov and click on the "Dealing with Nuisance Wildlife" icon with a photo of a raccoon. It can also be accessed directly at www.in.gov/dnr/fishwild/2351.htm

The DNR previously shared a wildlife contacts hotline with the U.S. Department of Agriculture but that line was staffed only during business hours and was not reachable at night or on weekends and holidays. That hotline will cease operation on Jan. 1.

The Nuisance Wildlife webpage provides specific information on the general characteristics, food habits, distribution, reproduction, prevention and control techniques, and disease threats of many species of mammal and birds as well as general information about snakes.

"Many wild animals in Indiana have become displaced as the result of urban growth and removal of their habitat," the DNR said in a statement released on Monday. "While some species may move to other areas where natural habitat exists, some species actually thrive in urban settings. Wild animals such as these are protected by the State of Indiana for all of the citizens of Indiana, but sometimes they cannot peaceably coexist."

"Because of the large number of raccoons and other species that cause a nuisance for landowners throughout the state, the DNR is unable to provide assistance to actually help remove the animals," the DNR added. "The DNR does offer some solutions and advice on how to try to prevent future problems and remove wild animals that have created a problem."

The DNR also licenses individuals to provide nuisance wild animal control services to the public. Find one near you by going to <http://wildlifeline.info>

and clicking on the "Find a Professional" link near the top of the page.

Posted 12/29/2009

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For immediate release: Dec 28, 2009

Posted by: [DNR]

Contact: Phil Bloom

Phone: (317) 232-4003

Email: dnrnews@dnr.in.gov

Nuisance wildlife information is now online

Hoosiers trying to deal with nuisance wildlife can now access a broad range of information any time of the day, any day of the year on the Indiana Department of Natural Resources Web site.

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Indiana Department of Natural Resources shrinks fishing regulations brochure, puts more info online

By Carol Kugler 331-4359 | ckugler@heraldt.com
May 9, 2010, last update: 5/10 @ 10:59 am

click photos to advance (4 photos)



The new 2010 fishing regulations brochure is a streamlined product that is easier to read and understand. It contains information on fishing regulations, license information, bag limits and specific information about certain Indiana fish.

Many people are fishing for ways to save money, and that includes officials with the Indiana Department of Natural Resources.

People across Indiana will notice one of the DNR's ways of saving money: the 2010 Indiana Fishing Regulations.

Instead of the glossy, 44-page, color magazine that contained the 2009 Indiana Fishing Guide, this year, there's a six-page green-and-white pamphlet that has the regulations, license information, bag limits and specific information about certain Indiana fish.

"We took out a lot of feature stories and advertising," said Phil Bloom, director of communications for the Indiana Department of Natural Resources.

Bloom said the streamlined product was the result of work between the DNR divisions of Fish and Wildlife, Law Enforcement and Communications. The goal was to lower the cost that last year was "in the neighborhood of \$100,000" down to less than \$20,000.

"That's money they can save that can be used elsewhere," Bloom said of the Division of Fish and Wildlife.

The 2010 pamphlet still has the basic rules and regulations anglers need to follow. For people who want more, including some features and more information about specific species and locations, Bloom said the agency is working to put more online, at www.in.gov/dnr.

If you go the website's main page and click on "2010 fishing guide" under the Quick Links, you'll see a picture of a person on a boat. If you click on the photograph, you'll get the six-page document that is also available at many outdoor retail stores and bait shops throughout Indiana.

Below that picture are links to more information, including bass regulations, license exemptions, Ohio River rules, information about reptiles and amphibians, Indiana size and bag limits and trout and salmon regulations.

Bloom said the DNR also has added more information online at www.in.gov/dnr/fishwild. Some of that includes spring turkey dates, youth turkey hunt opportunities, turkey hunting safety and a safety video.

The goal is to have more on hunting and trapping online instead of having such a large hunting and trapping guide, Bloom said. The online area would include sections on deer,

turkey, small game, rabbit and squirrel, fishing and waterfowl. In the fishing area, there will be breakouts for general fishing, Lake Michigan fishing, trout and salmon and Ohio River fishing.

Bloom expects more videos to be added to the DNR website in the future.

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- Don't let the outdoors bug you [no comments]
- Outdoor events: Lost River Tour, muzzle loading rifle shoot, Casting Kids Contest, landowner workshop, archery shoot [no comments]
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[May 09, 2010]

Indiana Department of Natural Resources shrinks fishing regulations brochure, puts more info online

May 09, 2010 (Herald-Times - McClatchy-Tribune Information Services via COMTEX) — Many people are fishing for ways to save money, and that includes officials with the Indiana Department of Natural Resources.

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DNR employees recognized for achievements

DNR wildlife biologist, Steve Backs, who has been intimately involved with the restoration of the state's wild turkey population, was presented with a lifetime achievement award by the National Wild Turkey Federation at its national convention.

Backs, a member of the DNR Division of Fish and Wildlife, was one of two men receiving the Federation's Wayne Bailey Lifetime Achievement Award.

"Indiana turkey hunters largely owe the opportunity to enjoy their sport within state lines to Steve and his lifetime body of work," said Robert E. Carter Jr., DNR director.

Conservation Officer Rodney Clear was named the NWTf's Wildlife Enforcement Officer of the Year for Indiana at the same event.

DNR's North Region fisheries supervisor Stu Shipman was recently honored by the Indiana Chapter of the American Fisheries Society. The Excellence in Fisher-

ies Science Award was presented in recognition of his exceptional record of service to AFS and the profession over the past 35 years.

Conservation Officer Tony Mann received the Conservation Officer of the Year Award from the Indiana Bowhunter Association, while former *Outdoor Indiana* staff writer Brandon Butler was awarded that organization's Outdoor Communicator of the Year Award.

The IBA also honored DNR Hoosier Heritage Coordinator Amanda Wuestefeld as DNR Employee of the Year for her work in developing the first Hoosier Outdoor Experience. ■

New Recreation Guide available

Your free guide to Indiana's best values in outdoor recreation is available now, all across the state. You can find the guide at various retail outlets and, of course, at state parks, reservoirs and other DNR properties, and at dnr.IN.gov. ■

Fishing/Hunting and Trapping Guide

The DNR is not going to publish fishing or hunting regulations in the same large-scale format as in recent years. Although the booklets were a popular and helpful tool, they carried production and distribution costs that continued to rise.

Instead, the DNR will print and distribute a condensed version of each that lists license requirements, bag limits, season dates and a few other basic regulations. The cost savings of this switch approaches \$200,000, which can now be applied to conservation programs that also benefit the resource and those who use it.

Coupled with this change, the DNR plans to expand and customize its online content to provide even more information to anglers, hunters and trappers.

The fishing regulations are available now at vendors who sell fishing licenses, DNR properties and dnr.IN.gov. ■

TABLE FARE

Dandelion Wine

If you can't beat 'em, turn 'em into wine. Dandelions are flowers to kids, weeds to gardeners, and the main ingredient of a smooth and sweet natural wine.

Ingredients

- 3 qts. dandelion flowers
- 1 lb. white raisins
- 1 gallon of water
- 3 lbs. granulated sugar
- 2 lemons
- 1 orange
- yeast and nutrient

Directions

Pick flowers just before starting to make wine. Leave the petals on the flower heads, but trim the heads of any stalk. Put flowers in a large bowl. Set aside 1 pint of water, and bring the remainder to a boil.

Pour boiling water over flowers. Cover tightly with cloth or plastic wrap. Leave for two days, stirring twice daily. Do not exceed this time.

Pour flowers and water in large pot and bring to a low boil. Add sugar and the peels (peel thinly and avoid any of the white pith) of the lemons and orange. Boil for one hour, then pour into a crock or plastic pail. Add the juice and pulp of the lemons and orange.

Allow to stand until cool (70-75 F). Add yeast and yeast nutrient, cover, and put in a warm place for three days. Strain and pour

into a secondary fermentation vessel such as a bottle or jug.

Add raisins and fit a fermentation trap to the vessel. Leave until fermentation ceases completely, then rack and add the reserved pint of water and whatever else is required to top up. Refit the airlock and set aside until clear. Rack and bottle. Wine must age six months in the bottle before tasting, but will improve remarkably if allowed a year. ■

[Adapted recipe from C.J.J. Berry's *First Steps in Winemaking*]

Kaczorowski, Don

SENT TO BUSINESSES THAT
DISTRIBUTE GUIDES.

From: Kaczorowski, Don
Sent: Friday, June 18, 2010 9:43 AM
To: Kaczorowski, Don
Subject: FW: Ordering your 2010 Indiana Recreation Guides

Greetings from the Indiana Department of Natural Resources!

The 2010 Indiana Recreation Guide will soon be available for distribution. You have ordered Indiana Recreation Guides in the past, and we want to offer you the opportunity to do so again this year.

The Recreation Guide provides your patrons with information about the facilities and services at each of our state parks, reservoirs, state forests, fish and wildlife areas, nature preserves and state historic sites.

There will be 100 Recreation Guides per case and there is no cost to receive them.

For those of you who have ordered Fishing Guides or Hunting and Trapping Guides in the past, these will be produced differently in 2010. Due to budget restrictions, the Division of Fish and Wildlife will be reducing the number of pages in the Hunting and Trapping Guide and reducing the number of copies printed. License vendors and DNR properties will receive priority for receiving copies. Hunting, trapping and license information will continue to be available on the Division of Fish and Wildlife website.

The annual Fishing Guide is being discontinued and will be replaced by a six page Fishing Regulation booklet. Much of the information normally found in the Fishing Guide will be available on the Division of Fish and Wildlife website. Copies of the Fishing Regulation booklet should be available by April 1, 2010.

Please respond via email by February 6.

To ensure that you're included in our initial shipment of guides, please send an email to DNRGuideRequests@dnr.IN.gov and include the following information:

1. The number of cases of Recreation Guides you would like to receive. (100 per case)
2. The number of Hunting and Trapping booklets you would like to receive
3. The number of Fishing Regulations booklets you would like to receive
4. The business address to which you would like the guides shipped. Be sure to include the store/site name. (We require a business address for shipping purposes. Residential addresses and post office boxes cannot be accepted.)
5. A contact name, phone number and email address.

Please feel free to call Amber Caddell at (317) 234-5593 or send an email to DNRGuideRequests@dnr.in.gov with any questions.

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Benson, Martin

WILD BULLETIN

From: IN Dept of Natural Resources [mydnr@dnr.in.gov]
Sent: Friday, June 18, 2010 11:42 AM
To: Benson, Martin
Subject: Error in printed fishing regulations; New Fishing Guide posted online

Error in printed fishing regulations

The printed six-page fishing regulations document that was distributed across the state earlier this year contains an error under Largemouth Bass on page 3. The Sugar Creek verbiage under "20-inch minimum size and one-fish daily limit" should be listed under a new separate section called "Special Stream Black Bass Regulations," along with the 12- to 15-inch slot size limit information for the Blue River, which is also incorrectly listed in the Largemouth Bass section on page 3. "Black bass" includes largemouth, smallmouth, and spotted bass.

A corrected online version of that document can be viewed at <http://www.in.gov/dnr/fishwild/2347.htm> by clicking on "compact version." The DNR regrets the error.

For more information: Marty Benson, DNR assistant director of communications, (317) 233-3853, mbenson@dnr.in.gov.

New Fishing Guide posted online

The 2010 DNR Fishing Guide online publication is available for viewing at <http://www.in.gov/dnr/fishwild/2347.htm>, by selecting "large format."

The large-format version of the 2010 guide is an expanded version of the printed guide available in past years. In addition to regulations, the new online guide includes feature articles on bank fishing, creel surveys, the Brookville Lake bass survey and fishing for walleye, as well as a list of where to fish in Indiana, and many color photos.

The change to an online publication was made to save on printing costs. In lieu of that guide, the six-page regulations brochure referred to above was printed and distributed across the state.

For more information: Marty Benson, DNR assistant director of communications, (317) 233-3853, mbenson@dnr.in.gov.

About Fish and Wildlife Management in Indiana

Fish and wildlife management and public access are funded by fishing and hunting license revenue and also through the Sport Fish and Wildlife Restoration Programs administered by the U.S. Fish and Wildlife Service. These programs collect excise taxes on sporting arms and ammunition, archery equipment, fishing equipment, and motor boat fuels. The money is distributed among state fish and wildlife agencies based on land

For immediate release: Jun 18, 2010

Posted by: [DNR]

Contact: Marty Benson

Phone: (317) 233-3853

Email: dnrnews@dnr.in.gov

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Link to this event: http://www.in.gov/portal/news_events/54969.htm



Indiana State Museum will close on Mondays

December 3, 6:04 AM · Steve Polston - Indianapolis Outdoor Travel Examiner

The Indiana State Museum will adjust its public operating schedule beginning Jan. 4 by closing its galleries and public spaces on most Mondays during 2010.

The exceptions are Martin Luther King Day, Jan. 18; NCAA Final Four men's basketball championship game day, April 5; Labor Day, Sept. 6; and all Mondays from Thanksgiving through the end of the year, Nov. 29, Dec. 6, 13, 20 and 27.

"This will bring the Indiana State Museum into alignment with most other museums and cultural institutions that close on Mondays," said Kathleen McLary, interim director of the museum. "It also will provide a more efficient time for specialized cleaning and gallery adjustments."

Administrative staff will continue to work on Mondays, and the Museum's guest services telephone reservation center will be operational.

Other Indianapolis venues closed on Mondays include the Children's Museum of Indianapolis, Indianapolis Museum of Art, and the NCAA Hall of Champions. Also, art museums at Indiana University and Notre Dame, and the Cincinnati, Cleveland and Fort Wayne museums of art are closed on Mondays.



The Indiana State Museum will be closed on Mondays.

(Photo/Steve Polston)