

Revised Fact Sheet: Proposed Changes to the Family Supports (FS) Waiver

Effective August 2026

The Bureau of Disabilities Services (BDS) proposed an amendment for the FS waiver that was made available for 36 days (from February 11, 2026 through March 18, 2026) for all interested members of the public to review and provide feedback. BDS reviewed all comments received and revised the proposed amendment where appropriate.

The revised amendment has been submitted to CMS for review and approval. CMS may require additional changes to this amendment. If approved by CMS, the amendment would go into effect on August 1, 2026.

This Fact Sheet provides an overview of some of the changes that are being proposed as part of this waiver amendment. This list, although not comprehensive, outlines the types of changes that are included in this proposal and, in some instances, the reasons for these changes. Underlined changes were revised based on comments received from the public.

The changes being made in the August 2026 amendments will help to get ready for Waiver Reset, but they are not Waiver Reset itself. Waiver Reset will happen later. You can find more information about the plans for Waiver Reset on the FSSA website at <https://secure.in.gov/fssa/ddars/bds-waiver-redesign/>.

❖ Case Management

- Add Health and Wellness, Traumatic Brain Injury, and PathWays for Aging (Fee- For-Service only) waivers to contracted case management (as exists on Community Integration and Habilitation (CIH) and Family Supports (FS) Waivers).
- Include value-based payment in contracted case management.
- Align the allowable activities and responsibilities of case managers and Case Management Organizations (CMOs) in service definition with upcoming changes to contracted case management.
- Clarify that case notes must be completed within seven calendar days of an activity or event.

❖ Waiver Access Changes

- Update reserved waiver capacity – CMS allows states to reserve some of the waiver slots for specific groups of people.
 - Remove the group for people transitioning from 100% state funded services.
- Update waiting list procedures to align with how the waiting list is currently managed.

❖ Service Changes and Provider Qualification Changes

- Benefits Counseling – This service will have a new maximum of 6 hours per year. The state has revised the service definition to better reflect the intent of this service thereby clarifying why providers do not need to have the same qualifications as vocational rehabilitation providers.
- Family and Caregiver Training – Remove provision that limits this service to “uncompensated” caregivers to align with CIH waiver. Clarify that reimbursement will not be made for training that agencies are otherwise required to provide to employees who are also paid family caregivers.
- Home Modifications and Assessments – Clarify bid requirements and allowable activities. Add new requirement for each bidder to conduct an on-site visit prior to submitting any bid. Add new requirement for provider to give people written explanation of any non-covered costs.
- Music Therapy and Recreational Therapy – Revise these service definitions to ensure therapeutic outcomes and clarify how related transportation can be provided.
- Participant Assistance and Care (PAC) – Implement live-in caregiver rate reduction.
- Specialized Medical Equipment and Supplies (SMES) – Clarify evaluation and bid requirements, including maximum cost markup of thirty percent (30%).
- Day Habilitation and Remote Supports – Clarify purposes, reimbursable activities, service standards and limitations. For Remote Supports, clarify that the service be “delivered by awake, alert remote support professionals whose primary duties are to provide remote supports from the provider’s secure remote supports location.”
- Revise/update documentation standards in service definitions Update quarterly reporting requirements for selected services.
- Remove unused “individual” provider types.

❖ Paid Family Caregiver Payment Policy Changes

- The state will only allow payment to be made to relatives/legal guardians for the following services: Respite, Participant Assistance and Care (PAC), Transportation and Workplace Assistance. Payment will not be made to relatives/legal guardians for the provision of any other services.
- Revise reimbursement limitation for relatives/legal guardians – The maximum number of hours of PAC, Respite and Workplace Assistance services that may be reimbursed when provided by relatives or legal guardians (who are NOT Legally Responsible Individuals (LRIs)) must not exceed forty (40) hours per week across all services for each paid relative/legal guardian.

❖ **Budget Limitation Changes**

- Update budget limit for maintenance and repair of home modifications to reflect current practice from \$500 to \$1,000.

❖ **Technical Changes to Improve Clarity**

- Update quality improvement performance measures throughout.
- Update statewide BDS ombudsman provisions to align with revised Indiana law.
- Update and align incident reporting requirements.
- Clarify human rights committee safeguards.
- Revise Division of Disability and Rehabilitative Services (DDRS) references to Division of Disability, Aging and Rehabilitative Services (DDARS).