SFY27 Q1
Quarterly Financial Review

Presented Oct. 27, 2026

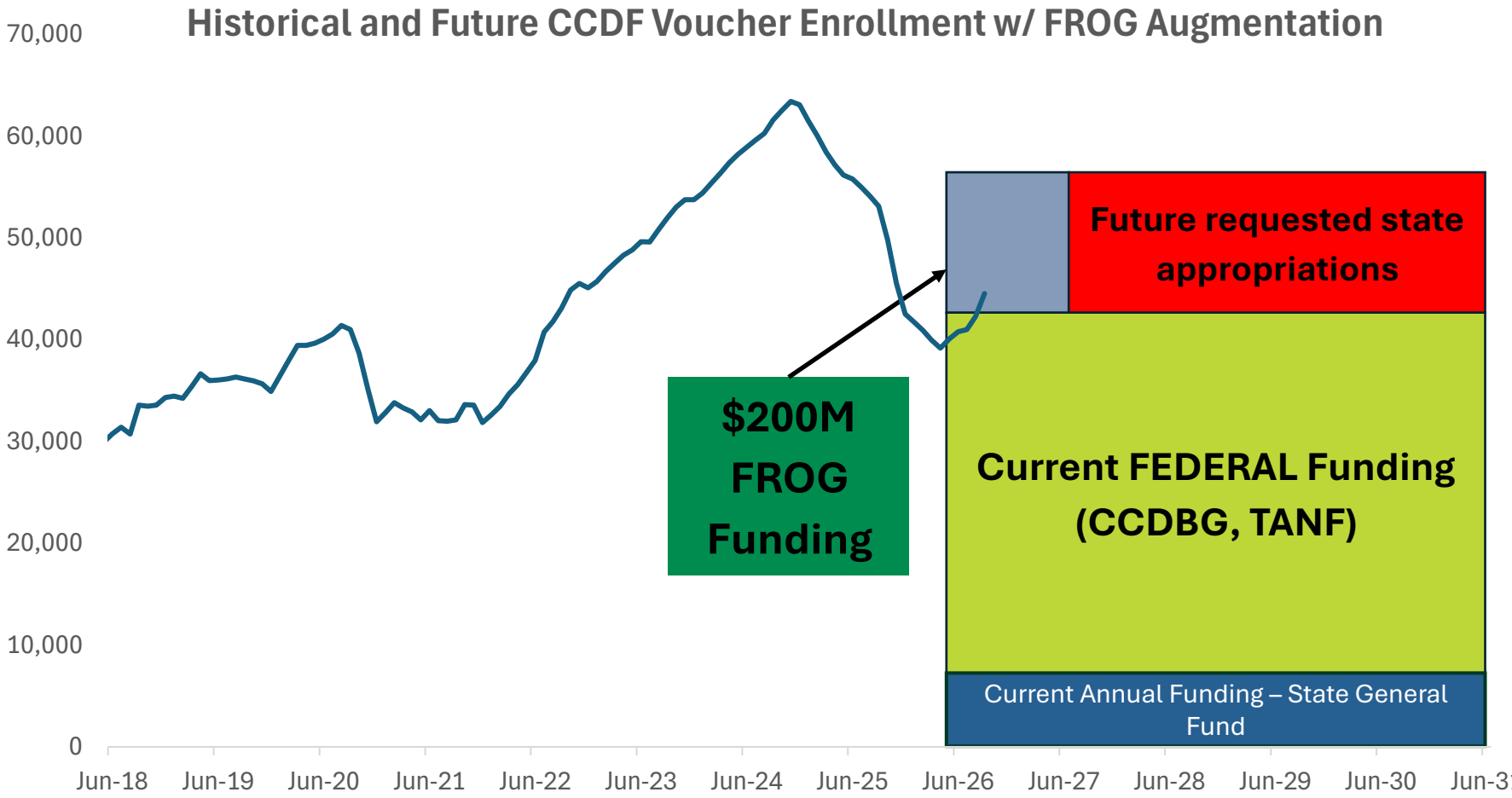
SFY27 Q1
Quarterly Financial Review

Office of Early Childhood and Out-of-School Learning

Presented Oct. 27, 2026

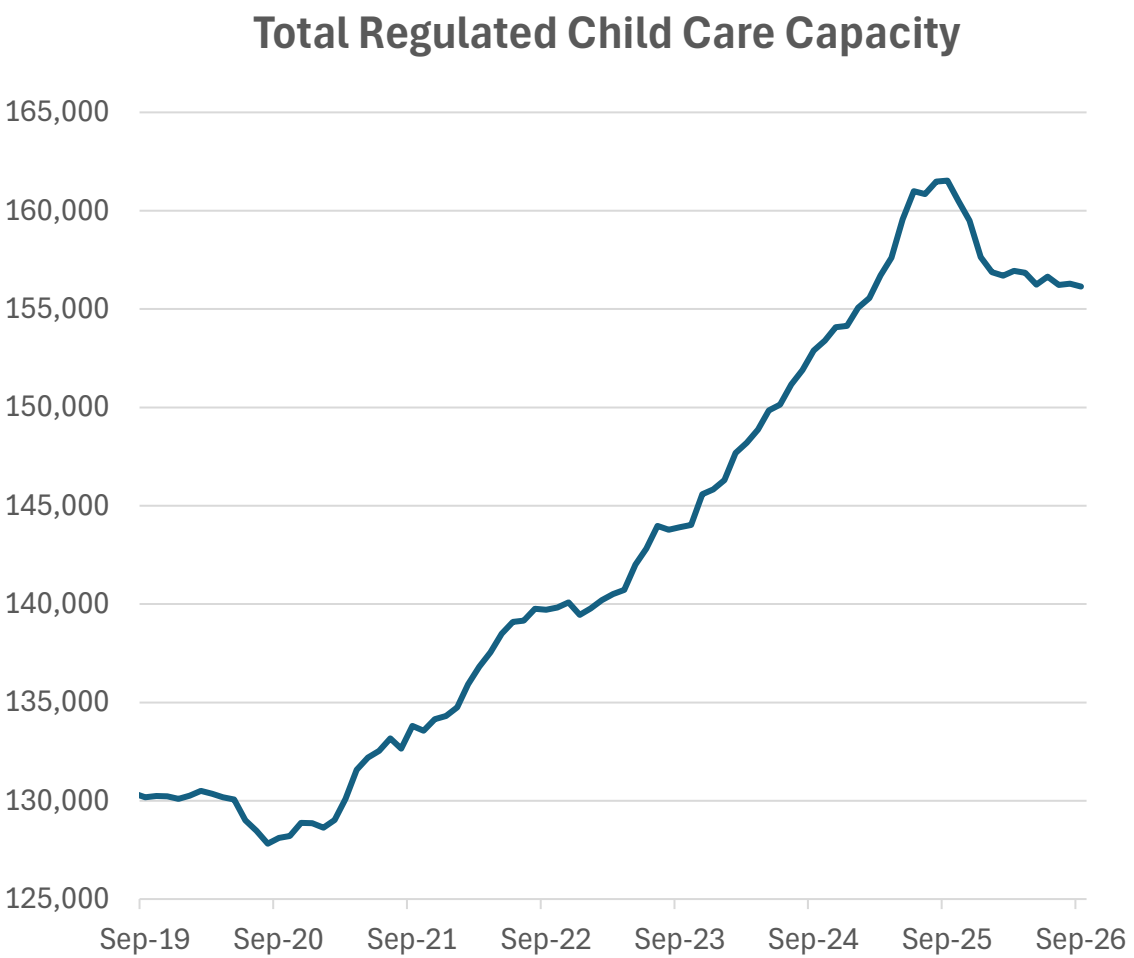
Adam Alson, Director

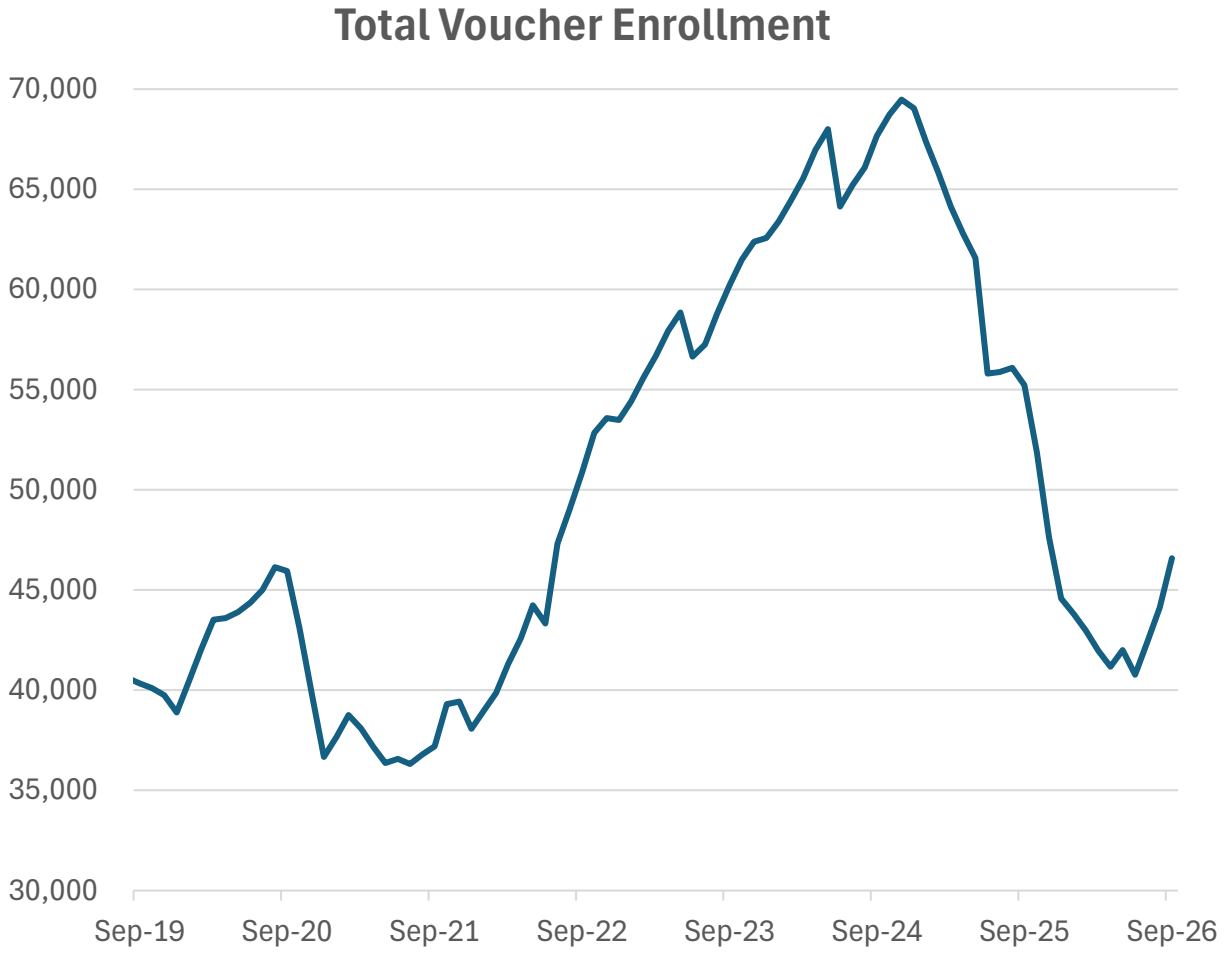
CCDF vouchers:



Disclaimer:
All projections, including both fiscal and enrollment, are OECOSL's best estimates as of 10/8/2026. Actual enrollment and expenditures will be different than the projections contained within.

Historical data





Child care voucher statistics: Sept. 2026

Total Vouchers (CCDF + OMW)	46,579
Total Wait List (CCDF + OMW)	17,732
% Families Voucher - Employment	93%
% Families Voucher - Single Parent	91%

CCDF voucher enrollment: Set-asides

Priority Group Description	Number of Children Enrolled
Siblings	3,268
Foster/Kinship	259
Child Care Worker	191
Special Needs	161
Homeless	60
CPS	37
Ivy Tech	8

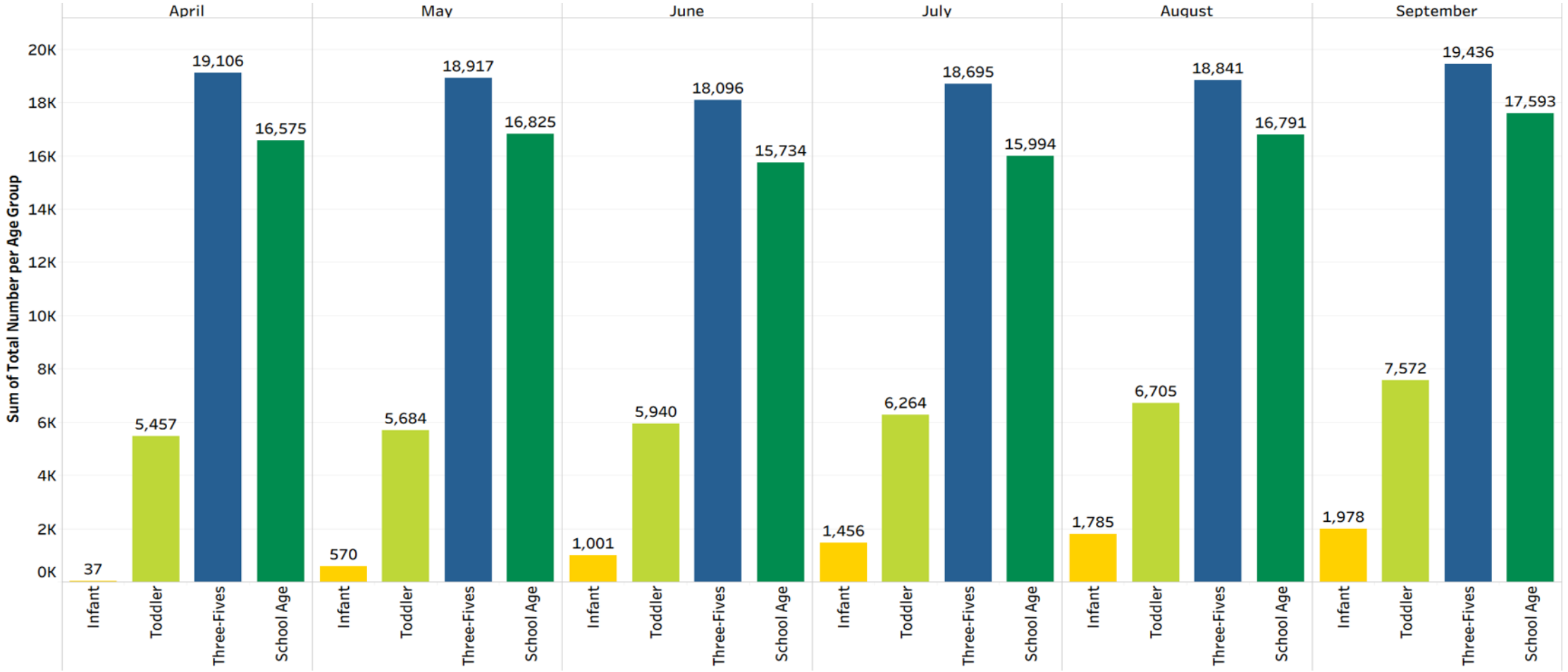
Child care voucher statistics: Sept. 2026

	December 2024	June 2025	September 2025	December 2025	April 2026	May 2026	June 2026	July 2026	August 2026	September 2026
Enrollment										
Total Vouchers	**69,326**	**55,846**	**55,233**	**44,580**	**41,175**	**41,996**	**40,771**	**42,409**	**44,122**	**46,579**
CCDF Vouchers	63,351	53,565	53,109	42,509	39,173	40,092	40,769	40,994	42,273	44,538
OMW Vouchers	5,975	2,281	2,124	2,071	2,002	1,904	2	1,415	1,849	2,051
Waitlist										
Waitlist Total	**3,328**	**25,149**	**30,808**	**33,449**	**40,837**	**37,206**	**33,834**	**29,972**	**29,076**	**17,732**
Waitlist - CCDF	3,328	21,955	30,533	33,215	39,352	35,007	33,447	29,453	28,921	17,512
Waitlist - OMW	0	3,194	275	234	1,485	2,199	387	519	155	220

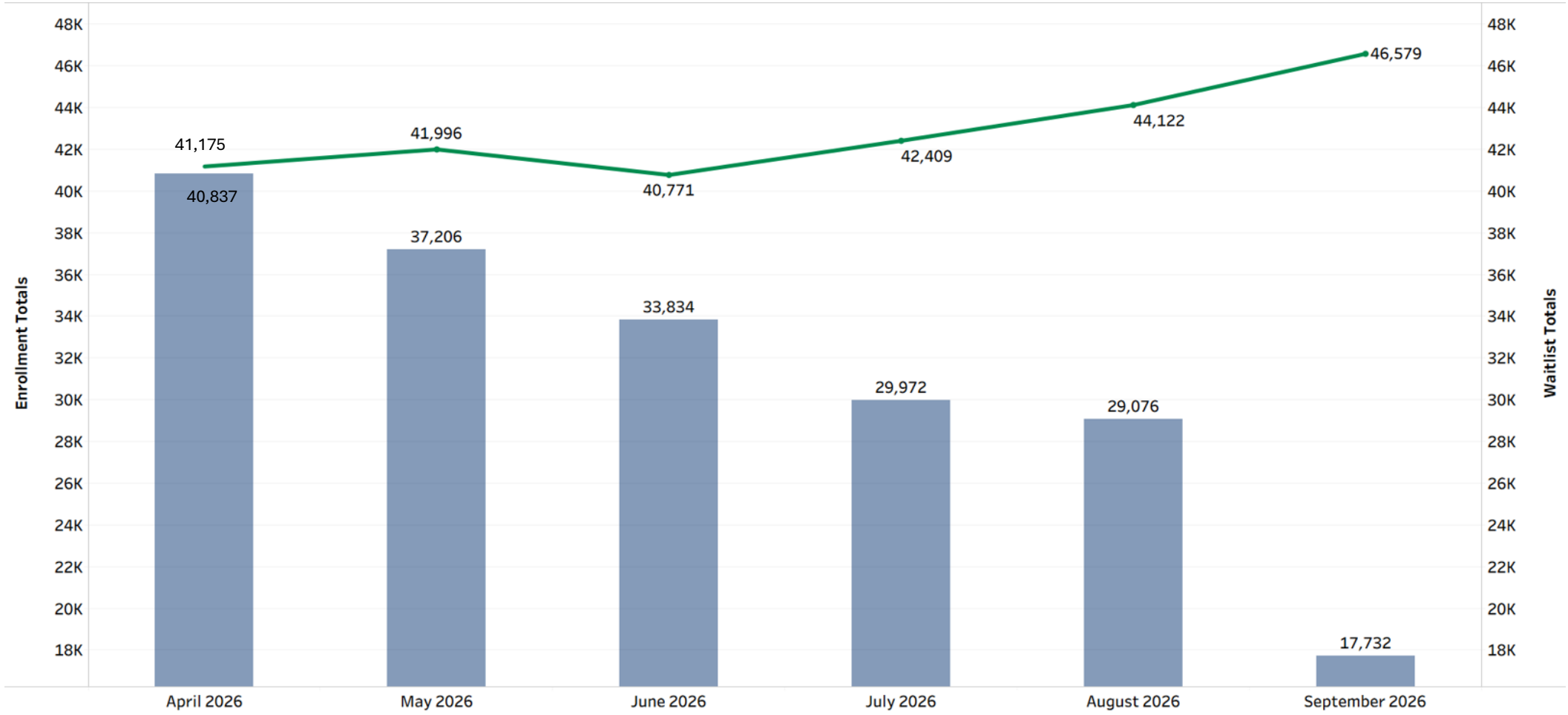
Child care voucher statistics: Sept. 2026

Total Vouchers By Age	Max Nov. 2024	Jan. 2025	April 2026	May 2026	June 2026	July 2026	August 2026	Sep. 2026	% Chg Nov 24
Infant	3,673	19	37	570	1,001	1,456	1,785	**1,978**	(46%)
Toddler	14,956	6,934	5,457	5,684	5,940	6,264	6,705	**7,572**	(49%)
3/4/5s	28,955	19,839	19,106	18,917	18,096	18,695	18,841	**19,436**	(33%)
School Age	21,893	17,010	16,575	16,825	15,734	15,994	16,791	**17,593**	(20%)
Total	**69,477**	**43,802**	**41,175**	**41,996**	**40,771**	**42,409**	**44,122**	**46,579**	**(33%)**

2026 enrollment by age group



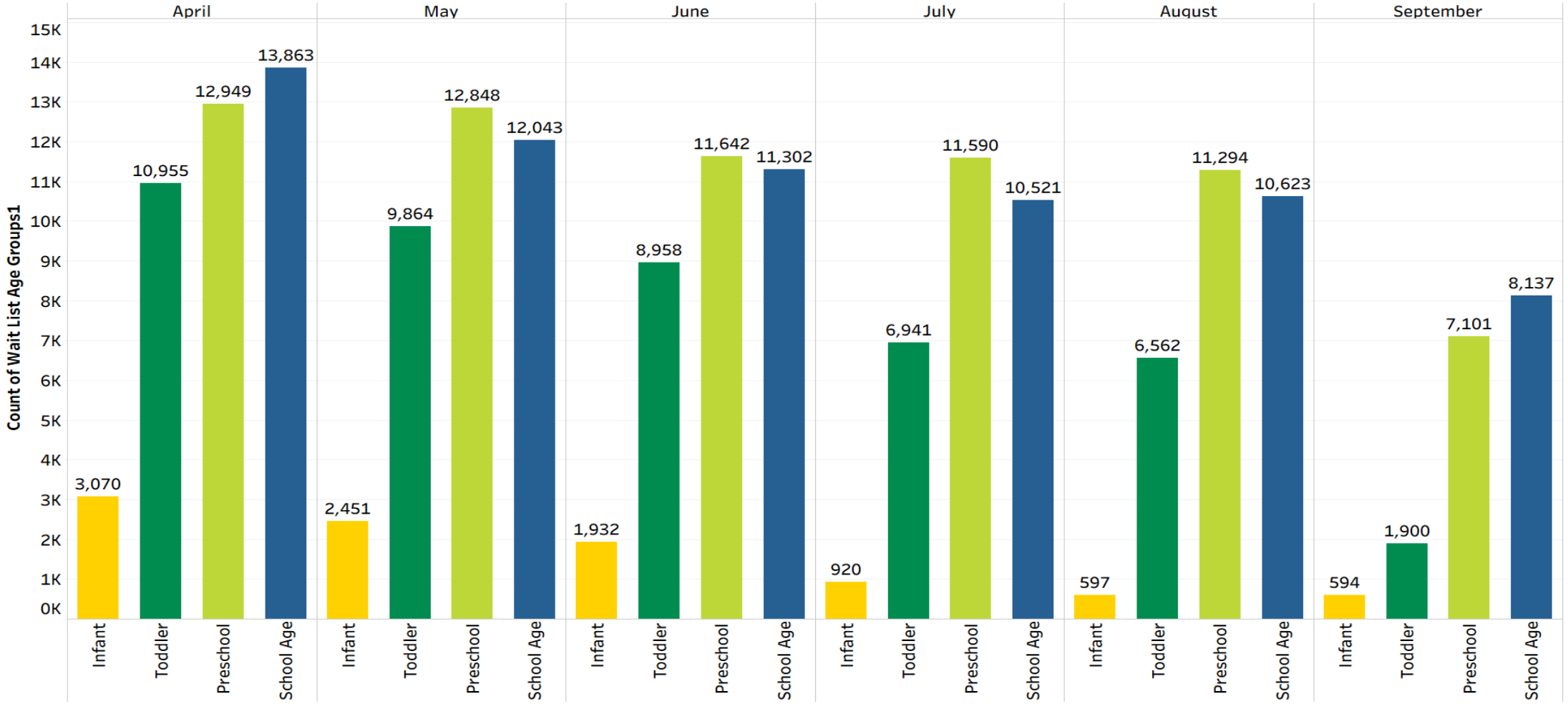
Waitlist and enrollment



Waitlist Total

Enrollment Totals

2026 waitlist totals by age group



CCDF voucher waitlist – all ages

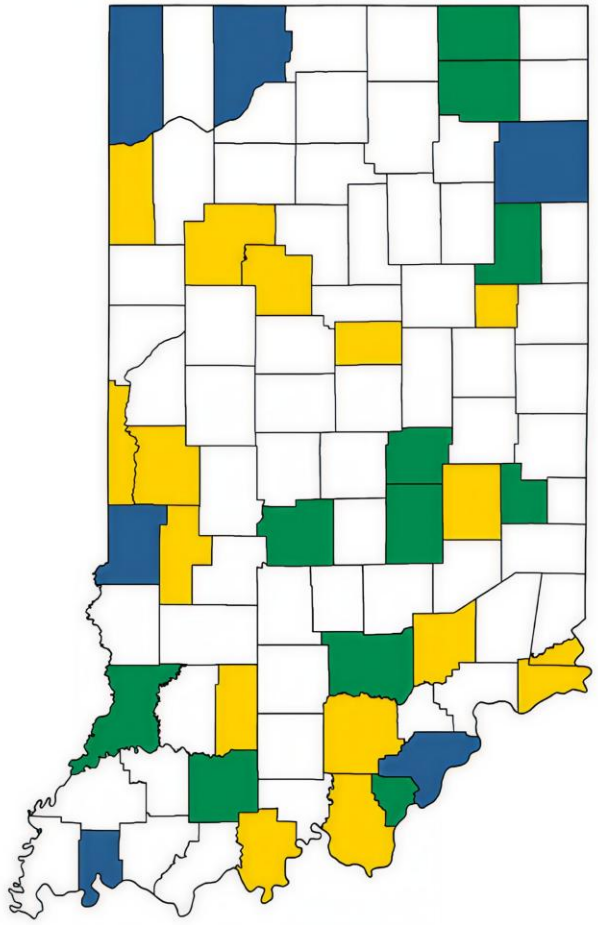
	May-26	Jun-26	Jul-26	Aug-26	Sep-26	May-Sep
Begin Month Waitlist	40,837	37,206	33,834	29,972	29,076	
Processed Applications	(8,414)	(7,592)	(9,021)	(6,116)	(13,565)	**Σ = (44,708)**
New Waitlist	4,783	4,220	5,159	5,220	2,221	**Σ = 21,603**
End Month Waitlist	37,206	33,834	29,972	29,076	17,732	**Δ = (23,105)**

CCDF voucher waitlist – by age

Child Age Group	May to September Processed Applications Σ	May to September New Σ	May to September Δ
Infant (Age 0)	(4,014)	2,619	(1,395)
Toddler (Ages 1-2)	(13,092)	4,648	(8,444)
Preschool (Ages 3 to 5)	(14,627)	8,320	(6,307)
School Age (Ages 6+)	(12,975)	6,016	(6,959)
Total	**(44,708)**	**21,603**	**(23,105)**

Expanding infant and toddler access

Preschool Development Grant Investment



33 counties
identified as high-need

1,000
new infant and toddler slots

1,331 children enrolled
>100% capacity filled

82% reduction
in infant and toddler waitlist totals

Regulated child care supply statistics

Total Regulated Child Care Supply											
	Jun-25	Sep-25	Dec-25	Jan-26	Feb-26	April-26	May-26	Jun-26	July-26	Aug-26	Sep-26
Capacity	160,989	161,530	157,638	156,881	156,704	156,841	156,246	156,649	156,217	156,283	156,151
Capacity YOY % Chg	6.74%	5.35%	2.22%	1.16%	.74%	(0.48%)	(2.13%)	(2.77%)	(2.96%)	(3.22%)	(3.33%)
Locations	4,372	4,349	4,257	4,197	4,170	4,108	4,063	4,026	3,996	3,971	3,949
Ave seats/location	37	37	37	37	38	38	38	39	39	39	40

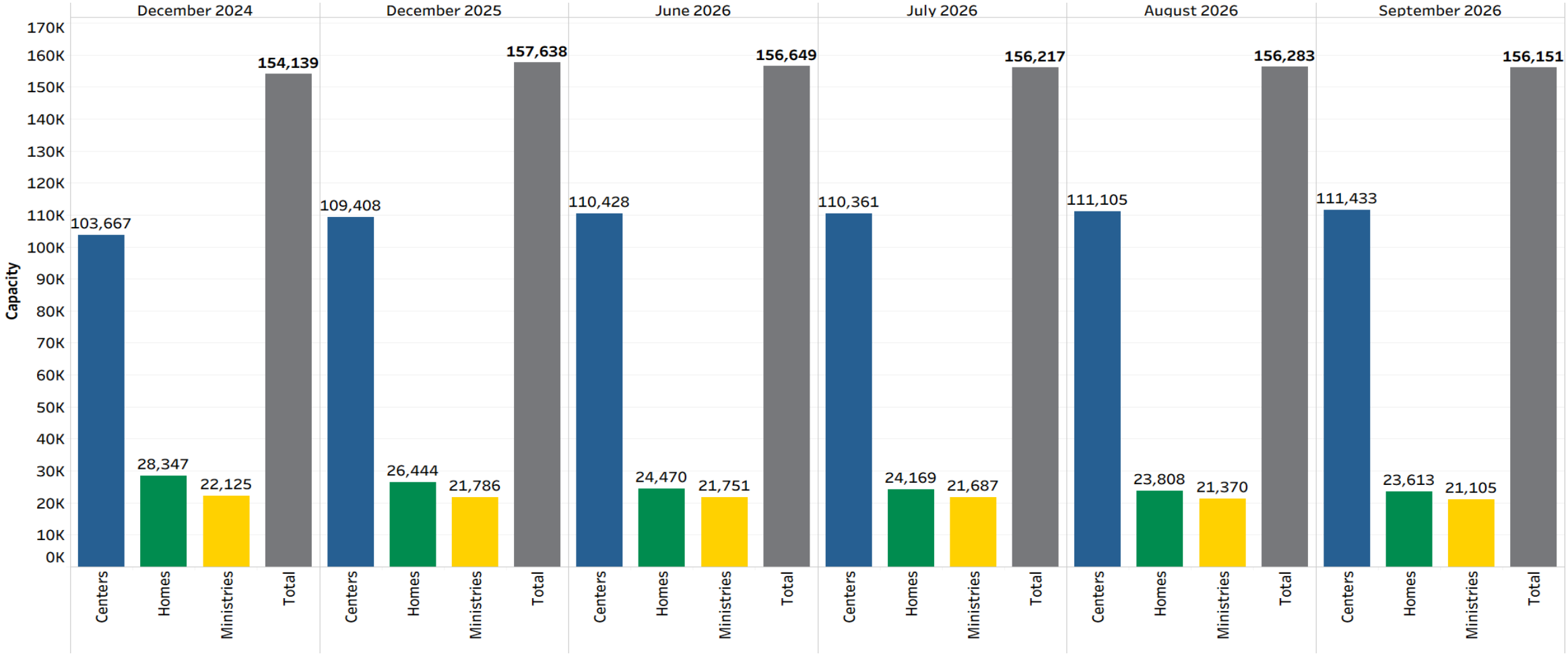
Regulated child care supply statistics

Centers										
	Dec-24	Jun-25	Sep-25	Dec-25	April-26	May-26	Jun-26	July-26	Aug-26	**Sep-26**
Capacity	103,667	109,519	111,005	109,408	110,275	109,952	110,428	110,361	111,105	**111,433**
Capacity YOY % Chg	6.7%	10.1%	8.6%	6.0%	3.5%	1.5%	0.8%	0.6%	0.5%	**0.4%**
Locations	1,352	1,425	1,445	1,427	1,418	1,405	1,396	1,390	1,399	**1,398**
Ave seats/location	77	77	77	77	78	78	79	79	79	**80**

Homes										
	Dec-24	Jun-25	Sep-25	Dec-25	April-26	May-26	Jun-26	July-26	Aug-26	**Sep-26**
Capacity	28,347	27,939	27,315	26,444	24,972	24,729	24,470	24,169	23,808	**23,613**
Capacity YOY % Chg	1.2%	(0.2%)	(3.2%)	(6.7%)	(12%)	(12%)	(12%)	(13%)	(13%)	**(14%)**
Locations	2,210	2,183	2,135	2,066	1,941	1,923	1,899	1,873	1,844	**1,827**
Ave seats/location	13	13	13	13	13	13	13	13	13	**13**

Registered Ministries										
	Dec-24	Jun-25	Sep-25	Dec-25	April-26	May-26	Jun-26	July-26	Aug-26	**Sep-26**
Capacity	22,125	23,531	23,210	21,786	21,594	21,565	21,751	21,687	21,370	**21,105**
Capacity YOY % Chg	7.0%	3.6%	3.2%	(1.5%)	(5.3%)	(6.6%)	(7.6%)	(7.8%)	(8.5%)	**(9.1%)**
Locations	759	764	769	764	749	735	731	733	728	**724**
Ave seats/location	29	31	30	29	29	29	30	30	29	**29**

Child care capacity by type



Capacity by type and quality level

Auspice Type	PTQ Level	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26
Centers	0	8,124	8,183	8,427	8,521	8,578	8,817
	1	7,750	7,015	7,355	6,725	7,063	6,933
	2	1,617	1,322	1,010	1,159	1,241	1,260
	3	33,581	34,243	34,101	34,348	33,960	33,830
	4	35,311	35,152	35,433	35,300	35,777	35,805
	Total	**86,383**	**85,915**	**86,326**	**86,053**	**86,619**	**86,645**
Homes	0	6,004	5,953	6,017	5,968	5,986	5,998
	1	8,427	8,383	8,281	8,085	7,894	7,855
	2	560	560	570	570	542	542
	3	7,784	7,672	7,476	7,440	7,314	7,093
	4	1,711	1,699	1,671	1,679	1,659	1,719
	Total	**24,486**	**24,267**	**24,015**	**23,742**	**23,395**	**23,207**
Ministries	0	13,062	13,051	13,080	12,977	12,821	12,690
	1	842	868	924	942	910	935
	2	422	406	410	395	370	343
	3	5,447	5,464	5,552	5,439	5,261	5,111
	4	1,821	1,776	1,785	1,901	2,008	2,026
	Total	**21,594**	**21,565**	**21,751**	**21,654**	**21,370**	**21,105**

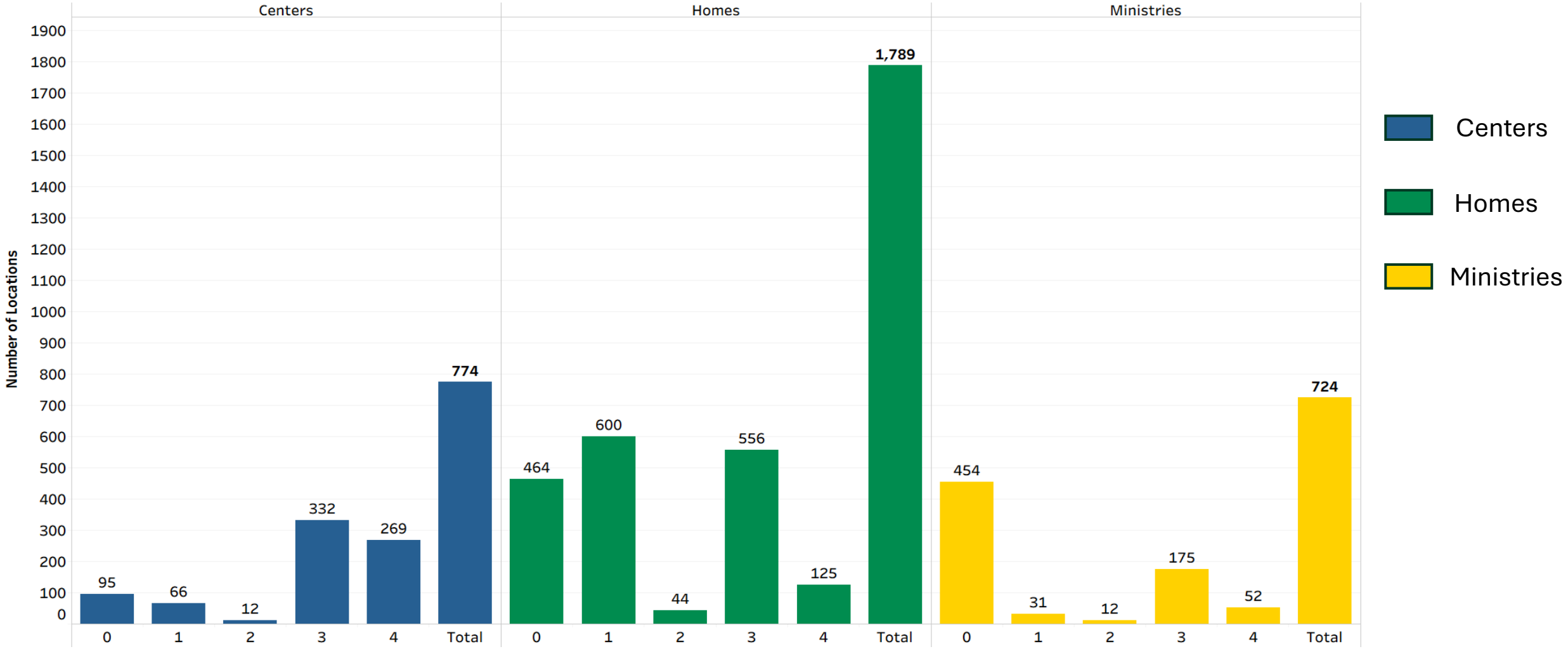
Capacity by type and quality level

Auspice Type	PTQ Level	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26
Legally Exempt Centers	0	14,790	15,270	15,069	15,193	15,335	15,504
	1	818	778	463	523	523	667
	3	3,527	3,587	3,670	3,542	3,592	3,559
	4	4,658	4,402	4,900	5,050	5,036	5,058
	Total	**23,793**	**24,037**	**24,102**	**24,308**	**24,486**	**24,788**
Legally Exempt Homes	0	455	462	455	427	413	406
	Total	**455**	**462**	**455**	**427**	**413**	**406**

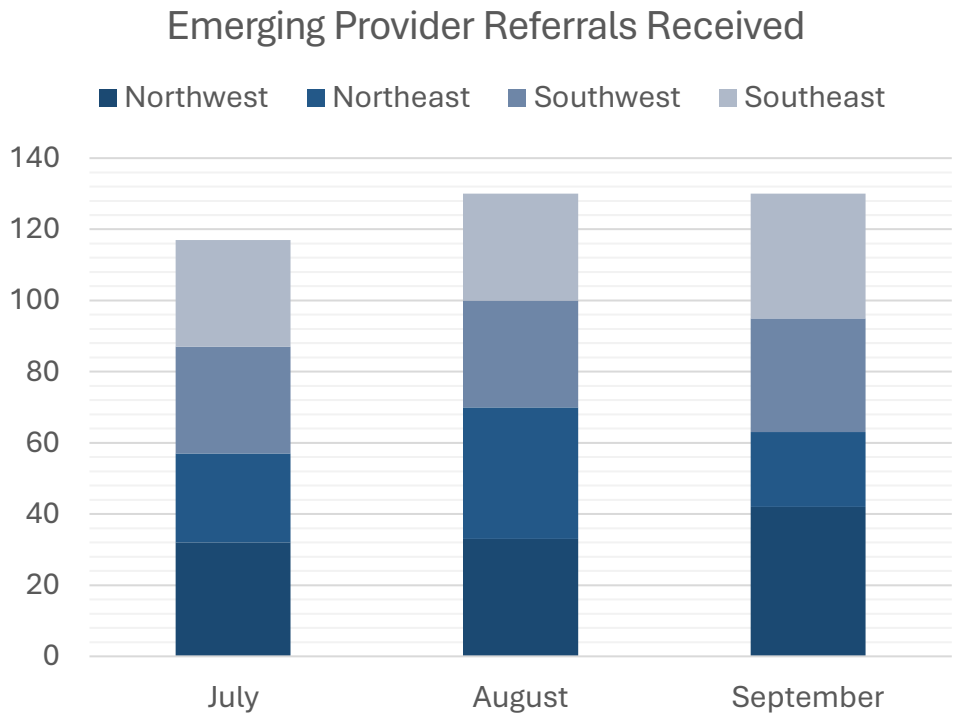
Count of regulated child care by quality level – Sept. 2026

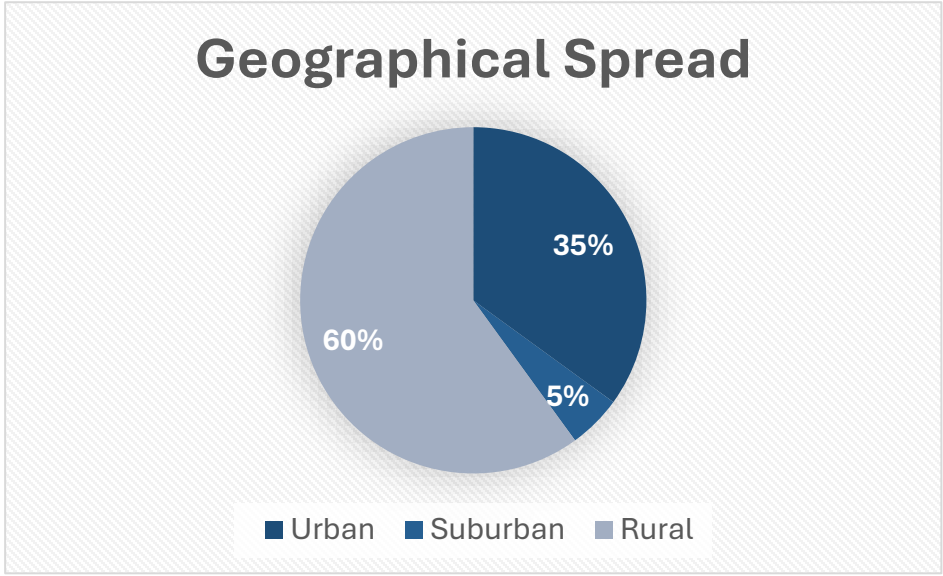
PTQ Level	Centers	Homes	Ministries	Regulated Childcare Totals
0	95	464	454	**1,013**
1	66	600	31	**697**
2	12	44	12	**68**
3	332	556	175	**1,063**
4	269	125	52	**446**
Grand Totals	**774**	**1,789**	**724**	**3,287**

Count of regulated child care by quality level – Sept. 2026



Emerging providers





Early childhood education supported:

- Master's degree
- Bachelor's degree
- Associate degree
- CDA

Educational support SFY 2026

Educational Support	Funding Allocated
TEACH	$4,523,174
Nonformal through Indiana AEYC	$102,378
CDA through DWD	$359,728

Degrees and credentials: Scholarship funding SFY 2026

Credential or Degree	Number completed
CDA Renewal	76
New CDA Credentials	409
Associate	28
Bachelor’s	21
Master’s	18

Data Source: Indiana Association for the Education of Young Children, Annual Report

Educational support SFY 2027

Educational Support	Funding Allocated
TEACH	$4,661,953
Nonformal through Indiana AEYC	$110,000
CDA through DWD	$550,000

Loss of potential funding summary through QRIS

Unclaimed Voucher Reimbursement Gap, By Age*

Infant	$2,505,776
Toddler	$7,904,416
3/4/5s	$9,596,964
School Age	$2,733,380
Total Voucher Reimbursements	**$22,740,536**

**Annualized Amount based on week of Oct. 7, 2026, for PTQ Level 4*

Unclaimed Reimbursement Opportunities

Voucher Reimbursements, Annualized	$22,740,536
Cash Incentives*	$5,327,700
Grand Total Unpaid	**$28,068,236**

**Gap of unpaid, one-time payments for all current providers for week of Oct. 7, 2026, based on PTQ Level 4*

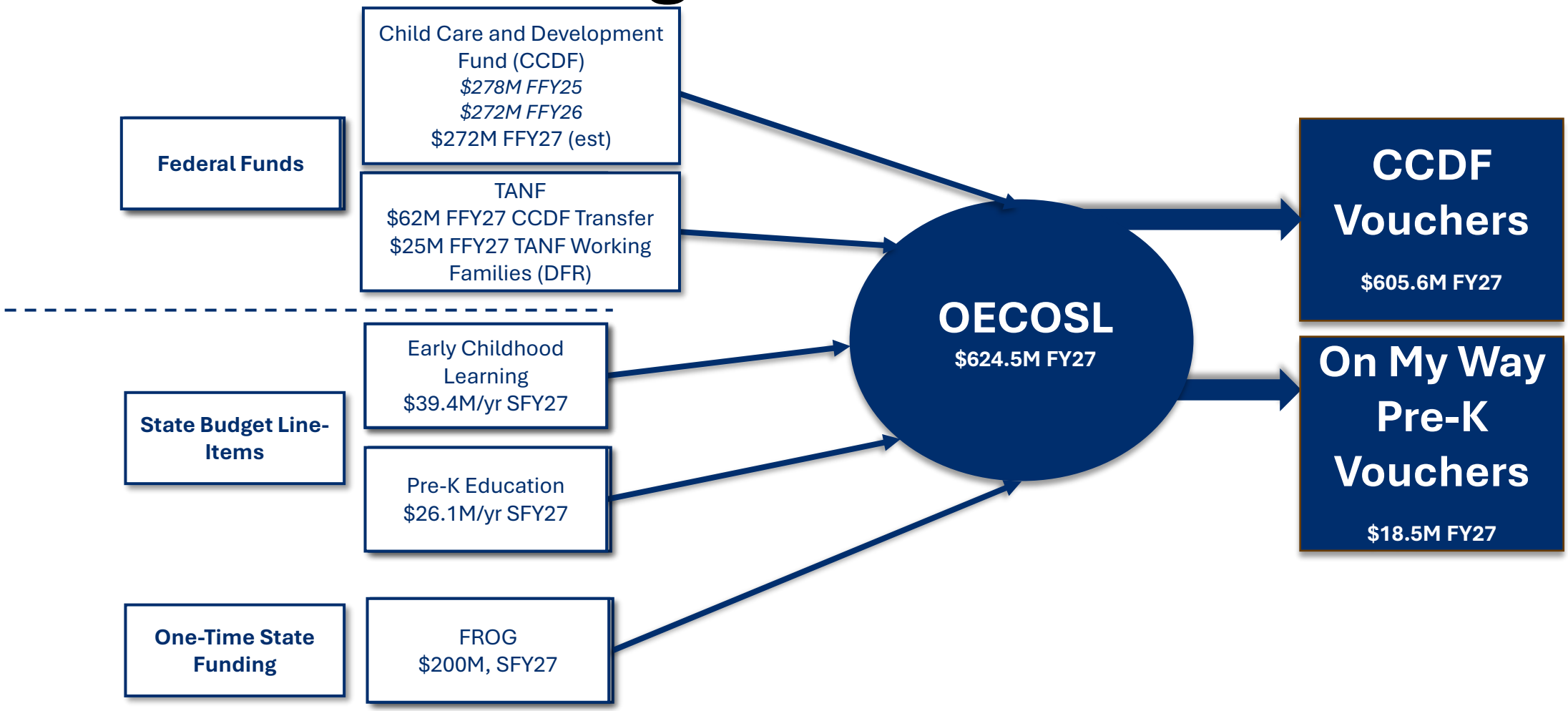
Contracts

Contractor	Contract Period	Total Contract Value	Annual Contact Amount	State Funding	Federal Funding	YTD Expenditures	Current Balance
Children's Bureau, Inc dba Firefly Children and Family /	10/01/2019 - 09/30/2027	$ 56,434,643	$ 19,947,792	$ 3,590,603	$ 16,357,189	$ 1,135,953	$ 18,811,839
Community Action of Northeast Indiana dba Brightpoint	10/01/2019 - 09/30/2027	14,834,459	5,460,004	982,801	4,477,203	389,944	5,070,060
Southlake Tricity Management Corp dba Geminus	10/01/2019 - 09/30/2027	17,187,359	3,677,292	661,913	3,015,379	349,811	3,327,481
River Valley Resources, Inc	10/01/2019 - 09/30/2027	5,792,448	1,734,049	312,129	1,421,920	60,381	1,673,669
Community Coordinated Child Care of Southern Indiana	10/01/2019 - 09/30/2027	9,561,519	1,306,585	235,185	1,071,400	104,188	1,202,397
Indiana Association for the Educaton of Young Children	10/01/2023 - 09/30/2027	28,437,044	5,850,090	2,340	5,847,750	1,341,324	4,508,766
The Consultant Consortioum, Inc	01/24/2024 - 12/31/2026	10,624,684	2,865,492	-	2,865,492	1,367,486	1,498,005
The Consultant Consortioum, Inc	01/01/2027 - 12/31/2030	16,806,032	2,115,679	-	2,115,679	-	2,115,679
Early Learning Indiana, Inc	10/01/2023 - 09/30/2027	12,855,877	2,502,878	-	2,502,878	568,222	1,934,656
Mental Health America of Indiana, Inc	07/01/2023 - 06/30/2027	2,059,138	579,231	-	579,231	78,121	501,109
Total		**$ 174,593,203**	**$ 46,039,091**	**$ 5,784,970**	**$ 40,254,121**	**$ 5,395,430**	**$ 40,643,661**

Staffing

	Jan-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26
State FTE	**86**	**92**	**92**	**92**	**96**	**97**	**104**	**104**	**104**	**104**	**104**	**104**	**104**	**104**
# Filled	82	81	81	82	86	86	85	85	89	93	95	95	94	95
# Open	4	11	11	10	10	11	19	19	15	11	9	9	10	9
Contractor FTE	**327**	**150**	**111**	**111**	**111**	**111**	**111**	**111**	**111**	**111**	**111**	**111**	**111**	**111**
Total FTE	**413**	**242**	**203**	**203**	**207**	**208**	**215**	**215**	**215**	**215**	**215**	**215**	**215**	**215**

OECOSL funding 2027



OECOSL financial summary

Expenditures	Current Month Expenditures September 2026	Year To Date Expenditures September 2026 Actual	Budget	Variance	SFY 2027 Total Expenditures Forecast	Budget	Variance
.1 Personnel Services	$ 668,817	$ 2,585,843	$ 3,284,425	$ 698,582	$ 11,646,826	$ 12,313,400	$ 666,574
.2 Utilities Expenses	330	493	446	(47)	1,974	1,786	(188)
.3 External Services Expense	3,451,323	8,912,779	22,810,262	13,897,483	63,468,306	56,788,124	(6,680,183)
.4 Supplies Materials Parts	3,393	13,564	9,493	(4,071)	52,906	36,004	(16,902)
.5 Capital	-	-	-	-	-	-	-
.7 Grant Expense	710,229	1,528,322	2,719,855	1,191,533	7,550,354	7,582,503	32,148
.8 Social Service Payments	19,910,179	66,692,230	88,268,142	21,575,911	469,327,462	506,062,534	36,735,072
.9 Administrative Expense	27,183	74,515	113,744	39,229	360,653	445,230	84,577
ID Bills	266,196	415,983	675,951	259,968	1,879,480	1,902,682	23,202
Total Expenditures	**$ 25,037,649**	**$ 80,223,729**	**$ 117,882,318**	**$ 37,658,589**	**$ 554,287,961**	**$ 585,132,262**	**$ 30,844,301**

OECOSL financial summary

Program	Current Month Expenditures September 2026	Year To Date Expenditures September 2026 Actual	Budget	Variance	SFY 2027 Total Expenditures Forecast	Budget	Variance
Child Care and Development Fund	$ 22,962,959	$ 76,020,959	$ 105,287,713	$ 29,266,755	$ 522,851,085	$ 547,288,129	$ 24,437,045
On My Way PreK	927,201	1,100,934	5,059,833	3,958,899	15,161,284	21,538,331	6,377,047
Preschool Development Grant	1,050,459	2,806,277	7,015,443	4,209,166	14,910,126	14,910,126	-
School Age Child Care	43,538	186,997	342,903	155,906	921,747	921,747	-
Head Start Collaboration	21,172	61,193	90,937	29,743	210,480	240,690	30,210
Social Services Block Grant	31,288	44,264	76,739	32,475	198,239	198,239	-
Child Care Licensing	1,031	3,105	8,750	5,645	35,000	35,000	-
Total Expenditures	**$ 25,037,649**	**$ 80,223,729**	**$ 117,882,318**	**$ 37,658,589**	**$ 554,287,961**	**$ 585,132,262**	**$ 30,844,301**

Sources of Funding	Current Month Funding September 2026	Year to Date Funding September 2026 Actual	Budget	Variance	SFY2027 Total Funding Forecast	Budget	Variance
State Funds	$ 11,060,643	$ 16,355,506	$ 38,970,274	$ 22,614,768	$ 266,821,545	$ 273,205,343	$ 6,383,798
Federal Funds	13,975,975	63,865,118	78,903,295	15,038,177	287,431,417	311,891,920	24,460,503
Dedicated Funds	1,031	3,105	8,750	5,645	35,000	35,000	-
Total Funding	**$ 25,037,649**	**$ 80,223,729**	**$ 117,882,318**	**$ 37,658,589**	**$ 554,287,961**	**$ 585,132,262**	**$ 30,844,301**

Child Care Development Fund (CCDF)

Expenditures

	Current Month Expenditures September 2026	Year To Date Expenditures September 2026 Actual	Budget	Variance	SFY 2027 Total Expenditures Forecast	Budget	Variance
.1 Personnel Services	$ 649,619	$ 2,497,123	$ 3,195,041	$ 697,918	$ 11,396,525	$ 12,062,518	665,993
.2 Utilities Expenses	330	493	446	(47)	1,974	1,786	(188)
.3 External Services Expense	2,309,865	6,009,685	15,143,901	9,134,216	47,742,379	38,405,033	(9,337,346)
.4 Supplies Materials Parts	3,363	12,951	8,580	(4,371)	51,805	34,322	(17,483)
.5 Capital	-	-	-	-	-	-	-
.7 Grant Expense	633,815	1,287,973	2,222,698	934,724	6,234,008	6,234,008	-
.8 Social Service Payments	19,080,237	65,733,110	84,345,065	18,611,955	456,041,777	489,062,534	33,020,758
.9 Administrative Expense	25,434	70,983	99,445	28,462	312,932	397,780	84,847
ID Bills	260,297	408,641	272,537	(136,103)	1,069,685	1,090,148	20,463
Total Expenditures	**$ 22,962,959**	**$ 76,020,959**	**$ 105,287,714**	**$ 29,266,755**	**$ 522,851,085**	**$ 547,288,129**	**$ 24,437,045**

Funding

	Current Month Funding September 2026	Year To Date Funding September 2026 Actual	Budget	Variance	SFY 2027 Total Funding Forecast	Budget	Variance
State Funds	$ 9,843,932	$ 14,408,357	$ 31,930,187	$ 17,521,830	$ 247,256,509	$ 247,256,509	$ -
Federal Funds	13,119,027	61,612,602	73,357,527	11,744,925	275,594,576	300,031,621	24,423,555
Dedicated Funds	-	-	-	-	-	-	-
Total Funding	**$ 22,962,959**	**$ 76,020,959**	**$ 105,287,714**	**$ 29,266,755**	**$ 522,851,085**	**$ 547,288,129**	**$ 24,437,045**

On My Way Pre-K (OMW) fund

Expenditures

	Current Month Expenditures September 2026	Year To Date Expenditures September 2026 Actual	Budget	Variance	SFY 2027 Total Expenditures Forecast	Budget	Variance
.1 Personnel Services	$ 7,528	$ 29,396	$ 29,407	$ 11	$ 108,924	$ 108,935	$ 11
.2 Utilities Expenses	-	-	-	-	-	-	-
.3 External Services Expense	89,478	111,487	1,088,678	977,191	1,697,548	4,354,712	2,657,163
.4 Supplies Materials Parts	-	-	-	-	-	-	-
.5 Capital	-	-	-	-	-	-	-
.7 Grant Expense	-	-	16,352	16,352	65,407	65,407	-
.8 Social Service Payments	829,942	959,121	3,923,077	2,963,956	13,285,685	17,000,000	3,714,315
.9 Administrative Expense	-	55	176	121	221	705	484
ID Bills	253	875	2,143	1,268	3,498	8,572	5,074
Total Expenditures	**$ 927,201**	**$ 1,100,934**	**$ 5,059,833**	**$ 3,958,899**	**$ 15,161,284**	**$ 21,538,331**	**$ 6,377,047**

Funding

	Current Month Funding September 2026	Year To Date Funding September 2026 Actual	Budget	Variance	SFY 2027 Total Funding Forecast	Budget	Variance
State Funds	$ 927,201	$ 1,100,934	$ 5,059,833	$ 3,958,899	$ 15,161,284	$ 21,538,331	$ 6,377,047
Federal Funds	-	-	-	-	-	-	-
Dedicated Funds	-	-	-	-	-	-	-
Total Funding	**$ 927,201**	**$ 1,100,934**	**$ 5,059,833**	**$ 3,958,899**	**$ 15,161,284**	**$ 21,538,331**	**$ 6,377,047**

Appendix:
Non-Subsidy Funds

School Aged Child Care (SACC) fund

Expenditures

	Current Month Expenditures September 2026	Year To Date Expenditures September 2026 Actual	Budget	Variance	SFY 2027 Total Expenditures Forecast	Budget	Variance
.1 Personnel Services	$ -	$ -	$ -	$ -	$ -	$ -	$ -
.2 Utilities Expenses	-	-	-	-	-	-	-
.3 External Services Expense	-	-	-	-	-	-	-
.4 Supplies Materials Parts	-	-	-	-	-	-	-
.5 Capital	-	-	-	-	-	-	-
.7 Grant Expense	43,538	186,997	342,903	155,906	921,747	921,747	-
.8 Social Service Payments	-	-	-	-	-	-	-
.9 Administrative Expense	-	-	-	-	-	-	-
ID Bills	-	-	-	-	-	-	-
Total Expenditures	**$ 43,538**	**$ 186,997**	**$ 342,903**	**$ 155,906**	**$ 921,747**	**$ 921,747**	**$ -**

Funding

	Current Month Funding September 2026	Year To Date Funding September 2026 Actual	Budget	Variance	SFY 2027 Total Funding Forecast	Budget	Variance
State Funds	$ 43,538	$ 186,997	$ 342,903	$ 155,906	$ 921,747	$ 921,747	$ -
Federal Funds	-	-	-	-	-	-	-
Dedicated Funds	-	-	-	-	-	-	-
Total Funding	**$ 43,538**	**$ 186,997**	**$ 342,903**	**$ 155,906**	**$ 921,747**	**$ 921,747**	**$ -**

Pre-School Development Grant (PDG) fund

Expenditures

	Current Month Expenditures September 2026	Year To Date Expenditures September 2026 Actual	Budget	Variance	SFY 2027 Total Expenditures Forecast	Budget	Variance
.1 Personnel Services	$ 4,707	$ 35,996	$ 33,617	$ (2,379)	$ 73,461	$ 73,461	$ -
.2 Utilities Expenses	-	-	-	-	-	-	-
.3 External Services Expense	1,043,860	2,768,388	6,577,682	3,809,294	14,028,379	14,028,379	-
.4 Supplies Materials Parts	-	-	-	-	-	-	-
.5 Capital	-	-	-	-	-	-	-
.7 Grant Expense	-	-	-	-	-	-	-
.8 Social Service Payments	-	-	-	-	-	-	-
.9 Administrative Expense	84	84	5,000	4,916	10,000	10,000	-
ID Bills	1,808	1,808	399,143	397,336	798,286	798,286	-
Total Expenditures	**$ 1,050,459**	**$ 2,806,277**	**$ 7,015,443**	**$ 4,209,166**	**$ 14,910,126**	**$ 14,910,126**	**$ -**

Funding

	Current Month Funding September 2026	Year To Date Funding September 2026 Actual	Budget	Variance	SFY 2027 Total Funding Forecast	Budget	Variance
State Funds	$ 242,446	$ 647,689	$ 1,619,164	$ 971,476	$ 3,440,618	$ 3,440,618	$ -
Federal Funds	808,013	2,158,588	5,396,279	3,237,691	11,469,508	11,469,508	-
Dedicated Funds	-	-	-	-	-	-	-
Total Funding	**$ 1,050,459**	**$ 2,806,277**	**$ 7,015,443**	**$ 4,209,166**	**$ 14,910,126**	**$ 14,910,126**	**$ -**

Head Start Fund

Expenditures

	Current Month Expenditures September 2026	Year To Date Expenditures September 2026 Actual	Budget	Variance	SFY 2027 Total Expenditures Forecast	Budget	Variance
.1 Personnel Services	$ 6,962	$ 23,328	$ 26,360	$ 3,033	$ 67,916	$ 68,486	$ 570
.2 Utilities Expenses	-	-	-	-	-	-	-
.3 External Services Expense	8,120	23,218	-	(23,218)	-	-	-
.4 Supplies Materials Parts	30	163	462	299	651	1,233	582
.5 Capital	-	-	-	-	-	-	-
.7 Grant Expense	1,587	9,087	61,163	52,076	130,953	163,102	32,148
.8 Social Service Payments	-	-	-	-	-	-	-
.9 Administrative Expense	634	737	823	86	2,949	2,195	(755)
ID Bills	3,839	4,660	2,128	(2,532)	8,010	5,675	(2,335)
Total Expenditures	**$ 21,172**	**$ 61,193**	**$ 90,937**	**$ 29,743**	**$ 210,480**	**$ 240,690**	**$ 30,210**

Funding

	Current Month Funding September 2026	Year To Date Funding September 2026 Actual	Budget	Variance	SFY 2027 Total Funding Forecast	Budget	Variance
State Funds	$ 3,526	$ 11,530	$ 18,187	$ 6,657	$ 41,387	$ 48,138	$ 6,751
Federal Funds	17,646	49,663	72,749	23,086	169,093	192,552	23,459
Dedicated Funds	-	-	-	-	-	-	-
Total Funding	**$ 21,172**	**$ 61,193**	**$ 90,937**	**$ 29,743**	**$ 210,480**	**$ 240,690**	**$ 30,210**

Social Services Block Grant fund

Expenditures

	Current Month Expenditures September 2026	Year To Date Expenditures September 2026 Actual	Budget	Variance	SFY 2027 Total Expenditures Forecast	Budget	Variance
.1 Personnel Services	$ -	$ -	$ -	$ -	$ -	$ -	$ -
.2 Utilities Expenses	-	-	-	-	-	-	-
.3 External Services Expense	-	-	-	-	-	-	-
.4 Supplies Materials Parts	-	-	-	-	-	-	-
.5 Capital	-	-	-	-	-	-	-
.7 Grant Expense	31,288	44,264	76,739	32,475	198,239	198,239	-
.8 Social Service Payments	-	-	-	-	-	-	-
.9 Administrative Expense	-	-	-	-	-	-	-
ID Bills	-	-	-	-	-	-	-
Total Expenditures	**$ 31,288**	**$ 44,264**	**$ 76,739**	**$ 32,475**	**$ 198,239**	**$ 198,239**	**$ -**

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Funding

	Current Month Funding September 2026	Year To Date Funding September 2026 Actual	Budget	Variance	SFY 2027 Total Funding Forecast	Budget	Variance
State Funds	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Federal Funds	31,288	44,264	76,739	32,475	198,239	198,239	-
Dedicated Funds	-	-	-	-	-	-	-
Total Funding	**$ 31,288**	**$ 44,264**	**$ 76,739**	**$ 32,475**	**$ 198,239**	**$ 198,239**	**$ -**

Child Care Licensing fund

Expenditures

	Current Month Expenditures September 2026	Year To Date Expenditures September 2026 Actual	Budget	Variance	SFY 2027 Total Expenditures Forecast	Budget	Variance
.1 Personnel Services	$ -	$ -	$ -	$ -	$ -	$ -	$ -
.2 Utilities Expenses	-	-	-	-	-	-	-
.3 External Services Expense	-	-	-	-	-	-	-
.4 Supplies Materials Parts	-	450	450	-	450	450	-
.5 Capital	-	-	-	-	-	-	-
.7 Grant Expense	-	-	-	-	-	-	-
.8 Social Service Payments	-	-	-	-	-	-	-
.9 Administrative Expense	1,031	2,655	8,300	5,645	34,550	34,550	-
ID Bills	-	-	-	-	-	-	-
Total Expenditures	**$ 1,031**	**$ 3,105**	**$ 8,750**	**$ 5,645**	**$ 35,000**	**$ 35,000**	**$ -**

Funding

	Current Month Funding September 2026	Year To Date Funding September 2026 Actual	Budget	Variance	SFY 2027 Total Funding Forecast	Budget	Variance
State Funds	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Federal Funds	-	-	-	-	-	-	-
Dedicated Funds	1,031	3,105	8,750	5,645	35,000	35,000	-
Total Funding	**$ 1,031**	**$ 3,105**	**$ 8,750**	**$ 5,645**	**$ 35,000**	**$ 35,000**	**$ -**

The FSSA Quarterly Financial Review will resume after a brief break.

Email questions to askthesecretary@fssa.in.gov

Schedule:

www.in.gov/fssa/Quarterly-Financial-Reporting

Medicaid Advisory Committee

Presented Oct. 27, 2026



Schedule

8:30-9:00 — Office of Early Childhood and Out-of-School Learning

9:00-9:15 — BREAK

9:15-9:30 — Medicaid Advisory Council Procedural Items

9:30-10:00 — Healthy Indiana Plan Annual Report Presentation and Public Comment

10:00-11:00 — Division of Family Resources

11:00-12:15 — Office of Medicaid Policy and Planning

12:15-12:45 — BREAK/LUNCH

12:45-2:00 — Division of Mental Health and Addiction

2:00-2:15 — BREAK

2:15-4:15 — Division of Disability, Aging and Rehabilitative Services

4:15- 4:30 — BREAK

4:30 — Closing/Secretary Roob

The FSSA Quarterly Financial Review will resume after a brief break.

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Schedule:

www.in.gov/fssa/Quarterly-Financial-Reporting

1115 Annual Report

Healthy Indiana Plan (HIP)

Substance Use Disorder (SUD) - Seriously Mentally Ill (SMI)

Holly Cunningham Piggott,
Director of Care Programs, OMPP

CMS 1115 Demonstration Waiver

- Allows states to test new, innovative ideas in Medicaid programs.
  - Different ways to deliver care
  - Expand health coverage
  - Change service rules
- States can use federal Medicaid funds in ways that are not otherwise allowed.
- Per CFR 42 CFR 431.420(c): Once implemented, the state is required to report on the progress of the demonstration waiver.

Agenda

- HIP Demonstration Update
  - Eligibility Overview
  - Enrollment
  - Utilization
- SUD and SMI Demonstration Update
  - Overview
  - Facilities Update
  - Utilization

HIP Demonstration update

HIP overview

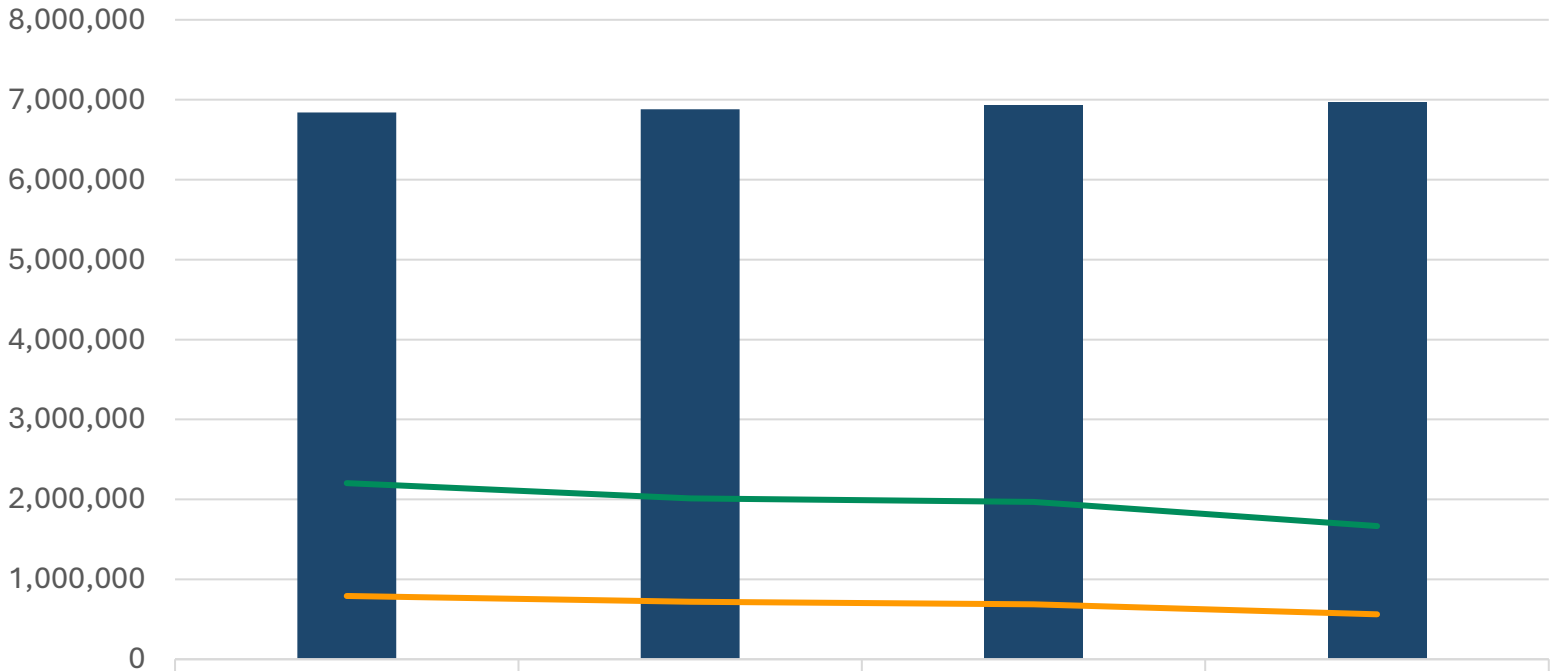
Who is eligible?

- Indiana residents
- Ages 19-64
- Income under 138% of the federal poverty level (FPL)
- Not eligible for Medicare or any other Medicaid category
- Includes adult expansion population, low-income caretakers, maternity, and medically frail

Program Goals

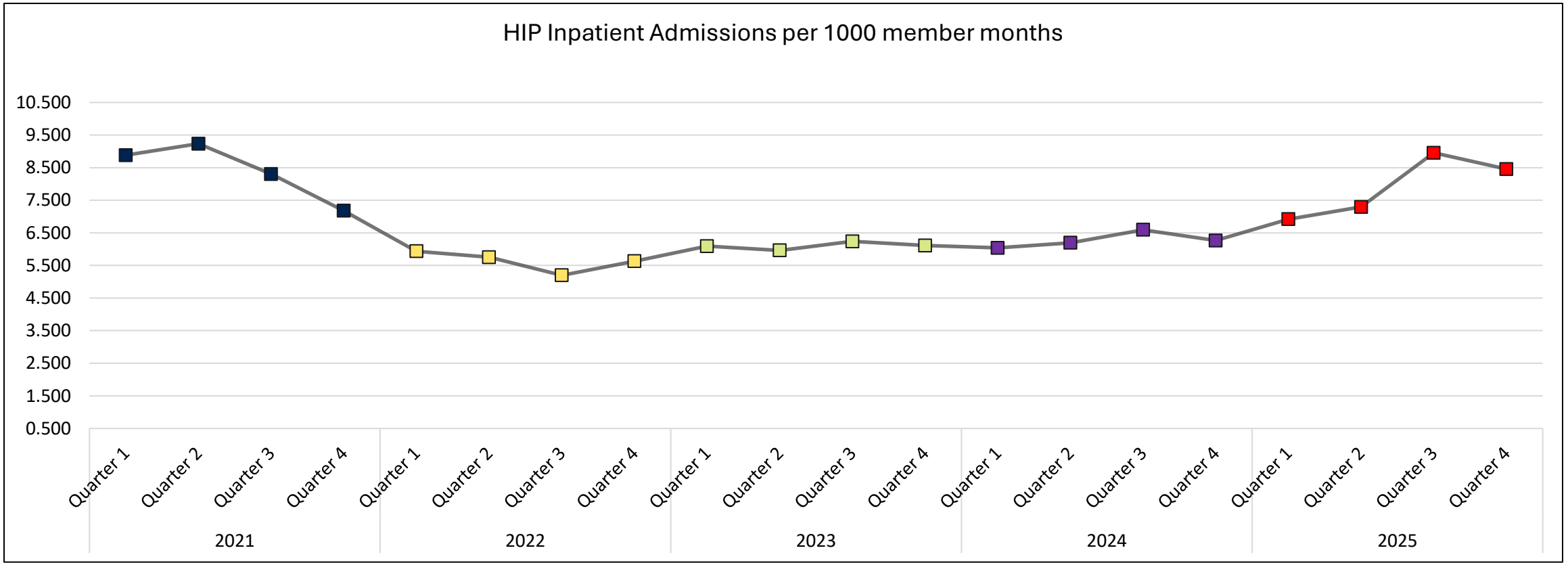
- Expand coverage to reduce the number of uninsured
- Improve access so low-income residents can receive medical services
- Promote prevention and encourage healthy behaviors and early intervention

HIP Enrollment Compared to Indiana Population per STATS Indiana and FSSA Enrollment Dashboard

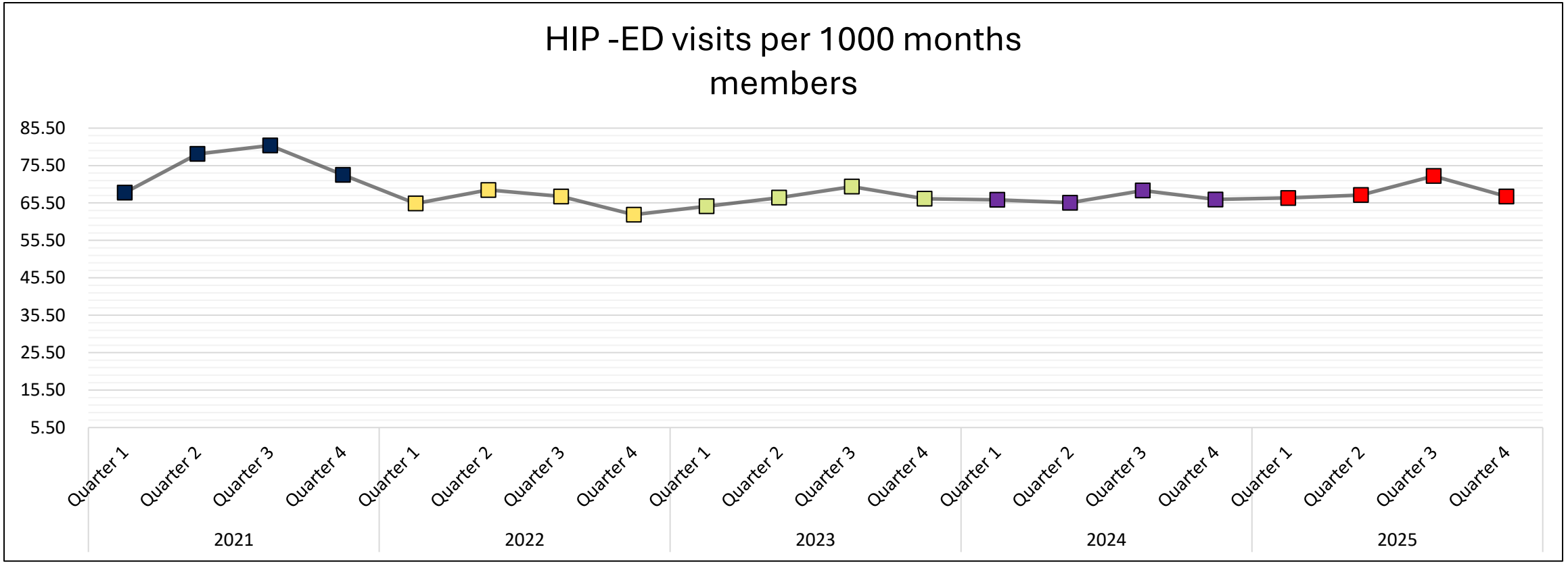


	2022	2023	2024	2025
Indiana Population	6,841,491	6,881,373	6,934,754	6,973,333
Total Indiana Medicaid Members	2,203,436	2,012,389	1,969,829	1,666,337
Total HIP Members	791,752	718,952	686,364	562,425

HIP inpatient admissions



HIP Emergency Department

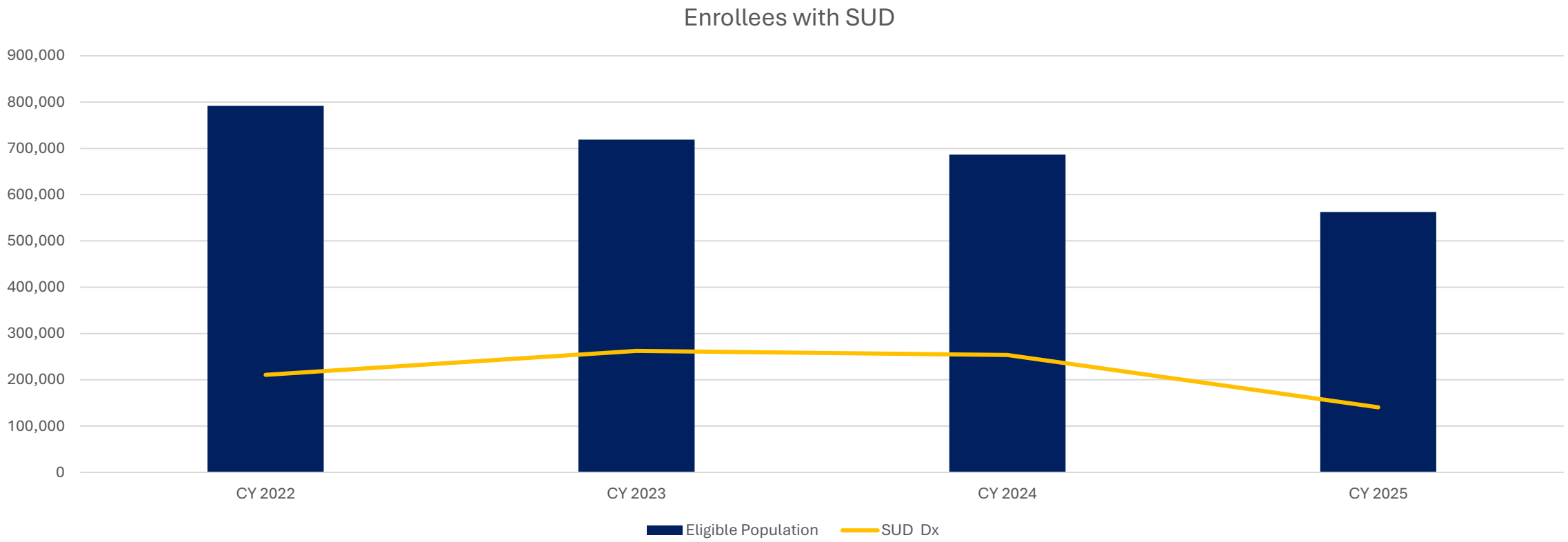


Substance Use Disorder (SUD) and Serious Mental Illness (SMI) Demonstration update

SUD and SMI Waiver overview

- 1115 SUD Waiver
  - Short-term inpatient and residential stays for individuals aged 21-64 with substance use disorder
  - Indiana commits to continued progress towards waiver goals and milestones
    - Increase adherence to and retention in treatment
    - Reduce utilization of emergency department and inpatient settings
    - Reduce preventable readmissions
- 1115 SMI Waiver
  - Short-term inpatient stays for individuals aged 21-64 with a serious mental illness
  - Indiana commits to continued progress towards waiver goals and milestones
    - Reduce utilization and length of stay in emergency departments
    - Reduce preventable readmissions
    - Improve care coordination and continuity of care in the community
- Waiver approved through Dec. 31, 2026

SUD-related treatment



SUD residential growth
ASAM 3.1 and 3.5 facilities/beds

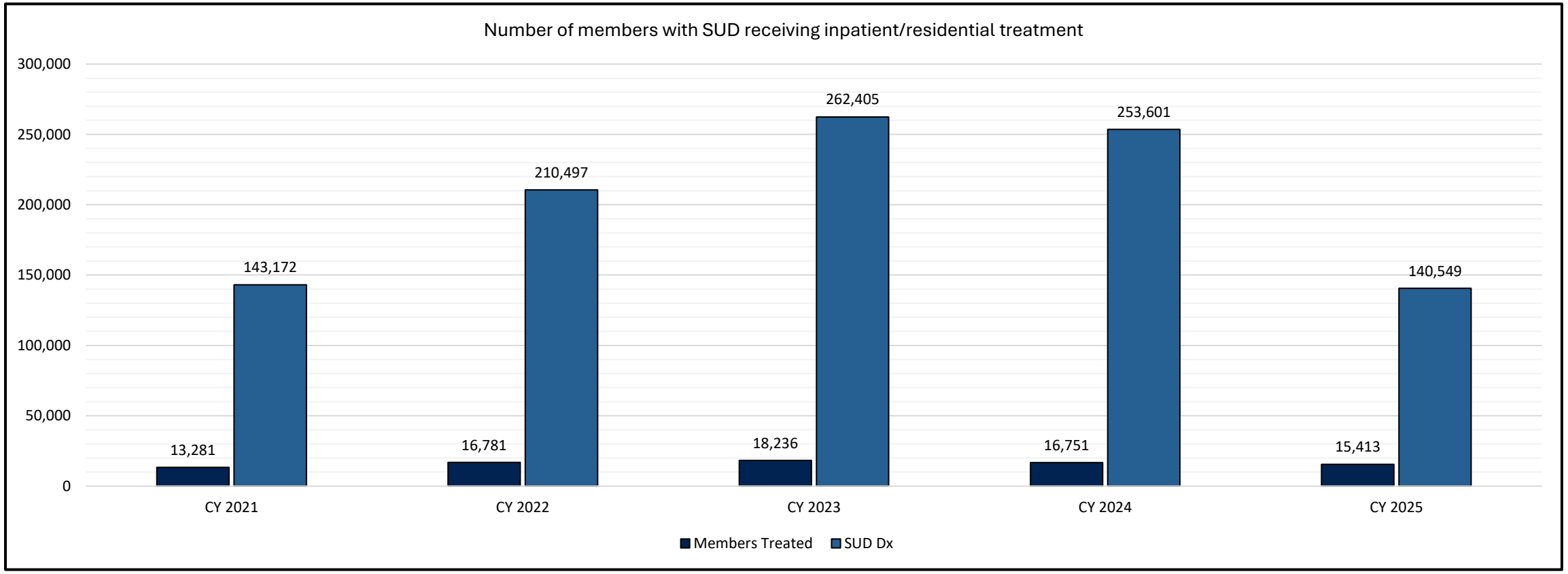
ASAM Level	Facilities	Beds
Low-Intensity Residential Services (ASAM 3.1)	7	178
High-Intensity Residential Services (ASAM 3.5)	60	2921
Low and High -Intensity Residential Services (ASAM 3.1 and 3.5)	15	740

Year	Total Facilities	Total Beds
2022 (June)	68	2509
2023 (December)	79	2997
2024 (August)	87	3474
2026 (July)	82	3839

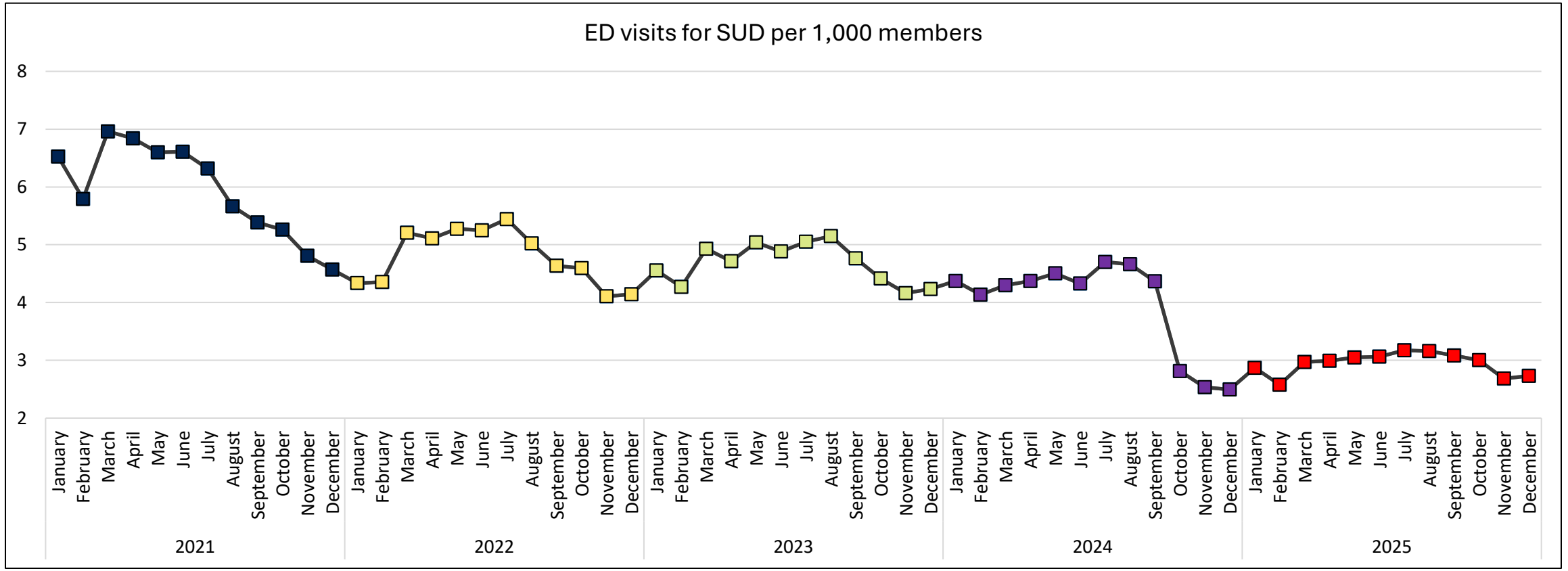
Note:

- ASAM (American Society of Addiction Medicine) established treatment criteria for addictive, substance-related and co-occurring conditions.
- Within this criteria, individuals are assessed for their level of care at their initial intake.

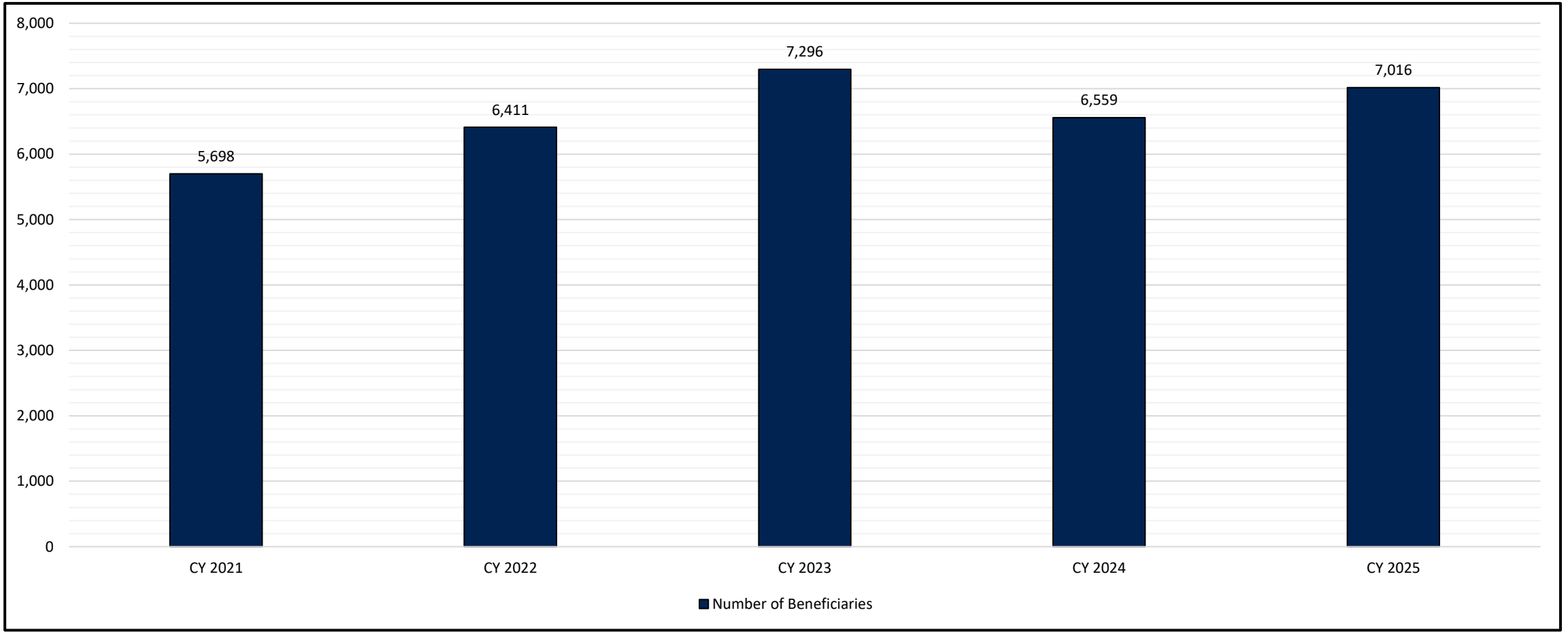
SUD treatment in inpatient and residential settings



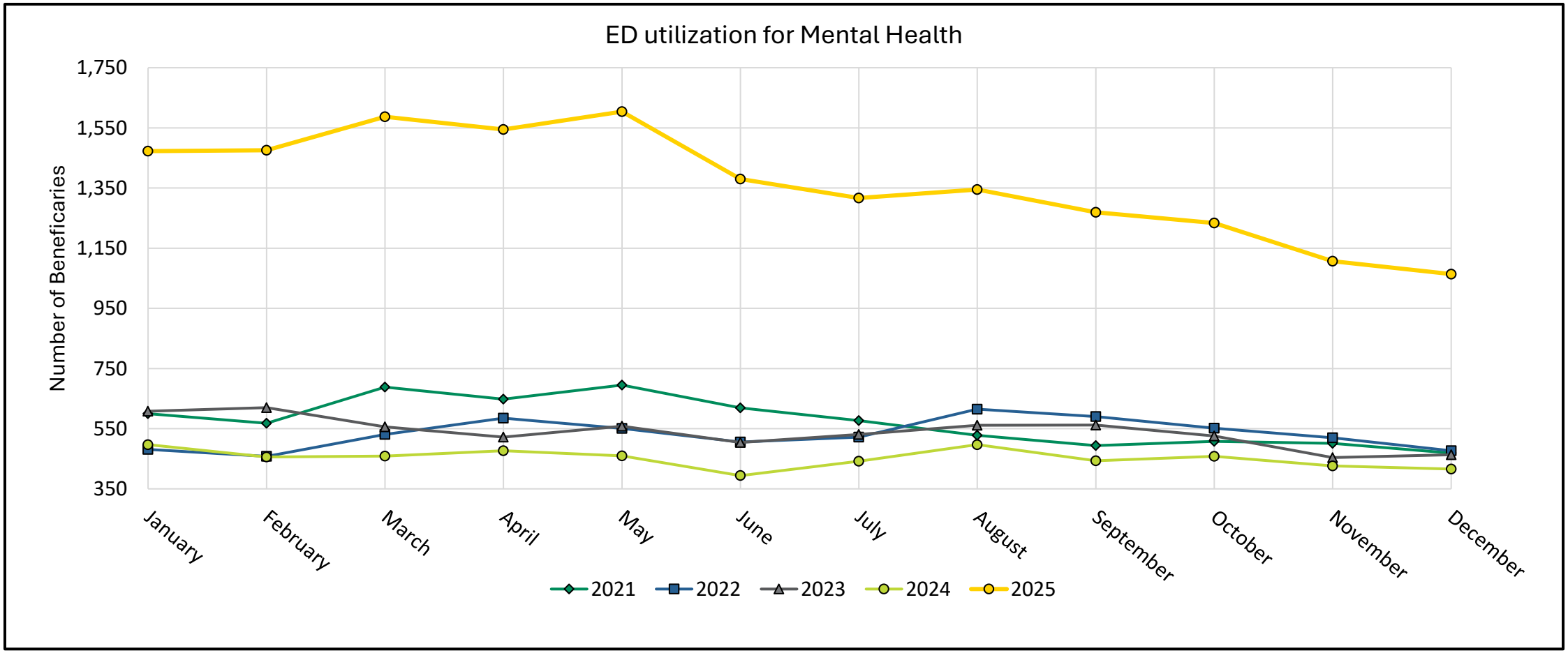
Number of Emergency Department visits for SUD



SMI members treated in inpatient



SMI ED utilization



Public comment – HIP Annual Update

- In-Person: Duration of comments will be limited to 3 minutes per individual.
- Via email:
- Spacomment@fssa.IN.gov
- Please include “COMMENTS FOR HIP ANNUAL UPDATE” in the subject line.
- Via post:
    - Office of Medicaid Policy and Planning, FSSA
    - 402 W. Washington St., Room W374, MS07
    - Indianapolis, IN 46204

The FSSA Quarterly Financial Review will resume after a brief break.

Email questions to askthesecretary@fssa.in.gov

Schedule:

www.in.gov/fssa/Quarterly-Financial-Reporting

SFY27 Q1
Quarterly Financial Review

Division of Family Resources

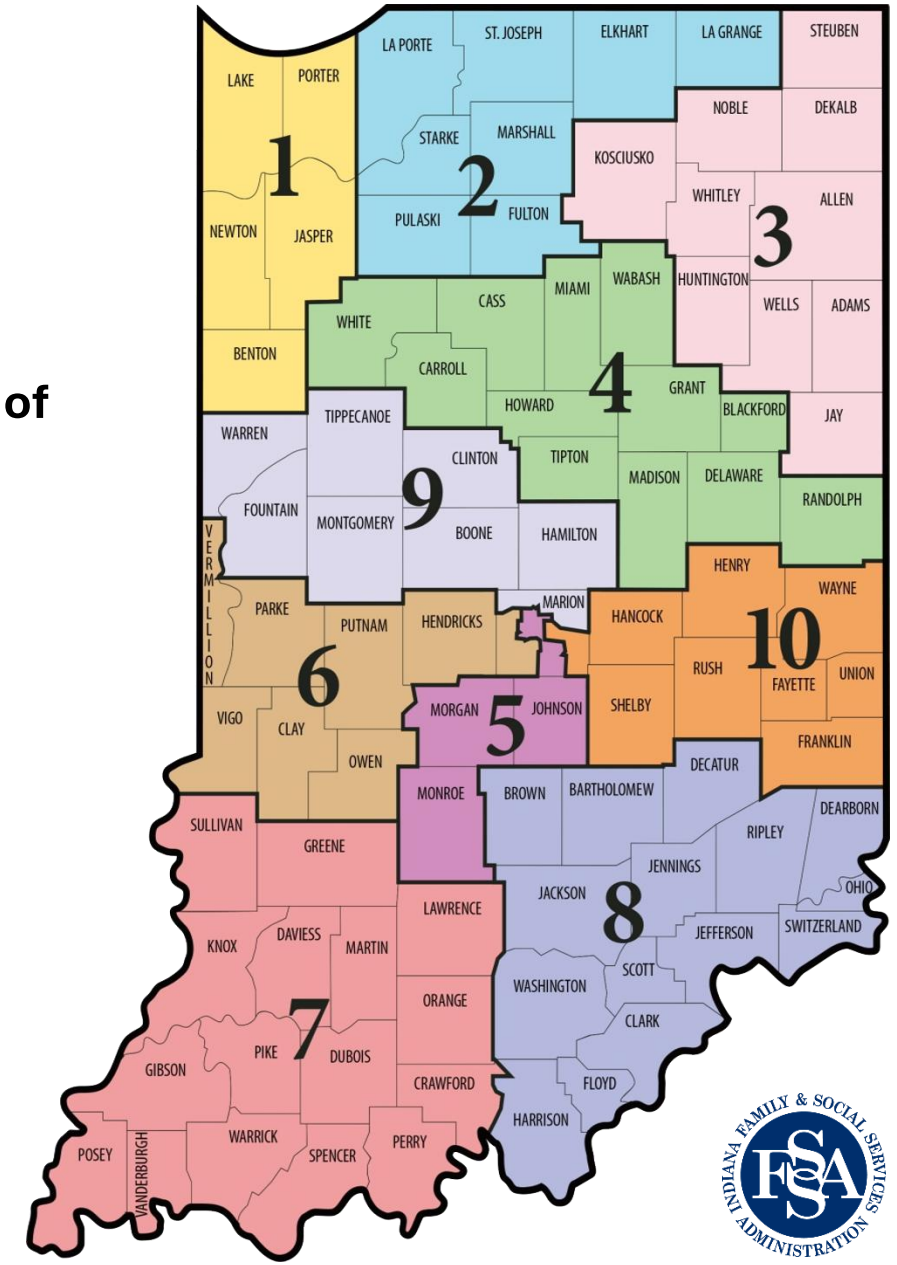
Presented Oct. 27, 2026

What is the Division of Family Resources?

- The Division of Family Resources (DFR) is the public assistance and eligibility division of the Indiana Family and Social Services Administration (FSSA).
- Primary responsibility: determining financial eligibility for three of Indiana's largest safety-net programs; Medicaid, SNAP and TANF.

DFR has 102 local offices and 10 Regional Change Centers across the 10 DFR Regions. DFR leases ~846,000 square feet of office space across the State.

Region 1: Lake
Region 2: St. Joseph
Region 3: Allen
Region 4: Grant
Region 5: Marion
Region 6: Vigo
Region 7: Vanderburgh
Region 8: Clark
Region 9: Tippecanoe
Region 10: Wayne



DFR staffing

Staffing Count

April 2026	May 2026	June 2026	July 2026	Aug 2026	Sept 2026
1,325	1,462	1,556	1,562	1,625	1621

Vacancy Count

April 2026	May 2026	June 2026	July 2026	Aug 2026	Sept 2026
480	330	239	229	166	170



DFR programs

- **Medicaid**, which provides health coverage for eligible children, families, older adults and individuals with disabilities.
- **Supplemental Nutrition Assistance Program (SNAP)**, which helps low-income individuals and families purchase food.
- **Temporary Assistance for Needy Families (TANF)**, which provides cash assistance and employment-related supports for eligible families with children and pregnant women.

Other DFR programs

- **IMPACT**: Indiana Manpower Placement and Comprehensive Training
  - IMPACT provides employment resources and support to Hoosiers receiving SNAP or TANF. Support provided includes job skills trainings, referrals to adult education classes and certified training programs.
- **Burial Assistance**
  - DFR provides financial payments to funeral homes and cemeteries to help with burial costs for those who are on specific Medicaid categories when they pass away.

Other DFR programs

- **Refugee Assistance**
  - Indiana Refugee Services ensures that Refugees are provided assistance and services that enable them to become employed and economically self-sufficient as soon as possible after their arrival in the United States. Refugee Services works closely with the Resettlement Agencies to ensure compliance with federal and state regulations governing the delivery of refugee services.
- **Repatriation Services**
  - Repatriation services are a little-known but important public assistance function that helps U.S. citizens and their dependents who are returning to the United States from a foreign country because of a crisis and lack the resources to meet their immediate needs.

DFR operational metrics
Quarter 1 SFY 2027

Totals across Medicaid, SNAP and TANF

	Applications Received	Renewals/ Redeterminations Processed	Appeals Requested	Walk-ins	Calls
September 2025	111,173	131,616	1,938	107,465	270,461
July 2026	108,499	120,010	2,140	113,734	288,564
August 2026	102,152	117,117	2,481	113,562	293,259
September 2026	99,745	97,185	2,367	112,569	312,886

Medicaid enrollment

Period	HHW	HCC	HIP	Pathways	FFS	Total
September 2019	599,063	90,348	418,477		321,738	1,429,626
September 2025	677,782	79,692	643,423	116,501	233,616	1,751,014
July 2026	579,368	80,149	499,185	115,447	211,092	1,485,241
August 2026	569,581	80,153	487,900	115,131	212,537	1,465,302
September 2026	561,658	80,278	474,521	114,938	208,866	1,440,261

Medicaid enrollment decline

- Medicaid enrollment has declined by approximately **18%** from September 2025 to September 2026.
- Peak Medicaid enrollment was in **May 2023:** enrollment was at **2,219,518** due to the CMS mandated continuous enrollment due to the public health emergency.
- Since peak enrollment, the Medicaid population in Indiana has declined by more than 779,000 members, a 35% reduction.

Why is Indiana's Medicaid enrollment declining?

- Members exceeding income and asset limits making them no longer eligible
- Members not completing renewal forms
- Members not turning in required verifications


HIP WORK REQUIREMENTS
HIP
HEALTHY INDIANA PLAN
INDIANA FAMILY & SOCIAL SERVICES ADMINISTRATION
FSSA
Indiana Family and Social Services Administration

What are HIP Work Requirements?

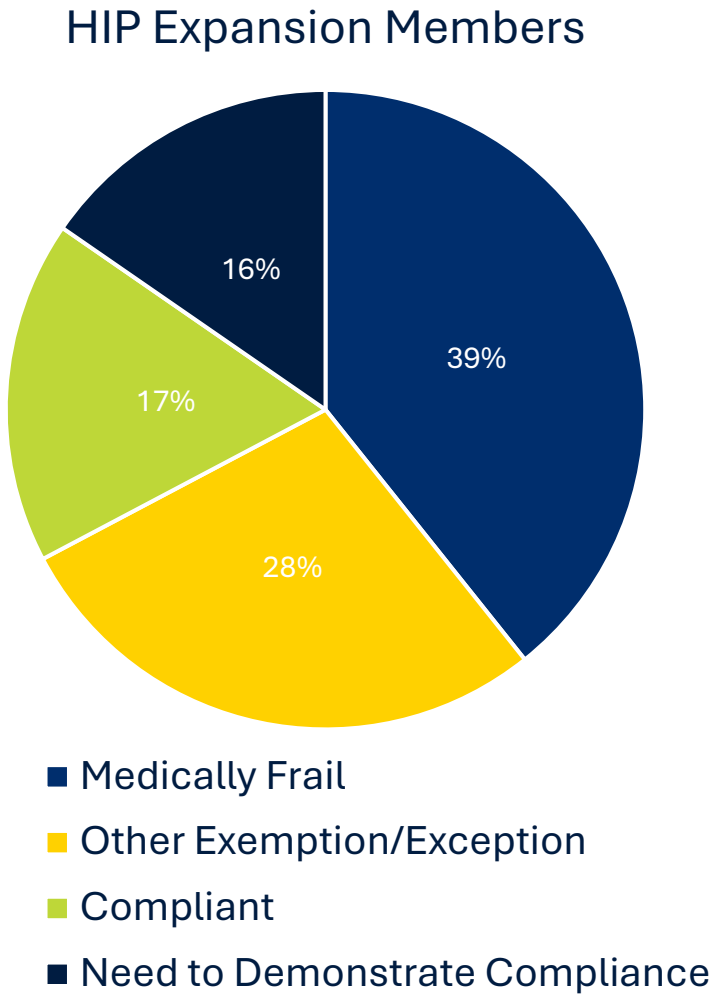
- The Healthy Indiana Plan (HIP) Work Requirements are eligibility requirements that apply to many adult HIP members. To maintain HIP health coverage, affected members must regularly participate in qualifying work-related activities.
- **Qualifying Activities: 80 hours a month**
  - Work
  - School, at least half-time
  - Job training programs
  - Volunteer work/community service
  - Activities can be combined to meet the 80-hour-a-month requirement
  - Have income of at least $580 a month

HIP member enrollment – Work Requirements

Total HIP members: 474,521

HIP Expansion members: 354,606

- Medically Frail: 139,301
- Other Exemption/Exception: 99,218
- Compliant with work requirements: 61,557
- Need to demonstrate compliance: 54,530



➢ Only expansion members are subject to work requirements

➢ Counts are of unique members, but members may meet more than one exemption/exception category

Data as of 9/30/26

Exemptions for HIP Work Requirements

- Care for a child under 13
- Care for a person with a disability
- Have a serious health condition
- Are incarcerated or recently released
- Are veterans with disabilities
- Participate in a substance abuse treatment program

HIP Work Requirement outreach

- Direct member communications started July 1, 2026
  - Initial notices were mailed to over 500,000 HIP members
  - Text messages were also sent out
- Digital and public awareness campaign
  - Benefits Portal awareness campaign launched in June
  - Multiple statewide email and listserv announcements were distributed
  - Public FAQs and short “explainer videos”
- Media and public information efforts
  - Press releases and media advisories were distributed statewide
  - FSSA leadership hosted a media availability session

HIP Work Requirement outreach

- Community and stakeholder engagement
  - Educational materials and the partner toolkit were shared with health care providers, community organizations and advocacy partners.
  - Partners included: Indiana Pharmacy Association, RecycleForce, the Indiana Department of Veteran's Affairs and Shepherd Community Center, Indiana Council of Community Mental Health Centers
- Legislative outreach
  - Presentations were provided to House and Senate Republican and Democratic caucuses in August.

HIP Work Requirement outreach

- Workforce outreach
  - FSSA presented to the Department of Workforce Development
  - FSSA presented at 2026 Indiana Workforce Summit
- Public Town Halls
  - 13 public town halls were held across the state, including events in Elkhart, Fort Wayne, Muncie, Terre Haute, Indianapolis, South Bend, Sellersburg, Valparaiso, Bloomington, Logansport, Richmond, Evansville and Kokomo

HIP Work Requirements Pre-Screening Tool

The HIP Work Requirements Pre-Screening Tool may be found at **myfssa.in.gov** and the **FSSA Benefits Portal**. It allows individuals to fill out a form to see if they might be subject to or exempt from HIP Work Requirements.



HIP Work Requirements Partner Tool Kit

The partner toolkit, at **myfssa.in.gov,** includes social and print materials, FAQs, informational videos and more. FSSA is asking that our partners please share these materials through their networks to help inform HIP members of these changes.



HIP redetermination dates

- Effective Jan. 1, 2027, some Medicaid members will be required to complete a redetermination every six months.
  - This applies to most HIP members.
  - Members whose redetermination date is changing will receive a notice and can also find the date of their redetermination in the FSSA Benefits Portal.

HIP redetermination dates

These redetermination dates are not changing!

	If your last eligibility period began…	…then your current redetermination date is…	…and your new redetermination due date will be…	Your first look-back period is now…
Redetermination date	January 2026	Dec. 31, 2026	Dec. 31, 2026	N/A
	February 2026	Jan. 31, 2027	Jan. 31, 2027	N/A
	March 2026	Feb. 28, 2027	Feb. 28, 2027	March 2026 to Feb. 2027
	April 2026	March 31, 2027	March 31, 2027	April 2026 to March 2027
	May 2026	April 30, 2027	April 30, 2027	May 2026 to April 2027
	June 2026	May 31, 2027	May 31, 2027	June 2026 to May 2027
	July 2026	June 30, 2027	June 30, 2027	July 2026 to June 2027
	August 2026	July 31, 2027	July 31, 2027	Aug. 2026 to July 2027
	September 2026	Aug. 31, 2027	Aug. 31, 2027	Sept. 2026 to Aug. 2027

HIP redetermination dates

These redetermination dates are changing!

	If your last eligibility period began…	…then your current redetermination date is…	…and your new redetermination due date will be…	Your first look-back period is now…
Redetermination date moved up 6 mos.	October 2026	Sept. 30, 2027	**March 31, 2027**	April 2026 to March 2027
	November 2026	Oct. 31, 2027	**April 30, 2027**	May 2026 to April 2027
	December 2026	Nov. 30, 2027	**May 31, 2027**	June 2026 to May 2027
	January 2027	Dec. 31, 2027	**June 30, 2027**	July 2026 to June 2027
	February 2027	Jan. 31, 2028	**July 31, 2027**	Aug. 2026 to July 2027
	March 2027	Feb. 29, 2028	**Aug. 31, 2027**	Sept. 2026 to Aug. 2027

Redeterminations and Work Requirements

HIP members whose redetermination is in March 2027 will need to show work requirement compliance for any three months since their last redetermination.

	If your last eligibility period began...	...then your current redetermination date is...	...and your new redetermination due date will be...	Your first look-back period is now...
Redetermination date	January 2026	Dec. 31, 2026	Dec. 31, 2026	N/A
	February 2026	Jan. 31, 2027	Jan. 31, 2027	N/A
	March 2026	Feb. 28, 2027	Feb. 28, 2027	March 2026 to Feb. 2027
	April 2026	**March 31, 2027**	**March 31, 2027**	**April 2026 to March 2027**
	May 2026	April 30, 2027	April 30, 2027	May 2026 to April 2027
	June 2026	May 31, 2027	May 31, 2027	June 2026 to May 2027
	July 2026	June 30, 2027	June 30, 2027	July 2026 to June 2027
	August 2026	July 31, 2027	July 31, 2027	Aug. 2026 to July 2027
	September 2026	Aug. 31, 2027	Aug. 31, 2027	Sept. 2026 to Aug. 2027

Redeterminations and Work Requirements

HIP members whose redetermination is in November 2026 will have their redetermination moved forward six months to **May 2027**. They will need to show work requirement compliance for any three months since their last redetermination.

	If your last eligibility period began...	...then your current redetermination date is...	...and your new redetermination due date will be...	Your first look-back period is now...
Redetermination date moved up 6 mos.	October 2026	Sept. 30, 2027	**March 31, 2027**	April 2026 to March 2027
	November 2026	Oct. 31, 2027	**April 30, 2027**	May 2026 to April 2027
	December 2026	**Nov. 30, 2027**	**May 31, 2027**	**June 2026 to May 2027**
	January 2027	Dec. 31, 2027	**June 30, 2027**	July 2026 to June 2027
	February 2027	Jan. 31, 2028	**July 31, 2027**	Aug. 2026 to July 2027
	March 2027	Feb. 29, 2028	**Aug. 31, 2027**	Sept. 2026 to Aug. 2027

SNAP

SNAP is the federal aid program that is overseen by the USDA Food and Nutrition Administration that provides food assistance to low-income families. DFR administers the SNAP program in Indiana.

Eligibility for SNAP is based on:

- Household size
- Household income (gross income below 130% FPL)
- Household assets ($3,000/$4,500)
- Expenses and deductions
- Citizenship and qualified immigration status

SNAP enrollment overview

	Households	Recipients	Applications	Redeterminations
SFY16 Monthly Avg.	328,662	741,661		
SFY21 Monthly Avg.	299,846	643,616	30,946	18,599
SFY25 Monthly Avg.	288,449	600,295	38,993	15,515
SFY26 Monthly Avg.	260,937	538,532	38,993	13,589
July 2026	232,594	472,846	35,018	14,976
August 2026	227,503	461,360	36,709	14,431
September 2026	225,885	457,134	39,486	12,465

SNAP benefit issuance overview

	Issuance	Avg Issuance Per Person	Avg Issuance Per Household
SFY16 Monthly Avg	$89,401,965	$120.54	$272.18
SFY21 Monthly Avg	$138,300,660	$214.93	$461.34
SFY25 Monthly Avg	$119,131,766	$198.46	$415.89
SFY26 Monthly Avg	$106,138,158	$197.09	$406.76
July 2026	$93,079,032	$196.85	$400.18
August 2026	$91,236,759	$197.76	$401.04
September 2026	$94,221,216	$206.11	$417.12

Key SNAP changes under HR 1/SEA 1

Policy Area	Before HR 1/SEA 1	After HR 1/SEA 1
ABAWD Age Range	Work requirement applied to able-bodied adults without dependents ages **18-54**.	Work requirement applies to able-bodied adults without dependents ages **18-64**.
Caregiver Exemption for ABAWD	Exempt if responsible for child under age 18.	Exempt if responsible for child age 13 or younger.
Veteran, Homeless, Former Foster Care Exemptions for ABAWD	ABAWD exemptions for these populations.	Exemptions removed
Asset Test	Indiana used Broad-Based Categorical Eligibility allowing a higher asset limit	Restored federal asset limits: **$3,000** for most households and **$4,500** for households with an elderly or disabled member.
Smart SNAP	No restrictions on purchasing candy and sugary drinks with SNAP benefits	Codified EO 25-55 restricting purchase of sugary drinks and candy with SNAP benefits

More key SNAP changes under HR 1/SEA 1

- **SNAP Administrative Cost Share**
  - **Beginning in 10/1/2026, that state share of SNAP Administration costs went from 50% to 75%. We anticipate this to increase our SNAP administration costs by ~$31m a year.**
- **State Liability for SNAP Error Rates**
  - **Beginning 10/1/2027, states will be required to pay a percentage of SNAP benefits if their SNAP Quality Control Payment Error Rate (PER) is above 6%.**
    - **For states with a PER below 6%: 0% state match**
    - **For states with a PER 6-7.99%: 5% state match (~ $55 M/Year for Indiana)**
    - **For states with a PER 8-9.99%: 10% state match (~ $110 M/Year)**
    - **For states with a PER at 10% or higher: 15% state match (~ $165M/Year)**

SNAP Payment Error Rate

SNAP PER (Payment Error Rate) is calculated by the USDA Food and Nutrition Administration (FNA) as a measure of how accurately SNAP eligibility and benefit amounts are determined. It includes both overpayments and underpayments, as well as certain client-caused errors. It is not a measure of fraud within the program.

DFR's quality control unit pulls approximately 100 randomly selected cases per month for review. Those reviews are submitted to FNA, and a subset is reviewed by FNA to validate the state's results.

The PER incorporates

- **Overpayments**
- **Under payments**
- **Client caused errors**

How is the SNAP PER calculated?

- **Example:**

Case	Benefits Issued	Correct Benefit	Error
1	$500	$450	$50 overpayment
2	$400	$450	$50 underpayment
3	$600	$600	$0
4	$700	$500	$200 overpayment
5	$800	$800	$0

$$PER = \frac{Total\ Error\ Dollars}{Total\ Benefits\ Received} \text{ X } 100$$

$$PER = \frac{300}{3000} \text{ X } 100$$

$$PER = 10\%$$

SNAP PER Russian Roulette

- Monthly sample is small so one large dollar error can make a significant impact.

For example:

$$PER = \frac{500}{3000} \text{ X } 100 \qquad \boldsymbol{PER = 20\%}$$

An additional $200 in errors changes the error rate by 10%.

What has DFR done to address the PER?

- DFR has **initiated pre-authorization reviews** of all SNAP cases to prevent the approval/denial of cases with errors 65 staff were added to assist with these reviews.
- Updated training and messaging to help staff understand and avoid common errors.
- State staff are conducting quality reviews on approximately 2,000 additional cases per month prior to benefits being authorized, which continues to be effective.
- DFR implemented an error prone profiling functionality within our eligibility system that alerts workers to areas where errors regularly occur prior to benefit authorization activity. Examples of error prone areas include changes to income, shelter expenses, etc.

SNAP admin summary

Expenditures	Current Month Expenditures Sept 2026	Year To Date Expenditures Sept 2026			SFY 2027 Total Expenditures		
		Actual	Budget	Variance	Forecast	Budget	Variance
.1 Personnel Expenses	$ 148,047	$ 594,842	$ 686,457	$ 91,616	$ 2,294,389	$ 2,647,764	$ 353,375
.2 Utilities Expenses			-	-			-
.3 External Services Expense	613,919	930,054	752,703	(177,352)	2,689,406	3,010,810	321,404
.4 Supplies Materials Parts	67	353	250	(103)	4,022	1,000	(3,022)
.5 Capital			-	-			-
.7 Grant Expense	30,870	141,405	191,659	50,254	453,760	766,636	312,876
.8 Social Service Payments	-	-	-	-			-
.9 Administrative Expense	1,928	5,502	16,678	11,176	22,010	66,712	44,702
ID Bills	496,642	508,839	20,981	(487,858)	943,252	83,925	(859,327)
Total Expenditures	**$ 1,291,472**	**$ 2,180,996**	**$ 1,668,728**	**$ (512,267)**	**$ 6,406,839**	**$ 6,576,847**	**$ 170,008**

Funding	Current Month Funding Sept 2026	Year to Date Funding Sept 2026			SFY2027 Total Funding		
		Actual	Budget	Variance	Forecast	Budget	Variance
State Funds	$ 645,736	$ 1,090,498	$ 834,364	$ (256,134)	$ 4,404,702	$ 4,521,582	$ 116,881
Federal Funds	645,736	1,090,498	834,364	(256,134)	2,002,137	2,055,265	53,128
Dedicated Funds	-	-	-	-	-	-	-
Total Funding	**$ 1,291,472**	**$ 2,180,996**	**$ 1,668,728**	**$ (512,267)**	**$ 6,406,839**	**$ 6,576,847**	**$ 170,008**

EBT summary

Expenditures	Current Month Expenditures Sept 2026	Year To Date Expenditures Sept 2026			SFY 2027 Total Expenditures		
		Actual	Budget	Variance	Forecast	Budget	Variance
.1 Personnel Expenses	$ 7,289	$ 28,561	$ 43,182	$ 14,621	$ 175,163	$ 166,558	$ (8,605)
.2 Utilities Expenses				-			-
.3 External Services Expense	-	44,117	3,299	(40,818)	287,407	13,196	(274,211)
.4 Supplies Materials Parts			25	25	100	100	-
.5 Capital				-			-
.7 Grant Expense				-			-
.8 Social Service Payments				-			-
.9 Administrative Expense	(6,678)	772	465	(307)	3,090	1,861	(1,229)
ID Bills	54	292	647	354	1,170	2,587	1,417
Total Expenditures	**$ 665**	**$ 73,743**	**$ 47,618**	**$ (26,125)**	**$ 466,930**	**$ 184,302**	**$ (282,628)**

Funding	Current Month Expenditures Sept 2026	Year To Date Expenditures Sept 2026			SFY2027 Total Funding		
		Actual	Budget	Variance	Forecast	Budget	Variance
State Funds	$ 665	$ 40,195	$ 22,514	$ (17,681)	$ 303,551	$ 116,184	$ (187,367)
Federal Funds	-	33,548	25,104	(8,444)	163,379	68,118	(95,261)
Dedicated Funds	-	-	-	-	-	-	-
Total Funding	**$ 665**	**$ 73,743**	**$ 47,618**	**$ (26,125)**	**$ 466,930**	**$ 184,302**	**$ (282,628)**

Temporary Assistance for Needy Families (TANF)

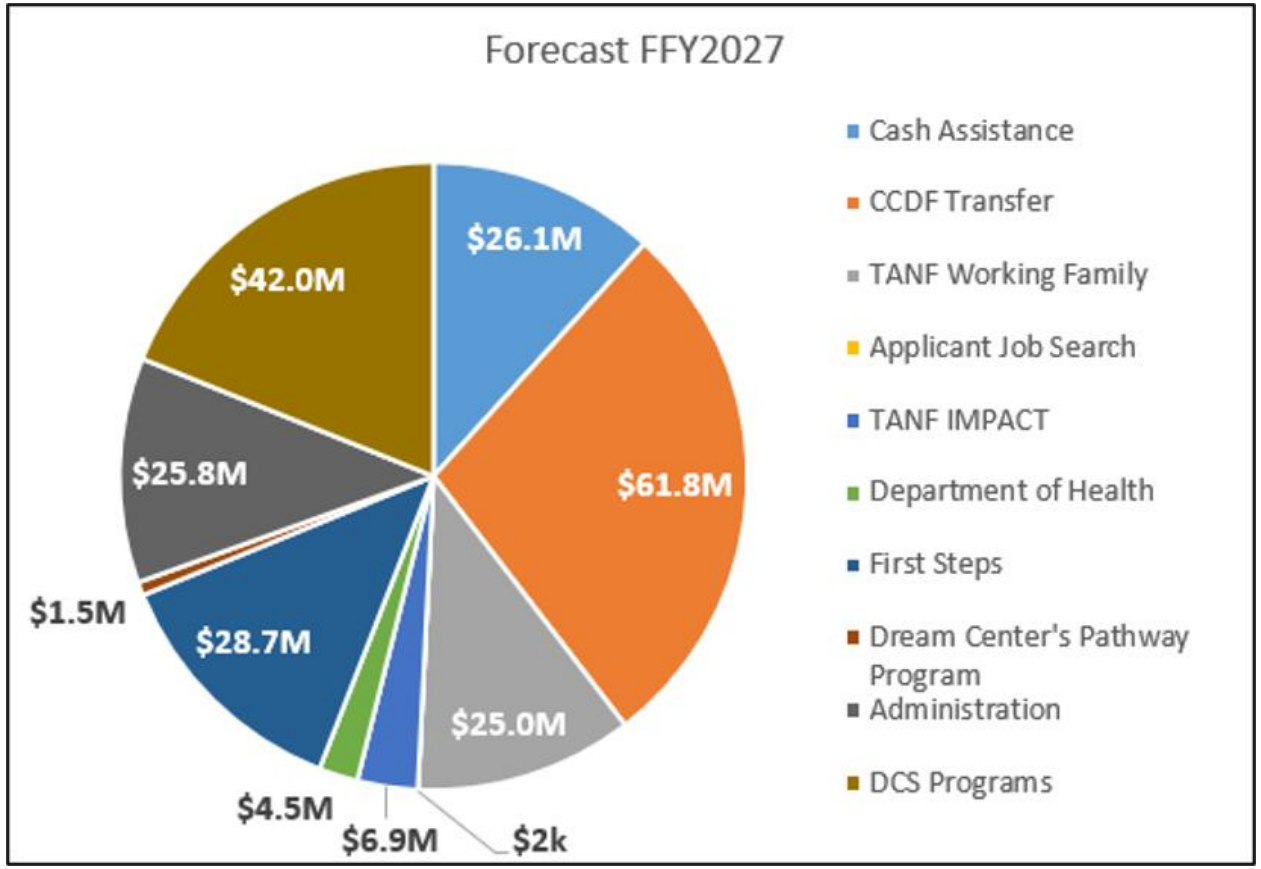
- Provides cash assistance and supportive services to assist families with children under 18 and pregnant women.
- The goal of the TANF program is to help individuals achieve or return to economic self-sufficiency.
- As a condition of eligibility for TANF, adult applicants are required to complete Applicant Job Search activities. Failure to complete these activities will result in a denial of the TANF application.
- TANF is funded through the TANF Block Grant. In addition to funding cash assistance the TANF Block Grant funds additional programs across the state.

TANF program metrics

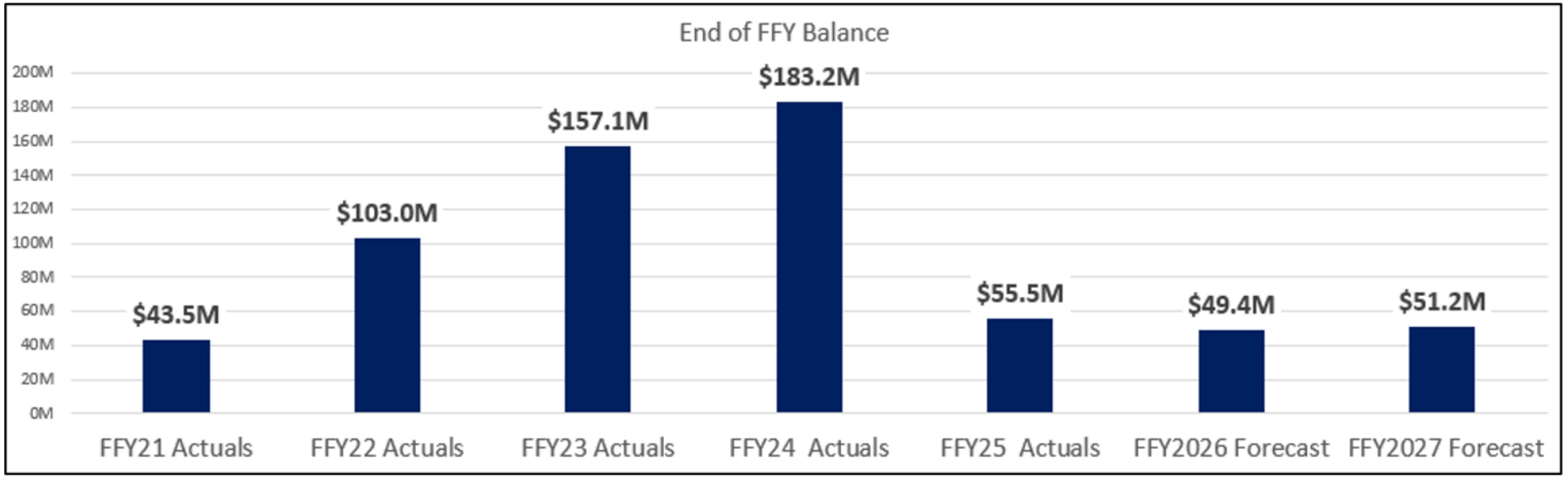
	Households	Recipients	Adults	Children	Issuance	Applications	Redeterminations
SFY26 Monthly Avg	4,919	11,762	2,424	9,339	$2,001,775	5,340	388
July 2026	4,669	11,313	2,269	9,004	$1,925,090	6,508	310
August 2026	4,603	11,073	2,219	8,854	$1,894,392	5,826	288
September 2026	4,425	10,571	2,064	8,507	$1,801,681	6,229	278

FFY27 TANF funding allocation

Program	Forecast FFY2027
Cash Assistance	$26,066,255
CCDF Transfer	61,835,001
TANF Working Family	25,000,000
Applicant Job Search	2,724
TANF IMPACT	6,909,959
Department of Health	4,464,000
Real Alternatives	2,250,000
Nurse Family Partnership	214,000
Indiana Diaper Bank	2,000,000
First Steps	28,656,687
Dream Center's Pathway Program	1,545,718
Administration	25,758,314
DCS Programs	42,000,000
Healthy Families	20,000,000
Father Engagement Program	20,000,000
Tutoring/Literacy Classes	2,000,000
Grand Totals	**$222,238,658**



FFY21 to FFY27 TANF End of FFY Balance



TANF summary

Expenditures	Current Month Expenditures Sept 2026	Year To Date Expenditures Sept 2026			SFY 2027 Total Expenditures		
		Actual	Budget	Variance	Forecast	Budget	Variance
.1 Personnel Expenses	$ 23,821	$ 103,962	$ 137,040	$ 33,077	$ 400,997	$ 528,581	$ 127,584
.2 Utilities Expenses			-	-			-
.3 External Services Expense	811,262	2,916,097	2,832,310	(83,787)	8,392,267	11,342,039	2,949,772
.4 Supplies Materials Parts		33	25	(8)	100	100	-
.5 Capital			-	-			-
.7 Grant Expense			-	-			-
.8 Social Service Payments	2,111,198	6,155,116	12,779,264	6,624,149	48,126,053	51,117,478	2,991,425
.9 Administrative Expense		100	14,373	14,273	398	57,490	57,092
ID Bills	94,807	96,853	26,122	(70,731)	387,410	104,487	(282,923)
Total Expenditures	**$ 3,041,088**	**$ 9,272,161**	**$ 15,789,133**	**$ 6,516,972**	**$ 57,307,225**	**$ 63,150,175**	**$ 5,842,950**

Funding	Current Month Expenditures Sept 2026	Year To Date Expenditures Sept 2026			SFY2027 Total Funding		
		Actual	Budget	Variance	Forecast	Budget	Variance
State Funds	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Federal Funds	3,041,088	9,272,161	15,789,133	6,516,972	57,307,225	63,150,175	5,842,950
Dedicated Funds	-	-	-	-	-	-	-
Total Funding	**$ 3,041,088**	**$ 9,272,161**	**$ 15,789,133**	**$ 6,516,972**	**$ 57,307,225**	**$ 63,150,175**	**$ 5,842,950**

Indiana Manpower and Placement and Comprehensive Training (IMPACT) program

- IMPACT aims to help participants achieve economic self-sufficiency through a combination of education, training and employment supportive services.
- Services available include job skills training, assistance with resume writing, interview preparation, access to local job fairs and employment opportunities.
- The IMPACT program is available to SNAP and TANF recipients.

IMPACT program participation

	SNAP	TANF	Total
SFY26 Monthly Avg	312	170	482
July 2026	701	487	1,188
August 2026	544	339	883
September 2026	521	313	834

SNAP IMPACT summary

Expenditures	Current Month Expenditures Sept 2026	Year To Date Expenditures Sept 2026			SFY 2027 Total Expenditures		
		Actual	Budget	Variance	Forecast	Budget	Variance
.1 Personnel Expenses	$ -	$ -	$ -	$ -	$ -	$ -	$ -
.2 Utilities Expenses				-			-
.3 External Services Expense	481,806	1,495,905	1,175,339	(320,566)	4,661,138	4,701,357	40,219
.4 Supplies Materials Parts				-			-
.5 Capital				-			-
.7 Grant Expense				-			-
.8 Social Service Payments	30,099	77,543	246,656	169,113	419,111	986,623	567,512
.9 Administrative Expense				-			-
ID Bills	895	895	202	(693)	4,000	808	(3,192)
Total Expenditures	**$ 512,800**	**$ 1,574,343**	**$ 1,422,197**	**$ (152,146)**	**$ 5,084,249**	**$ 5,688,788**	**$ 604,539**

Funding	Current Month Funding Sept 2026	Year to Date Funding Sept 2026			SFY2027 Total Funding		
		Actual	Budget	Variance	Forecast	Budget	Variance
State Funds	$ 256,400	$ 787,171	$ 711,099	$ (76,073)	$ 1,760,812	$ 2,064,677	$ 303,866
Federal Funds	256,400	787,171	711,099	(76,073)	3,320,246	3,624,111	303,866
Dedicated Funds	-	-	-	-	-	-	-
Total Funding	**$ 512,800**	**$ 1,574,343**	**$ 1,422,197**	**$ (152,146)**	**$ 5,081,057**	**$ 5,688,788**	**$ 607,731**

Refugee program

- Indiana Refugee Services provides assistance and services to refugees, asylees, certain Amerasian, Afghan and Ukrainian immigrants, Cuban and Haitian entrants, and victims of human trafficking (referred to collectively as “refugees”).
- All individuals served by Indiana Refugee Services have legally entered the United States through applicable Federal programs.
- The refugee program was paused in early 2025 but was restarted in November 2025.
- Indiana has received 162 refugees from November 2025 through September 2026.

	Refugee Medical Assistance Recipients	Refugee Cash Assistance Recipients
July 2026	135	48
August 2026	76	45
Sept 2026	62	44

Refugee summary

Expenditures	Current Month Expenditures Sept 2026	Year To Date Expenditures Sept 2026			SFY 2027 Total Expenditures		
		Actual	Budget	Variance	Forecast	Budget	Variance
.1 Personnel Expenses	$ 18,738	$ 75,120	$ 81,196	$ 6,075	$ 289,750	$ 313,183	$ 23,433
.2 Utilities Expenses				-			-
.3 External Services Expense	352,284	754,542	681,750	(72,793)	2,726,998	2,726,998	-
.4 Supplies Materials Parts				-			-
.5 Capital				-			-
.7 Grant Expense	-	(5,329)		5,329	(5,329)		5,329
.8 Social Service Payments	51,496	133,004	699,749	566,744	532,017	2,798,994	2,266,977
.9 Administrative Expense	-	-	313	313	1,252	1,252	-
ID Bills	2,181	2,673	2,156	(517)	4,652	8,624	3,972
Total Expenditures	**$ 424,700**	**$ 960,011**	**$ 1,465,163**	**$ 505,151**	**$ 3,549,340**	**$ 5,849,051**	**$ 2,299,711**

Funding	Current Month Funding Sept 2026	Year to Date Funding Sept 2026			SFY2027 Total Funding		
		Actual	Budget	Variance	Forecast	Budget	Variance
State Funds	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Federal Funds	424,700	960,011	1,465,163	505,151	3,549,340	5,849,051	2,299,711
Dedicated Funds	-	-	-	-	-	-	-
Total Funding	**$ 424,700**	**$ 960,011**	**$ 1,465,163**	**$ 505,151**	**$ 3,549,340**	**$ 5,849,051**	**$ 2,299,711**

Burial program overview

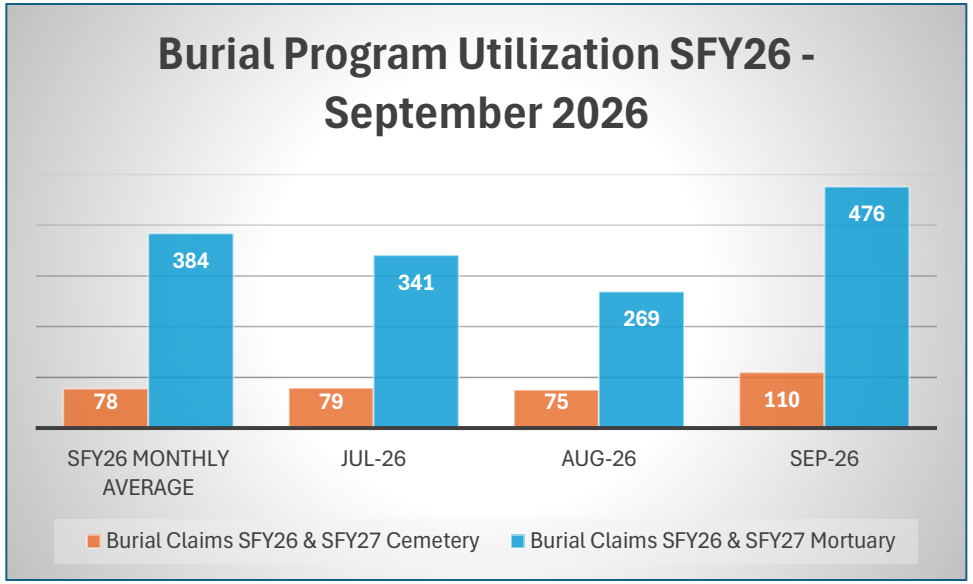
The Burial Assistance Program was established by the state of Indiana to help with burial costs for those who are eligible in specific categories of Medicaid.

Burial Assistance Eligibility Categories	
MA A	Medicaid for the Aged
MA D	Medicaid for the Disabled
MA DW	Medicaid for the Disabled Working
MA B	Medicaid for the Blind
MA SI	Medicaid for the SSI
MA R	Medicaid for Room / Board Nursing Home

Maximum Benefit Amounts	
Funeral	$1,200
Cemetery	$800
Rates were last updated in 2013. Previously $600 for funeral & $400 for cemetery.	

Burial program metrics

Burial Claims SFY26 & SFY27			
	Cemetery	**Mortuary**	**Total**
SFY26 Monthly Average	78	384	462
July 2026	79	341	420
August 2026	75	269	344
Sept 2026	110	476	586



Burial summary

Expenditures	Current Month Expenditures Sept 2026	Year To Date Expenditures Sept 2026			SFY 2027 Total Expenditures		
		Actual	Budget	Variance	Forecast	Budget	Variance
.1 Personnel Expenses	$ 11,008	$ 46,776	$ 53,554	$ 6,778	$ 180,422	$ 206,566	$ 26,144
.2 Utilities Expenses				-			-
.3 External Services Expense				-			-
.4 Supplies Materials Parts				-			-
.5 Capital				-			-
.7 Grant Expense				-			-
.8 Social Service Payments				-			-
Cemetery	81,675	199,130	151,291	(47,839)	831,058	605,162	(225,896)
Mortuary	570,034	1,290,979	1,261,099	(29,881)	6,724,015	5,044,394	(1,679,621)
.9 Administrative Expense			25	25	100	100	-
ID Bills	217	641	817	175	2,565	4,899	2,334
Total Expenditures	**$ 662,934**	**$ 1,537,526**	**$ 1,466,785**	**$ (70,742)**	**$ 7,738,160**	**$ 5,861,121**	**$ (1,877,039)**

Funding	Current Month Funding Sept 2026	Year to Date Funding Sept 2026			SFY2027 Total Funding		
		Actual	Budget	Variance	Forecast	Budget	Variance
State Funds	$ -	$ -	$ -	$ -	$ 1,877,039	$ -	$ (1,877,039)
Federal Funds	-	-	-	-		-	-
Dedicated Funds	662,934	1,537,526	1,466,785	(70,742)	5,861,121	5,861,121	-
Total Funding	**$ 662,934**	**$ 1,537,526**	**$ 1,466,785**	**$ (70,742)**	**$ 7,738,160**	**$ 5,861,121**	**$ (1,877,039)**

DFR operations summary

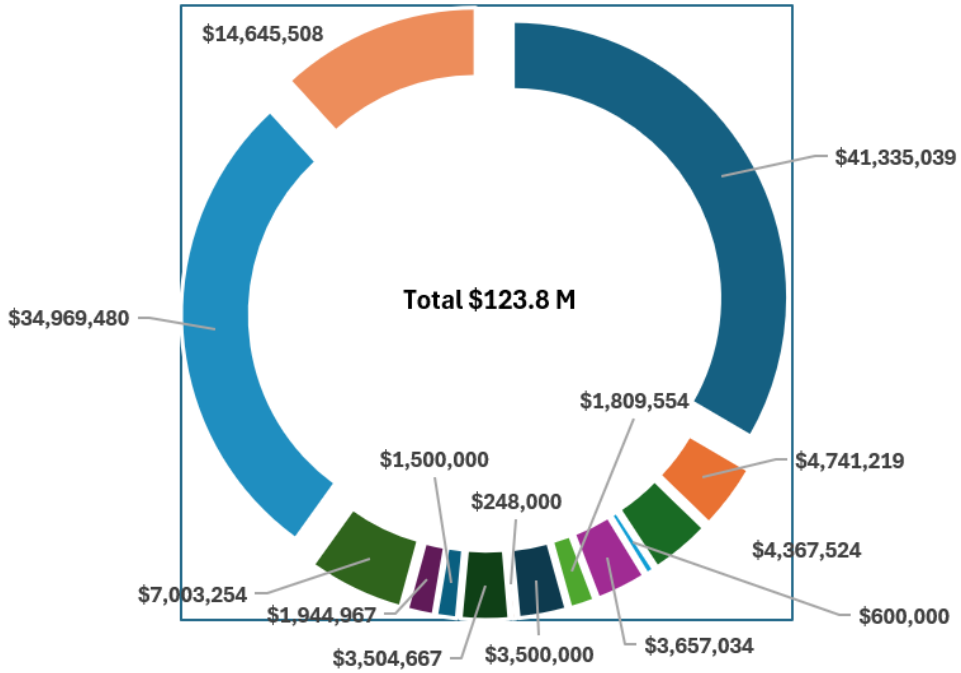
Expenditures	Current Month Expenditures Sept 2026	Year To Date Expenditures Sept 2026			SFY 2027 Total Expenditures		
		Actual	Budget	Variance	Forecast	Budget	Variance
.1 Personnel Expenses	$ 791,344	$ 30,414,443	$ 22,129,645	$ (8,284,798)	$ 121,126,297	$ 85,357,201	$ (35,769,096)
.2 Utilities Expenses	26,773	89,165	84,837	(4,328)	339,349	339,349	-
.3 External Services Expense	11,632,354	47,027,050	25,994,917	(21,032,133)	171,785,113	103,979,669	(67,805,444)
.4 Supplies Materials Parts	60,841	$ 310,915	303,076	(7,839)	1,212,303	1,212,303	-
.5 Capital	-		-	-			-
.7 Grant Expense	-		-	-	-		-
.8 Social Service Payments	-		-	-	-		-
.9 Administrative Expense	156,383	2,764,755	2,659,255	(105,500)	17,170,837	10,637,019	(6,533,818)
Lease	1,225,447	4,761,774	4,186,128	(575,646)	26,574,055	16,744,512	(9,829,543)
ID Bills	1,292,552	$ 3,734,402	5,132,553	1,398,151	24,418,555	20,530,210	(3,888,345)
Total Expenditures	**$ 15,185,694**	**$ 89,102,504**	**$ 60,490,410**	**$ (28,612,094)**	**$ 362,626,509**	**$ 238,800,263**	**$ (123,826,246)**

Funding	Current Month Expenditures Sept 2026	Year To Date Expenditures Sept 2026			SFY2027 Total Funding		
		Actual	Budget	Variance	Forecast	Budget	Variance
State Funds	$ 15,185,694	$ 53,441,757	$ 23,522,740	$ (29,919,017)	$ 168,053,106	$ 109,111,694	$ (58,941,412)
Federal Funds	-	35,660,748	36,967,670	1,306,923	194,573,403	129,688,569	(64,884,834)
Dedicated Funds	-	-	-	-	-	-	-
Total Funding	**$ 15,185,694**	**$ 89,102,504**	**$ 60,490,410**	**$ (28,612,094)**	**$ 362,626,509**	**$ 238,800,263**	**$ (123,826,246)**

DFR operations summary

Forecasted Increased Cost SFY2027	Amount
Increase related to SEA 1 implementation	41,335,038.50
65 Additional staff address SNAP error rate	4,741,219.00
Extra pay period	4,367,524.00
Conversion to Cloud assessment	600,000.00
Increased IOT changes	3,657,033.95
Health insurance increase 1/2 year	1,809,554.20
Conduent training	3,500,000.00
Conduent EBT	248,000.00
Equifax	3,504,667.00
Phoenix	1,500,000.00
Software increase	1,944,967.00
Genesys Cloud new cost starting SFY25	7,003,254.24
Conduent RCC to Maximus RCC	34,969,480.00
Biennium budget reduction	14,645,508.00
Total Increased Cost	**123,826,246**

Increased expenditures



- Increase related to SEA 1 implementation
- 65 Additional staff address SNAP error rate
- Extra pay period
- Conversion to Cloud assessment
- Increased IOT changes
- Health insurance increase 1/2 year
- Conduent training
- Conduent EBT
- Equifax
- Phoenix
- Software increase
- Genesys Cloud new cost starting SFY25
- Conduent RCC to Maximus RCC
- Biennium budget reduction

DFR admin summary

Expenditures	Current Month Expenditures Sept 2026	Year To Date Expenditures Sept 2026			SFY 2027 Total Expenditures		
		Actual	Budget	Variance	Forecast	Budget	Variance
.1 Personnel Expenses	$ 201,141	$ 731,698	$ 728,115	$ (3,583)	$ 2,929,626	$ 2,808,445	$ (121,181)
.2 Utilities Expenses	-	-	859	859	$ 3,435	3,435	0
.3 External Services Expense	(27,404)	14,053	29,751	15,698	$ 104,485	119,004	14,519
.4 Supplies Materials Parts	2,321	5,347	5,109	(238)	$ 21,389	20,436	(953)
.5 Capital			-	-			-
.7 Grant Expense			-	-			-
.8 Social Service Payments			-	-			-
.9 Administrative Expense	88,764	91,726	17,485	(74,241)	366,904	69,938	(296,966)
Lease	33,501	134,933	127,450	(7,484)	539,734	509,799	(29,935)
ID Bills	103,820	348,897	281,576	(67,321)	1,282,438	1,126,303	(156,135)
Total Expenditures	**$ 402,143**	**$ 1,326,655**	**$ 1,190,344**	**$ (136,310)**	**$ 5,248,011**	**$ 4,657,360**	**$ (590,651)**

Funding	Current Month Funding Sept 2026	Year to Date Funding Sept 2026			SFY2027 Total Funding		
		Actual	Budget	Variance	Forecast	Budget	Variance
State Funds	$ 402,143	$ 723,179	$ 509,716	$ (213,463)	$ 2,511,825	$ 2,224,593	$ (287,232)
Federal Funds	-	603,476	680,628	77,152	2,736,186	2,432,767	(303,419)
Dedicated Funds	-	-	-	-	-	-	-
Total Funding	**$ 402,143**	**$ 1,326,655**	**$ 1,190,344**	**$ (136,310)**	**$ 5,248,011**	**$ 4,657,360**	**$ (590,651)**

IEDSS summary

Expenditures	Current Month Expenditures Sept 2026	Year To Date Expenditures Sept 2026			SFY 2027 Total Expenditures		
		Actual	Budget	Variance	Forecast	Budget	Variance
.1 Personnel Expenses	$ 41,123	$ 162,746	$ 195,691	$ 32,945	$ 782,707	$ 754,810	$ (27,897)
.2 Utilities Expenses				-			-
.3 External Services Expense	4,483,892	6,312,311	6,771,656	459,345	28,387,763	27,086,622	(1,301,141)
.4 Supplies Materials Parts				-			-
.5 Capital				-			-
.7 Grant Expense				-			-
.8 Social Service Payments				-			-
.9 Administrative Expense	379,055	1,075,721	436,904	(638,817)	6,049,539	1,747,616	(4,301,923)
ID Bills	(580)	996,748	1,093,117	96,369	4,433,772	4,372,468	(61,304)
Total Expenditures	**$ 4,903,490**	**$ 8,547,526**	**$ 8,497,368**	**$ (50,158)**	**$ 39,653,781**	**$ 33,961,516**	**$ (5,692,265)**

Funding	Current Month Expenditures Sept 2026	Year To Date Expenditures Sept 2026			SFY2027 Total Funding		
		Actual	Budget	Variance	Forecast	Budget	Variance
State Funds	$ 4,903,490	$ 3,520,672	$ 3,282,474	$ (238,198)	$ 15,276,879	$ 12,922,459	$ (2,354,420)
Federal Funds	-	5,026,854	5,214,894	188,040	24,376,902	21,039,057	(3,337,845)
Dedicated Funds	-	-	-	-	-	-	-
Total Funding	**$ 4,903,490**	**$ 8,547,526**	**$ 8,497,368**	**$ (50,158)**	**$ 39,653,781**	**$ 33,961,516**	**$ (5,692,265)**

DFR major contract summary

Contractor	Contract Period	Total Contract Value	Annual Contact Amount SFY27	Annual Contract Breakdown by Program	Annual Contact Amount SFY27	State Funding SFY27	Federal Funding SFY27	YTD Expenditures	Current Balance
Knowledge Service-Guidesoft	7/1/2017 - 12/31/2026	$ 313,461,938	$ 19,395,901	County	$ 19,395,901	$ 7,527,549	$ 11,868,352	$ 2,784,555	$ 16,611,346
Maximus RCC/CCC	4/1/2022 - 12/31/2026	368,637,913	42,862,267	County	42,862,267	16,634,846	26,227,421	11,392,644	31,469,623
Moser	1/1/2020 - 6/30/2028	135,281,930	17,128,679	County TANF SNAP	14,135,099 1,540,790 1,452,790	6,212,227	10,916,452	2,870,066	14,258,613
Deloitte	1/1/2023 - 6/30/2029	126,857,814	25,492,487	SNAP IEDSS	542,308 24,950,179	8,922,370	16,570,116	3,026,191	22,466,296
Equus	7/15/2023 - 9/30/2027	37,411,090	9,226,668	TANF IMPACT SNAP IMPACT	5,369,169 3,857,499	1,928,750	7,297,919	1,065,792	8,160,876
Phoenix	11/1/2022 - 10/31/2026	11,178,563	925,201	County	925,201	359,070	566,130		925,201
Conduent EBT	4/1/2020 - 9/30/2028	33,091,653	1,364,708	TANF SNAP EBT	33,663 1,328,570 2,475	665,455	699,253	216,414	1,148,294
Conduent Incorp. L & D	5/1/2024 - 9/30/2028	18,850,682	4,712,671	County	4,712,671	1,828,987	2,883,683	844,230	3,868,441
First Data	1/1/2023 - 12/31/2026	18,652,720	2,202,241	County TANF	1,651,680 550,560	641,017	1,561,223	680,094	1,522,146
Total		**$ 1,063,424,302**	**$ 123,310,821**		**$ 123,310,821**	**$ 44,720,272**	**$ 78,590,549**	**$ 22,879,986**	**$ 100,430,835**

DFR financial summary

Program	Current Month Expenditures Sept 2026	Year To Date Expenditures Sept 2026 Actual	Budget	Variance	SFY 2027 Total Expenditures Forecast	Budget	Variance
Supplemental Nutrition Assistance	$ 1,291,472	$ 2,180,996	$ 2,159,429	$ (21,566)	$ 6,406,839	$ 6,576,847	$ 170,008
Supplemental Nutrition Assistance IMPACT	512,800	1,574,343	1,422,197	(152,146)	5,081,057	5,688,788	607,731
Temporary Assistance for Needy Families	3,041,088	9,272,161	15,789,133	6,516,972	57,307,225	63,150,175	5,842,950
County Administration	15,185,694	89,102,504	60,490,410	(28,612,094)	362,626,509	238,800,263	(123,826,246)
Electronic Benefit Transfer	665	73,743	47,618	(26,125)	466,930	184,302	(282,628)
Division of Family Resources Administration	402,143	1,326,655	1,190,344	(136,310)	5,248,011	4,657,360	(590,651)
Indiana Eligibility Determination and Service System	4,903,490	8,547,526	8,497,368	(50,158)	39,653,781	33,961,516	(5,692,265)
Refugee	424,700	960,011	1,465,163	505,151	3,549,340	5,849,051	2,299,711
Burials	662,934	1,537,526	1,466,785	(70,742)	7,738,160	5,861,121	(1,877,039)
Supplemental Nutrition Assistance Benefits	92,163,257	282,265,876	282,265,876	-	1,129,063,505	1,129,063,505	-
Total Expenditures	**$ 118,588,244**	**$ 396,841,340**	**$ 374,794,322**	**$ (22,047,017)**	**$ 1,617,141,356**	**$ 1,493,792,928**	**$ (123,348,428)**

Sources of Funding	Current Month Funding Sept 2026	Year to Date Funding Sept 2026 Actual	Budget	Variance	SFY2027 Total Funding Forecast	Budget	Variance
State Funds	$ 21,394,128	$ 59,603,471	$ 29,128,256	$ (30,475,215)	$ 194,187,913	$ 130,961,189	$ (63,226,725)
Federal Funds	96,531,181	335,700,342	344,199,281	8,498,939	1,417,092,322	1,356,970,618	(60,121,704)
Dedicated Funds	662,934	1,537,526	1,466,785	(70,742)	5,861,121	5,861,121	-
Total Funding	**$ 118,588,244**	**$ 396,841,340**	**$ 374,794,322**	**$ (22,047,017)**	**$ 1,617,141,357**	**$ 1,493,792,928**	**$ (123,348,429)**

The FSSA Quarterly Financial Review will resume after a brief break.

Email questions to askthesecretary@fssa.in.gov

Schedule:

www.in.gov/fssa/Quarterly-Financial-Reporting

SFY27 Q1
Quarterly Financial Review

Office of Medicaid Policy and Planning

Presented Oct. 27, 2026

Medicaid Quarterly Financial Review

1.	Welcome	Audrey Frenzel, Medicaid Director
2.	Medicaid Assistance	Kathy Leonard, Director of Reimbursement and Actuarial Services Leslie Melton, Controller
3.	PathWays Quality	Katrina Etter, Chief Clinical Officer
4.	HIP Work Requirements & Medical Frailty	Lindsey Lux, Chief Operating Officer Katrina Etter, Chief Clinical Officer
5.	Medicaid Administration	Lindsey Lux, Chief Operating Officer

Monthly Financial Review: Medicaid Assistance Outline

- Overall Results
- Medicaid Enrollment Compared to Forecast
- Medicaid Expenditures Compared to Forecast
- Watch Areas – PathWays for Aging
- Funding Summary

Medicaid Assistance Overview

September 2026 YTD Financial Results

Basis for Comparison

- Actual enrollment and expenditures for July 2026 – September 2026 are being compared to the enrollment and expenditures shown for the same period in the **December 2025 Medicaid Forecast**

Overall Results — Enrollment

- Reported September 2026 Average YTD Medicaid Enrollment of 1,490,677 was **298,187 (16.7%) less** than forecast
- Managed Care average enrollment was **15.1%** below forecast and Fee-for-Service average enrollment was 23.4% below forecast

Overall Results — Expenditures

- September 2026 YTD Medicaid expenditures of $5,470.4M were **$251.1M (4.8%) more** than forecast
- If adjusted for large supplemental payments that were not included in the forecast, the September YTD expenditures would be $1.2B (23.1%) better than forecast

Medicaid Managed Care enrollment – actual vs. forecast

September 2026 YTD

Enrollment	SFY 2027 Average Monthly Enrollment YTD - Actual	SFY 2027 Average Monthly Enrollment YTD - Dec 2025 Forecast	Variance Average Monthly Enrollment YTD
Healthy Indiana Plan			
HIP State Plan Benefit Package	79,117	100,625	21,508
HIP Expansion	217,015	283,047	66,033
HIP Medically Frail	127,811	157,160	29,349
HIP Pregnant Women	44,233	40,875	(3,358)
HIP Hospital Presumptive Eligibility	5,180	4,148	(1,032)
Total Healthy Indiana Plan	**473,355**	**585,855**	**112,499**
Hoosier Care Connect			
Adult	36,520	38,229	1,709
Child	22,443	22,729	286
Foster	21,395	20,209	(1,185)
Total Hoosier Care Connect	**80,357**	**81,167**	**810**
Hoosier Healthwise			
Adults	201	127	(74)
Children	442,964	534,811	91,847
Pregnant Females	12,087	11,910	(177)
CHIP	110,500	117,155	6,655
Total Hoosier Healthwise	**565,753**	**664,004**	**98,251**
PathWays for Aging			
Nursing Home	22,727	21,723	(1,005)
HCBS	30,249	32,954	2,705
Acute	62,480	69,106	6,626
Total PathWays for Aging	**115,456**	**123,783**	**8,327**
Total Managed Care	**1,234,922**	**1,454,809**	**219,887**

MANAGED CARE

- Managed Care Average Year to Date enrollment is **220K** (15.1%) less than forecast
- Programs driving the variance are Healthy Indiana Plan at **112K** (19.2%) below forecast, Hoosier Healthwise at **98K** (14.8%) below forecast and PathWays for Aging at **8K** (6.7%) below forecast.

Medicaid FFS and total enrollment – actual vs. forecast

September 2026 YTD

Enrollment	SFY 2027 Average Monthly Enrollment YTD - Actual	SFY 2027 Average Monthly Enrollment YTD - Dec 2025 Forecast	Variance Average Monthly Enrollment YTD
Fee For Service			
Institutionalized	7,340	8,106	766
Waiver	48,027	49,156	1,129
1915(i) State Plan HCBS	1,110	1,149	39
Other FFS (No Level of Care)			
Hoosier Healthwise FFS	27,424	36,642	9,218
Dual	28,674	33,294	4,620
Non-Dual	21,799	24,666	2,867
Medicare Savings Program	67,265	75,365	8,100
HIP Emergency Only	26,653	49,710	23,056
Limited Benefit Populations	27,463	55,968	28,505
Total Fee for Service	**199,278**	**275,644**	**76,366**
Overall Total Enrollment	**1,490,677**	**1,788,864**	**298,187**

FEE FOR SERVICE

- Fee–for-service average enrollment is **78K (23.4%)** lower than forecast
- Areas driving the variance are HIP Emergency Only which is **23K (46.4%)** lower than forecast and Limited Benefit Populations which are **29K (50.9%)** lower than forecast.

TOTAL

- Average enrollment of 1,490,677 for September 2026 YTD was **298,187 (13.7%)** less than forecast

Medicaid spending compared to forecast
Total expenditures

Sep 2026 YTD	SFY 2027 Year to Date		Variance ($)	Adjusted Variance ($)
	Actual Spent	December 2025 Forecast	Actuals YTD to Dec 2025 Forecast	Actuals YTD to Dec 2025 Forecast
Expenditures				
Managed Care	$3,799,641,542	$3,558,252,635	($241,388,907)	$505,942,807
Fee-for-service Total	$1,399,972,386	$1,380,490,106	($19,482,280)	-19,482,280
Other Expenditures and Collections	($216,672,471)	($180,982,432)	$35,690,039	35,690,039
Manual Expenditures	$834,695,345	$676,388,108	($158,307,237)	$549,457,382
Total - Expenditures	5,817,636,801	5,434,148,417	-383,488,385	1,071,607,948
Other Financial Expenditures and Adjustments	(347,261,966)	(214,876,021)	132,385,946	132,385,946
	0	0	0	0
	(131,434,349)	(111,886,744)	19,547,604	19,547,604
	(1,865,396)	(3,978,961)	(2,113,565)	(2,113,565)
	(3,516,443)	(551,122)	2,965,321	2,965,321
	(210,445,779)	(98,459,194)	111,986,585	111,986,585
Medicaid Expenditures Sub-total	5,470,374,835	5,219,272,396	(251,102,439)	1,203,993,894

- Medicaid Expenditures for September 2026 YTD were **$251.1M (4.8%) more** than forecast
- Managed Care Expenditures are higher than forecast due to $747M of payments made through the new Hospital State Directed Payment program.
- Manual Expenditures are higher than forecast due to $707.8M of “catch-up” payments for nursing facility supplemental payments that were forecast to be paid in SFY 2026.
- If adjusted for the supplemental payments described above, the quarterly results would show a **$1,204.0M (23.1%)** positive variance to forecast.

Medicaid spending compared to forecast
Managed care

Sep 2026 YTD	SFY 2027 Year to Date		Variance ($)	Adjusted Variance ($)
	Actual Spent	December 2025 Forecast	Actuals YTD to Dec 2025 Forecast	Actuals YTD to Dec 2025 Forecast
Expenditures				
Managed Care	$ 3,799,641,542	$ 3,558,252,635	$ (241,388,907)	$ 505,942,807
Healthy Indiana Plan	1,557,246,221	1,337,098,487	(220,147,733)	263,797,419
Hoosier Care Connect	462,212,517	378,189,437	(84,023,081)	10,972,378
Hoosier Healthwise	742,697,369	653,189,067	(89,508,302)	78,882,801
PathWays for Aging	1,037,485,435	1,189,775,644	152,290,209	152,290,209

- The December 2025 Forecast for Managed Care Expenditures did not include the Hospital State Directed Payment program that CMS approved 5/1/2026. There were $747M of SDP payments made in Q1 SFY 27 and the September YTD results show expenditures **$241.4M (6.8%)** higher than forecast due to those payments.
- An adjusted variance column has been added to this report to show the financial results without the SDP program payments. The September YTD results without the SDP payments would show expenditures as being **$505.9M (14.2%)** better than forecast.
- No adjustments were made to the PathWays results as the PathWays program was not part of the new SDP program.

Medicaid spending compared to forecast
Fee-for-service

Sep 2026 YTD	*SFY 2027 Year to Date*		Variance ($)
	Actual Spent	December 2025 Forecast	Actuals YTD to Dec 2025 Forecast
Expenditures			
Fee-for-service Total	**$1,399,972,386**	**$1,380,490,106**	**($19,482,280)**
Long-Term Institutional Care	**219,886,718**	**216,853,172**	**(3,033,546)**
1915(c) HCBS Waiver Services	**558,096,933**	**555,073,635**	**(3,023,298)**
MFP Demonstration Grant	1,899,468	5,558,656	3,659,188
Traumatic Brain Injury Waiver	3,476,431	3,656,592	180,161
Family Supports Waiver	96,740,804	87,789,327	(8,951,477)
CIH Waiver	260,044,069	263,822,636	3,778,567
Health and Wellness Waiver	195,936,162	194,246,424	(1,689,738)
1915(i) Case Management/State Plan HCBS	**7,085,486**	**6,252,574**	**(832,912)**
PACE Capitation Payments	**19,177,082**	**18,766,521**	**(410,560)**
NEMT Program	**3,804,843**	**4,161,258**	**356,415**
State Plan Services FFS	**591,921,325**	**579,382,945**	**(12,538,380)**

- Total fee-for-service expenditures were $19.5 (1.4%) more than forecast for the quarter
- Long-Term Institutional Care expenditures were higher than forecast due to billing delays for Small Group Homes. Payments that would normally have been made in SFY 26 were delayed to SFY 27 due to changes in ownership.
- Waiver Services expenditures were higher than forecast for Family Support Waiver and the Wellness Waiver.
- The State Plan FFS negative variance was is seen across most service categories and is tied to payment seasonality was not reflected in the December 2025 forecast.

Medicaid spending compared to forecast
Other expenditures and collections

September 2026 YTD	SFY 2027 Year to Date		Variance ($)
	Actual Spent	December 2025 Forecast	Actuals YTD to Dec 2025 Forecast
Expenditures			
Other Expenditures and Collections	**($216,672,471)**	**($180,982,432)**	**$35,690,039**
Medicare Buy-in Payments	157,342,042	161,690,026	4,347,984
Part D Clawback Payments	85,344,286	85,730,404	386,118
Pharmacy Rebates	(445,355,430)	(416,056,030)	29,299,401
TPL	(11,676,710)	(10,139,202)	1,537,509
CHIP II Premiums	(2,029,003)	(1,933,323)	95,680
MedWorks Premiums	(297,655)	(274,308)	23,347

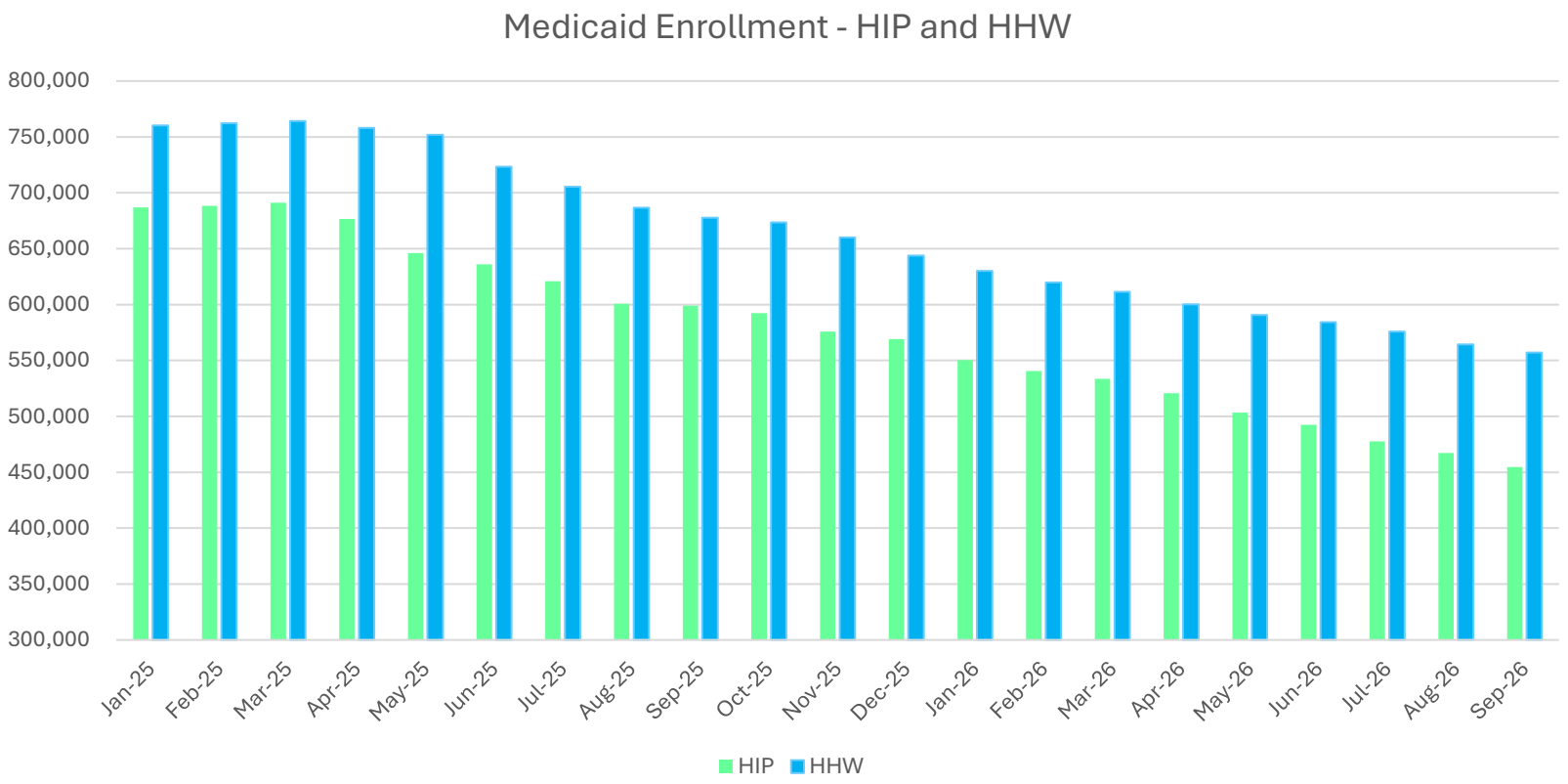
- Other expenditures and collections for September 2026 YTD were $35.7M (19.7%) better than forecast
- Pharmacy rebate collections were $29.3M (7.0%) better than forecast and were the primary driver of the overall results

Medicaid spending compared to forecast
Manual expenditures

September 2026 YTD	SFY 2027 Year to Date		Variance ($)	Adjusted Variance ($)
	Actual Spent	December 2025 Forecast	Actuals YTD to Dec 2025 Forecast	Actuals YTD to Dec 2025 Forecast
Expenditures				
Manual Expenditures	**$834,695,345**	**$676,388,108**	**($158,307,237)**	**$549,457,382**
DSH Payments	0	258,382,631	258,382,631	258,382,631
Nursing Facility UPL Payments	707,764,619	293,372,987	(414,391,632)	293,372,987
FQHC/RHC Supplemental Payments	47,995,549	50,861,726	2,866,177	2,866,177
FQHC/RHC HIP Supplemental Payments	47,952,677	49,223,060	1,270,383	1,270,383
Graduate Medical Education Payments	13,772,030	10,436,391	(3,335,639)	(3,335,639)
Ambulance Supplemental Payments	4,538,870	3,907,638	(631,232)	(631,232)
Physician Faculty Access to Care Payments - FFS	18,915,615	17,696,236	(1,219,379)	(1,219,379)
CHIP-Refunds	0	7,440	7,440	7,440
Stabilization Grant Funding to Providers	0	0	0	0
Other Miscellaneous Payments	(6,244,015)	(7,500,000)	(1,255,985)	(1,255,985)

- Manual expenditures for September 2026 YTD were **$158.3M (23.5%)** higher than forecast
- The largest driver of the negative variance is Nursing Facility Supplemental Payments, where $707.8M of payments were made in September that had been forecast to be paid in SFY 26.
- An adjusted variance column has been added to show the results without the “catch-up” Nursing Facility payments

Medicaid watch areas – HIP and HHW enrollment



	Actual Enrollment			
Month	HIP	Change	HHW	Change
Jan-25	687,041		760,326	
Feb-25	688,251		762,300	
Mar-25	691,075		764,192	
Apr-25	676,511	-2.1%	758,075	-0.8%
May-25	646,116	-4.5%	751,913	-0.8%
Jun-25	636,033	-1.6%	723,444	-3.8%
Jul-25	620,948	-2.4%	705,342	-2.5%
Aug-25	600,671	-3.3%	686,686	-2.6%
Sep-25	599,014	-0.3%	677,762	-1.3%
Oct-25	592,352	-1.1%	673,518	-0.6%
Nov-25	575,733	-2.8%	660,236	-2.0%
Dec-25	569,160	-1.1%	643,959	-2.5%
Jan-26	550,484	-3.3%	630,119	-2.1%
Feb-26	540,584	-1.8%	619,800	-1.6%
Mar-26	533,635	-1.3%	611,306	-1.4%
Apr-26	520,734	-2.4%	600,217	-1.8%
May-26	503,447	-3.3%	590,770	-1.6%
Jun-26	492,379	-2.2%	584,295	-1.1%
Jul-26	477,759	-3.0%	575,763	-1.5%
Aug-26	467,176	-2.2%	564,465	-2.0%
Sep-26	454,567	-2.7%	557,126	-1.3%
Change since March 2025		**-34.2%**		**-27.1%**

Medicaid assistance funding

September 2026

	SFY 2027 Year to Date
Medicaid Assistance Expenditures	$5,470,374,835
Funding	
Federal Funds	4,073,512,601
Intergovernmental Transfers	-
Provider Tax Receipts	19,175,318
HAF Funding	56,790,220
HIP Funding	72,601,537
Other	-
QAF Transfer - IC 16-28-15-8(a)(2)	(5,099,815)
HAF Transfer - IC 16-21-10-14(1)	-
Total IGT and Federal Funding	**4,216,979,861**
YTD General Fund Need (Expenditures - IGTS and Federal Funding)	1,253,394,974
YTD General Fund Appropriation	1,240,725,000
(Shortfall)/Surplus YTD	**(12,669,974)**
CHIP Funding	
Federal	86,879,737
CHIP GF	25,085,000
CHIP HAF	$3,382,500

PathWays quality

- Measurement Year (MY) 2025
  - PathWays Quality Introduction
  - PathWays Medicaid HEDIS Performance
  - Member Experience (CAHPS)
  - Medicaid STARS Ratings
  - Key Takeaways

PathWays quality introduction

HEDIS measures clinical performance, CAHPS captures member experience, and both contribute to NCQA Health Plan Ratings.

HEDIS: Clinical Quality

Healthcare Effectiveness Data and Information Set

NCQA = National Committee for Quality Assurance

What it is	Standardized measures of preventive care, chronic condition management, access, utilization and other care domains.
Who maintains it	NCQA develops and maintains HEDIS through evidence review, expert panels and public comment.
Plan submission	Plans calculate audited results and submit non-survey HEDIS data to NCQA through IDSS. MY2025 submissions were due June 15, 2026.
Benchmarks	NCQA uses submitted results to produce national statistics and benchmarks used for comparative reporting.

CAHPS: Member Experience

Consumer Assessment of Healthcare Providers and Systems

Developed by the Agency for Healthcare Research and Quality (AHRQ)

What it measures	Standardized member-reported experience, including access, timeliness, customer service and coordination of care.
How collected	A sample of members receives a standardized survey administered under CAHPS protocols, commonly by mail with telephone or other approved follow-up.
How submitted	NCQA-certified survey vendors submit Medicaid CAHPS member-level files to NCQA; results are incorporated into HEDIS reporting.
Why it matters	CAHPS complements claims and clinical data by measuring the experience of receiving care.

NCQA Health Plan Ratings

Overall plan-level view on a 0–5 scale

Separate from CMS Medicare Star Ratings

Method	NCQA combines weighted HEDIS and CAHPS measure ratings and adds accreditation bonus points when applicable.
Release cycle	For 2026, plans submitted HEDIS and CAHPS by June 15; NCQA released Health Plan Ratings on September 15, 2026.
Medicare timing	Existing CMS Medicare Star Ratings reflect the plans' broader Medicare contracts, not PathWays-specific performance. The newer PathWays-aligned D-SNPs are building the necessary reporting history, with PathWays-specific NCQA Medicare results expected no earlier than September 2027.

PathWays Medicaid HEDIS performance summary: MY2025

PathWays Medicaid MY2025: Percentile Distribution

Most Benchmarkable PathWays Medicaid Results Met or Exceeded the National Median

Plan	Below 10th	10th–24th	25th–49th	50th–74th	75th–89th	90th+	Total
Anthem	6	5	8	26	20	12	77
Humana	12	2	8	12	15	28	77
UHC	7	13	10	17	14	17	78
Total plan-measure results	**25**	**20**	**26**	**55**	**49**	**57**	**232**

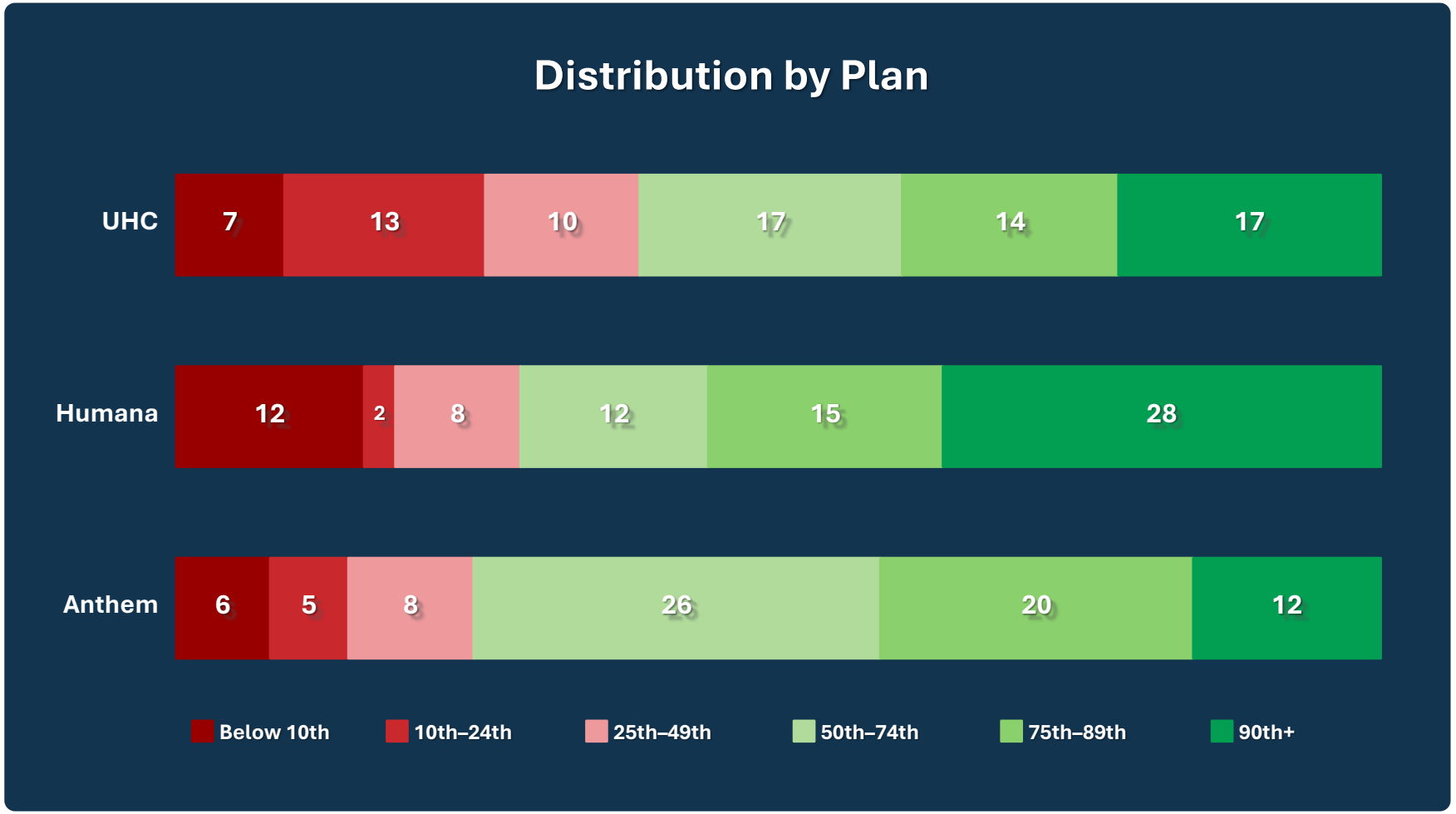
Key Callout

161 of 232 benchmarkable plan-measure results, or 69%, were at or above the 50th percentile.

Notes:

1. Includes PathWays Medicaid-only results. PathWays Dual and PathWays LTSS are excluded.
2. Each plan-measure/submeasure result is counted separately. Results are not enrollment-weighted.
3. Includes 232 benchmarkable results based on the Quality Director's approved summary methodology.
4. For lower-is-better measures, percentile assignment is reversed so that better performance maps to a higher percentile band.

PathWays Medicaid HEDIS performance summary: MY2025



- ☑ **25%** At or above the 90th percentile
- ☑ **46%** In the top quartile (at or above 75th percentile)
- ☑ **69%** At or above the median (50th percentile)

Only 19% fell below the 25th percentile.

PathWays Medicaid HEDIS results: MY2025

Measure	Anthem	Humana	UHC	National Avg.
Influenza	31.2%	34%	28.7%	17.65%
Tdap	41.6%	22.7%	31.1%	46.68%
Zoster	18.8%	4.2%	13.2%	15.22%
Blood Pressure Control	70.3%	79%	70%	72.97%
Diabetes <8% (GSD)	61.3%	77.4%	63.3%	62.76%
Kidney Health Evaluation (KED)	44.4%	61%	43.3%	47.28%
Eye Exam for Diabetes (EED)	52.2%	75.7%	49.4%	52.62%
Statin Therapy Received (SPD)	76.6%	82.8%	70.6%	66.06%
7-day MH Follow-up (FUH)	50.9%	36.5%	33.9%	49.73%
7-day SUD Follow-up (FUA)	32.6%	24%	24.6%	29.28%
SUD Treatment Initiation (IET)	48.2%	46.6%	48.8%	46.16%
SUD Treatment Engagement (IET)	18.2%	12.2%	23.7%	16.41%

Color Key

- Below 10th
- 10th-24th
- 25th-49th
- 50th-74th
- 75th-89th
- 90th+

Program-level readout

- Influenza is at or above the 90th percentile for all three plans.
- Statin therapy is at or above the median for all plans, with two plans at or above the 90th percentile.
- Results identify targeted opportunities in Tdap and 7-day behavioral health follow-up.

PathWays member experience (CAHPS): MY2025

CAHPS measure	Anthem Percentile*	Humana Percentile*	UHC Percentile*
Member Rating of Health Plan	95th	75th	75th
Getting Needed Care	95th	75th	95th
Getting Care Quickly	75th	95th	90th
Customer Service	75th	67th	50th
Coordination of Care	67th	50th	90th

*National percentile

Key takeaways

Strong overall experience

Across PathWays, 11 of 15 results were at or above the 75th percentile, and all results were at or above the national median.

Consistent access

All three plans performed at or above the 75th percentile for both Getting Needed Care and Getting Care Quickly.

Positive plan experience

All three plans were at or above the 75th percentile for Member Rating of Health Plan.

PathWays health plans earn strong NCQA Medicaid ratings

2026 health plan ratings for MY 2025 reflect consistently strong performance across the PathWays program.

Anthem	Humana	UHC
4.0	4.0	4.0
★★★★☆	★★★★☆	★★★★☆
NCQA Medicaid Health Plan Rating	NCQA Medicaid Health Plan Rating	NCQA Medicaid Health Plan Rating

All three PathWays health plans earned 4.0 ratings, demonstrating consistent quality across the program.

NCQA health plan ratings use a 0–5 scale and reflect performance across quality of care, member experience and accreditation.

Key takeaways

- **Strong overall quality performance:** Almost 70% of Medicaid-only results were at or above the national median, including a quarter at or above the 90th percentile.
- **Positive member experience:** All 15 reported CAHPS results were at or above the national median and 11 were at or above the 75th percentile.
- **Consistent access to care:** All three PathWays plans performed at or above the 75th percentile for Getting Needed Care, Getting Care Quickly and Member Rating of Health Plan.
- **External recognition of program quality:** Anthem, Humana and UHC each earned a 4.0 NCQA Medicaid Health Plan Rating for 2026.

HIP Work Requirements and Medical Frailty

- Work Requirement
- Work Requirement Exceptions/Exemptions
- HIP Member Work Requirement Status
- Medical Frailty Definition
- Medical Frailty Process
- Tiered Approach
- Tier 1 Conditions
- Medical Frailty Clinical Profile and Population Analysis

What is the work requirement?

A HIP Expansion member must:

- Demonstrate work with a monthly income of $580 (equivalent to 80 hours at the federal minimum wage).

OR

- Demonstrate 80 hours per month of one or more of the following activities:
  - Work
  - Participation in a work program
  - Enrollment in an educational program (half-time student enrollment satisfies 80 hours)
  - Community service

Work Requirement exemptions/exclusions

1. Under the age of 19
2. Over age 64
3. Entitled to or enrolled in Medicare Part A or enrolled in Medicare Part B
4. Inmates of a public institution
5. Former foster care children under age 26
6. American Indians and Alaska Natives
7. Parent, guardian of a dependent child under the age of 14
8. Medically frail
9. Complying with TANF work requirements
10. Receiving SNAP benefits and not exempt from SNAP work requirements
11. Participants in certain drug and alcohol treatment programs
12. Pregnant women
13. Women entitled to postpartum medical assistance
14. Veterans with a total disability rating

HIP member Work Requirement status

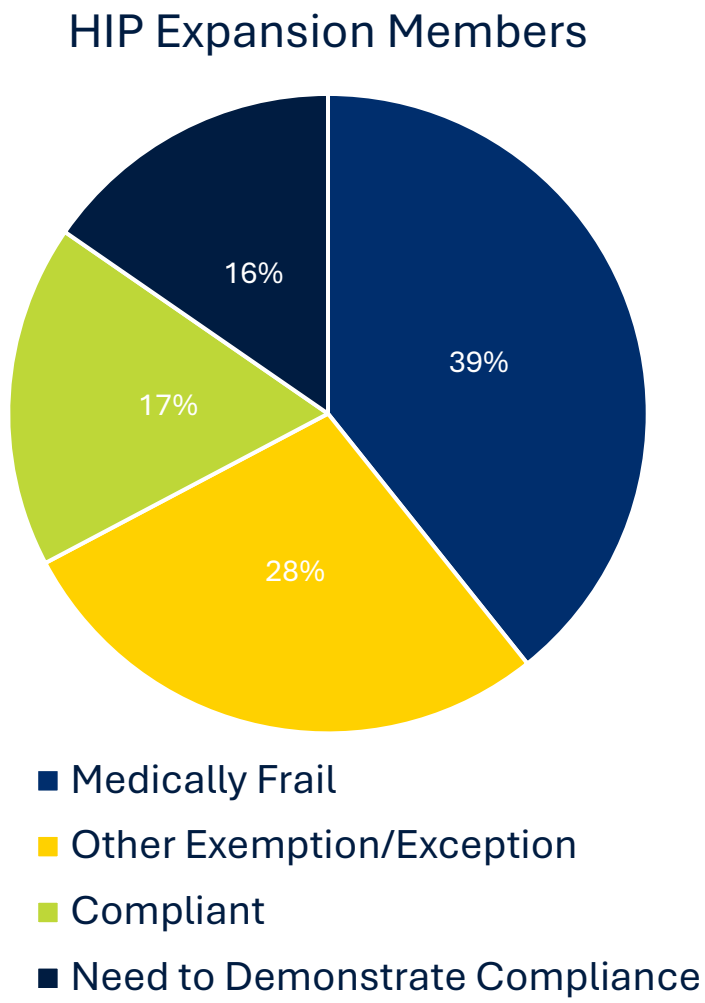
Total HIP members: 474,521

HIP Expansion members: 354,606

- Medically Frail: 139,301
- Other Exemption/Exception: 99,218
- Compliant with work requirements: 61,557
- Need to demonstrate compliance: 54,530

➢ Only expansion members are subject to work requirements

➢ Counts are of unique members, but members may meet more than or exemption/exception category



Data as of 9/30/26

New federal Medical Frailty definition

The 2027 federal framework narrows medical frailty to five statutory categories and adds a functional-impairment standard.

Five Federal Categories

1	**Blind or Disabled**	As defined under section 1614 of the Social Security Act
2	**Disabling Mental Disorder**	Condition must meet the federal medical-frailty standard
3	**Physical, Intellectual or Developmental Disability**	Significantly impairs one or more activities of daily living
4	**Substance Use Disorder**	Includes individuals in early and sustained recovery of less than five years
5	**Serious or Complex Medical Condition**	Condition must significantly impair community engagement

Key Change: Functional Impairment

A person in one of the five categories is medically frail only when the condition significantly impairs the ability to satisfy community engagement requirements.

No expansion beyond the statute	States may not add populations outside the five federal categories.
Different purpose than today	Indiana's current ABP medical-frailty definition determines benefit-plan placement through December 31, 2026.
Beginning January 1, 2027	In 2027 and moving forward, medical frailty instead determines exclusion from community engagement.

Medical Frailty process: What changes in 2027

MUGs

THROUGH 2026

MCO-administered process

Purpose: determine access to the broader HIP State Plan benefit package.

JAN. 1, 2027

MARA

BEGINNING JANUARY 1, 2027

State-administered process

Purpose: determine exclusion from federal community engagement requirements.

	MUGs	MARA
TOOL	Milliman Underwriting Guidelines, an older underwriting methodology not designed for community-engagement limitations.	MARA, tailored by Indiana to align claims evidence with the new federal definition.
IDENTIFICATION	MCOs used claims and supporting information to identify members under the existing criteria.	MCO and fee-for-service claims run through MARA; clinical documentation may supplement claims.
DECISION	MCOs made the initial determination, subject to State oversight and appeal.	The State makes the final determination. MCOs, providers and members may recommend review.
OUTCOME	Confirmed members received the State Plan ABP instead of HIP Basic or HIP Plus.	All HIP members receive State Plan benefits; confirmed frailty excludes the member for six months.

Indiana's three-tiered Medical Frailty approach

Claims-based identification where possible, followed by increasingly individualized clinical review when additional evidence is needed.

1 Diagnosis-Based

MARA identifies members from the State's published diagnosis list.

- Member meets a Tier 1 diagnosis criterion.
- MARA reviews diagnosis information and produces an indication of medical frailty.
- Member is deemed medically frail when the published criterion is met.

2 Evidence-Based

MARA evaluates qualifying conditions together with treatment, services or supports.

- May require a condition plus treatment, support or multiple qualifying services.
- MARA reviews diagnoses, service settings, devices, procedure codes, DME and pharmacy claims.
- Member is deemed medically frail when the State's evidence-based criteria are met.

3 Individual Clinical Review

State clinical staff make the final determination using supporting documentation.

- Referral or recommendation may come from the member, provider, MCO or State staff.
- Evidence may include medical records, treatment or progress notes, discharge records, medication lists, labs and diagnostic results.
- State staff may also review IHIE data and documentation submitted through the member portal.
- The State makes the determination regardless of who submits the recommendation.

MARA supports automated identification in Tiers 1 and 2; Tier 3 adds individualized state clinical review when claims data alone are insufficient.

Conditions that may qualify based on diagnosis alone

Tier 1 uses selected ICD-10 diagnoses that independently meet Indiana's medical frailty criteria.

1

Blindness or Disability

- Severe vision loss or blindness
- Severe or permanent hearing loss
- Aphasia following stroke or brain bleeding

2

Physical, Intellectual or Developmental Disability

- Intellectual or developmental disabilities
- Cerebral palsy, paralysis or functional quadriplegia
- Selected severe congenital, progressive or irreversible disabling conditions

3

Substance Use Disorder

- Alcohol, opioid, cocaine, or stimulant-related disorders
- Sedative, hallucinogen, inhalant and other substance-related disorders

4

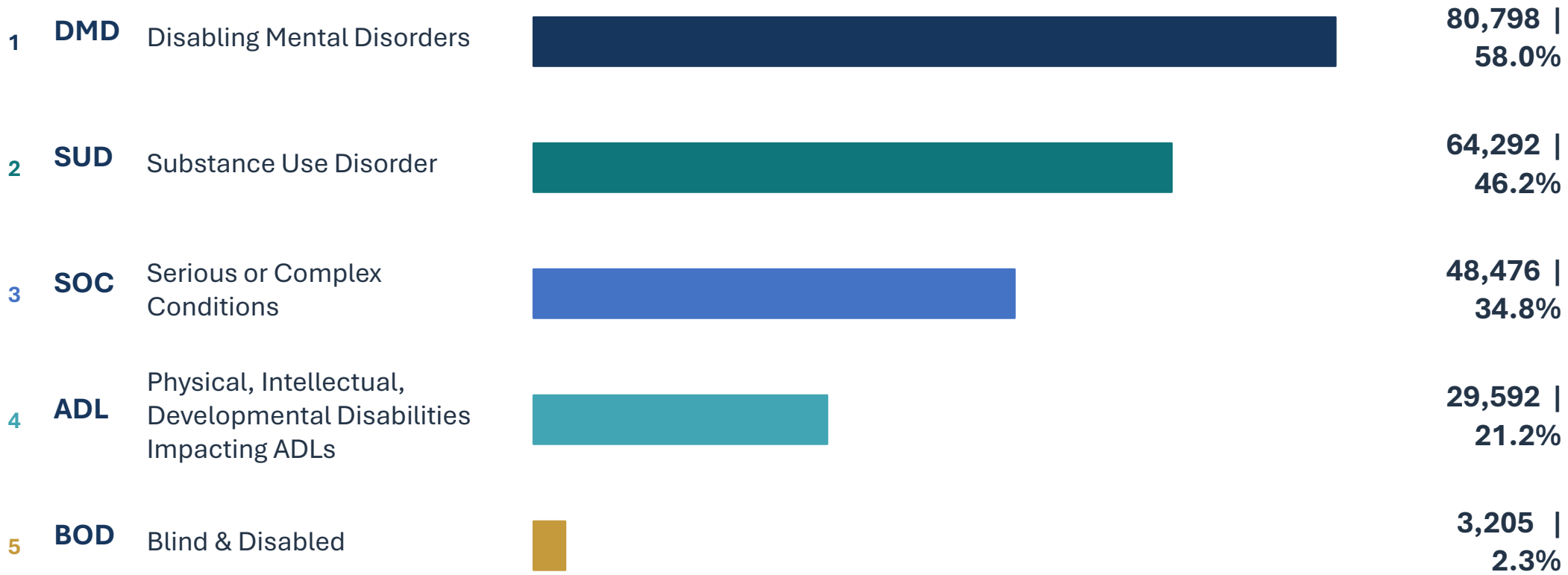
Serious or Complex Medical Conditions

- Cancer and serious blood or immune disorders
- Severe major-organ, neurologic or congenital disease
- Other selected persistent, progressive, life-threatening or medically complex conditions

Important: Disabling mental disorders do not qualify from diagnosis alone. Indiana requires supporting claims evidence under Tier 2 or individualized clinical review under Tier 3.

Medical Frailty member clinical profile

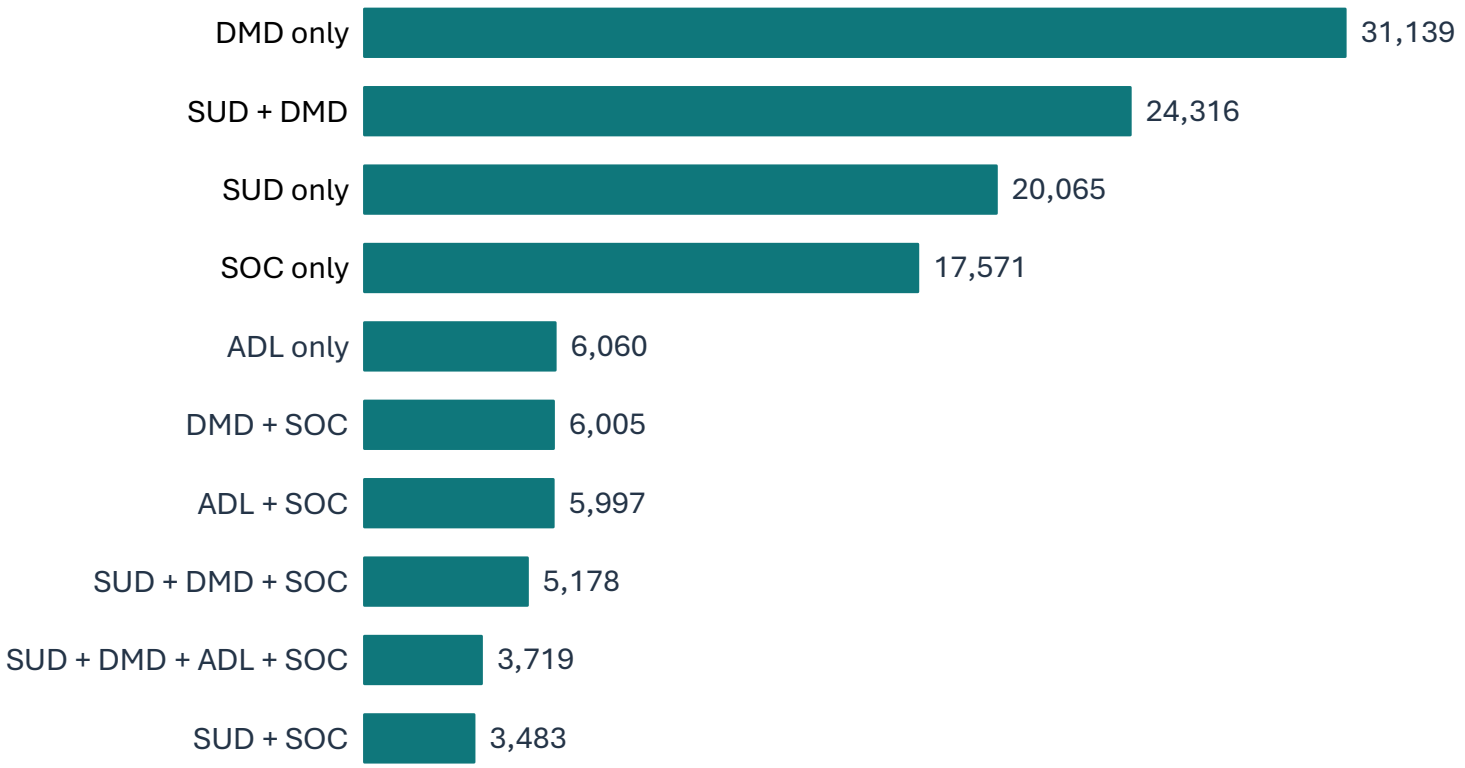
Domain prevalence among 139,301 frail expansion members (members may appear in more than one domain.)



Bottom line: DMD is the leading domain, followed by SUD. Together, these domains define the dominant clinical profile, while BOD is comparatively uncommon.

MARA domain patterns: Top 10 distribution

The total projected frail population: 139,301 HIP expansion members



22.4%

Qualify through DMD alone

17.5%

Qualify through SUD + DMD

14.4%

Qualify through SUD only

15,768 members triggered through other domain pattern distributions.

Medicaid administration agenda

- Medicaid Administration Federal
- Expenditures
- Budget summary
- Staffing
- Contracts

Medicaid administration federal Medicaid

Medicaid administrative costs represent a relatively small portion of total Medicaid spending (<1% for OMPP).

In general, costs incurred by states in administering the Medicaid program are matched by the federal government at a 50 percent rate. There are, however, some types of administrative functions which are matched at higher rates.

90% Federal Match

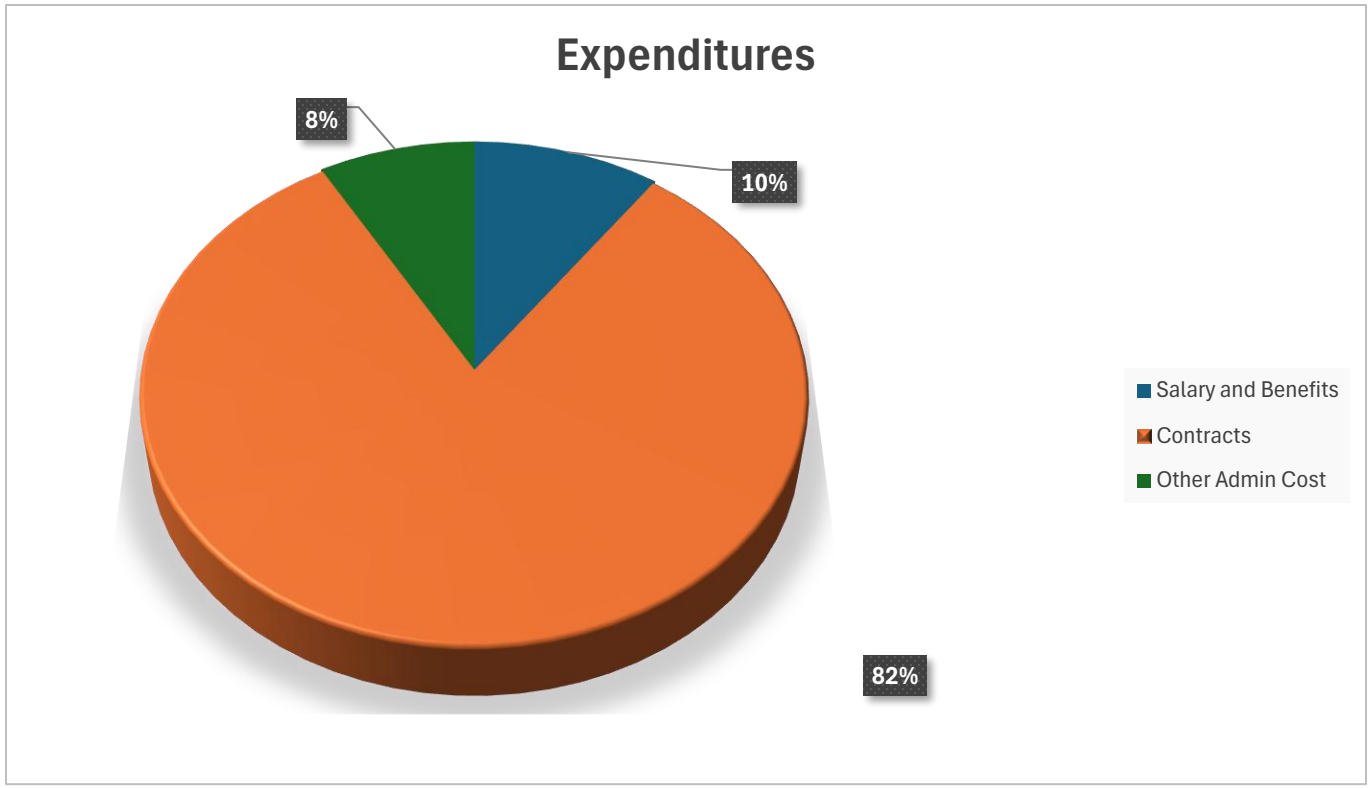
- Claims and Eligibility System Design, Development and Implementation

75% Federal Match

- Claims and Eligibility System Maintenance and Operations
- Electronic Visit Verification System
- Program Integrity
- Managed Care Review Activities (External Quality Reviews)
- Preadmission Screening
- Skilled Medical Professionals (DMHA)

Medicaid administration expenditures

SFY 2027 YTD EXPENDITURES (JULY - SEPTEMBER)



Expense Category	Expenditures
Salary and Benefits	3,712,935
Contracts	30,608,775
Other Admin Cost	3,098,345
Totals	**37,420,056**

Medicaid administration summary

Medicaid Administration

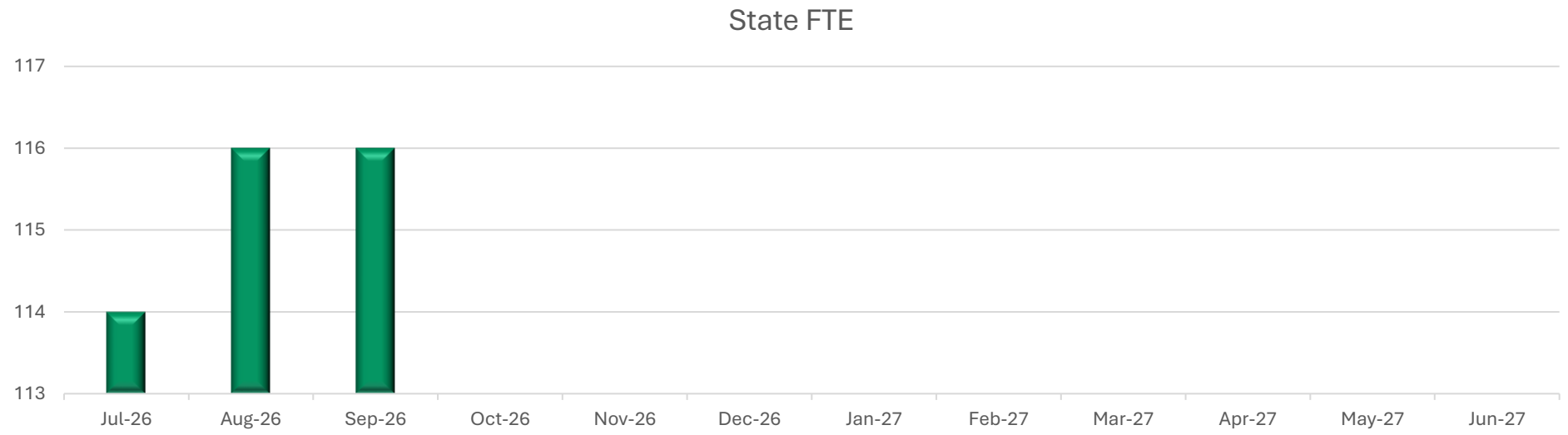
September 2026

Expenditures	Current Month Expenditures September 2026	Year To Date Expenditures September 2026		Variance	SFY 2027 Total Expenditures		Variance
		Actual	Budget		Forecast	Budget	
.1 Personal Services	$997,473	$3,712,935	$3,745,254	$32,319	$14,350,730	$15,126,405	$775,675
.3 External Services Expense	11,199,286	30,608,775	48,922,636	18,313,861	184,124,776	188,400,356	4,275,580
.4 Supplies Materials Parts	5,349	6,715	7,676	961	26,860	30,909	4,049
.8 Social Service Payments	(138,000)	(362,250)	(158,841)	203,409	(1,449,000)	(445,000)	1,004,000
.9 Administrative Expense	12,984	66,383	74,794	8,411	200,210	362,018	161,808
ID Bills	3,215,751	3,387,497	2,638,452	(749,045)	4,919,612	4,247,302	(672,310)
Totals Expenditures	**$15,292,843**	**$37,420,056**	**$55,229,972**	**$17,809,916**	**$202,173,189**	**$207,721,991**	**$5,548,802**

Funding	Current Month Expenditures September 2026	Year To Date Expenditures September 2026		Variance	SFY 2027 Total Expenditures		Variance
		Actual	Budget		Forecast	Budget	
State General Fund	$5,983,911	$12,820,199	$15,480,572	$2,660,373	$59,495,591	$60,535,636	$1,040,045
Federal	9,104,894	23,664,367	38,568,132	14,903,765	138,076,095	142,655,020	4,578,925
Dedicated	204,039	935,490	1,181,267	245,777	4,601,503	4,531,336	(70,167)
Total Funding	**$15,292,843**	**$37,420,056**	**$55,229,972**	**$17,809,916**	**$202,173,189**	**$207,721,991**	**$5,548,802**

OMPP staffing summary

SFY 2027	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	Jan-27	Feb-27	Mar-27	Apr-27	May-27	Jun-27	YTD Average
Month													
State FTE	114	116	116										115



Medicaid administration major contracts

Major Contracts	Service	Contract Period		Total Contract Value	Annual Contact Amount SFY 2027	State Funding	Federal Funding	YTD Expenditures September 2026	Current Balance
Gainwell Technologies LLC	Fiscal Agent	7/1/2023	6/30/2029	$307,851,927	$50,535,371	$14,149,904	$36,385,467	$7,391,691	$43,143,680
Health and Hospital Corporation	Outreach and Eligibility	7/1/2021	6/30/2036	123,750,000	8,250,000	-	8,250,000	-	8,250,000
Maximus US Services Inc	Level of Care Assessments	4/1/2024	3/31/2028	85,380,557	18,415,473	4,603,868	13,811,605	-	18,415,473
Myers & Stauffer	Rate Setting	1/1/2019	6/30/2027	82,701,248	8,020,429	4,010,214	4,010,214	791,972	7,228,456
Optum Government Services	Enterprise Data Warehouse	3/1/2025	2/28/2029	62,191,019	18,528,965	4,632,241	13,896,724	-	18,528,965
Optum RX Administrative Services	PBM	1/1/2022	12/31/2026	50,191,900	5,019,190	1,254,798	3,764,393	-	5,019,190
Acentra	Prior Auth & Utilization Management	7/1/2023	6/30/2027	33,288,747	7,780,344	1,945,086	5,835,258	1,108,020	6,672,325
HMA	Consultant	4/1/2021	6/30/2027	29,570,807	4,125,000	2,062,500	2,062,500	723,954	3,401,046
Deloitte Consulting LLC	Fraud,Waste & Abuse	7/1/2025	6/30/2027	28,279,746	8,476,887	2,119,222	6,357,665	-	8,476,887
Deloitte Transactions & Business Analytics	Actuary	7/1/2025	6/30/2029	25,304,654	6,250,632	3,125,316	3,125,316	14,420	6,236,212
			Total	**$828,510,606**	**$135,402,291**	**$37,903,149**	**$97,499,142**	**$10,030,058**	**$125,372,233**

OMPP thanks you for your time and attention.

Presented Oct. 27, 2026

The FSSA Quarterly Financial Review will resume after a brief break.

Email questions to askthesecretary@fssa.in.gov

Schedule:

www.in.gov/fssa/Quarterly-Financial-Reporting

SFY27 Q1
Quarterly Financial Review
Division of Mental Health and Addiction

Presented Oct. 27, 2026

Division of Mental Health and Addiction

- Sets **care standards** for the provision of mental health and addiction services to Hoosiers.
- Committed to ensuring that clients have **access to quality services** that promote individual, family, and community resiliency and recovery.
- **Certifies** all community mental health centers and addiction treatment service providers.
- Operates **six psychiatric hospitals.**
- **Provides funding support** for mental health and addiction services to target populations with financial need and administers federal funds earmarked for substance abuse prevention projects.

Individuals served across DMHA-funded provider network

Across DMHA's key programs, our system[1] served:

Population[2]	Total SFY26	Jul-26	Aug-26	Total SFY27
Adult	122,819	54,054	52,357	66,307
Youth	57,026	26,122	27,363	32,201
Total	179,845	80,176	79,720	98,508

1. Data includes both individuals continuing care and new episodes of care; each SFY Total and monthly count represents unique individuals. This data does not represent unique individuals across months (i.e., individuals may be counted in multiple months).
2. Data Source: Data Assessment Registry Mental Health & Addiction (DARMHA)

Community Mental Health Centers overview

Indiana's Community Mental Health Centers (CMHCs) provide a **wide array of behavioral health and addiction services for adults, adolescents, and children.**

Indiana has 22 CMHCs, which are certified by DMHA and must meet the relevant requirements of 440 IAC.

Who CMHCs Serve

CMHCs serve adults with serious mental illness, children and adolescent with serious emotional disturbance, and individuals with chronic addiction.

CMHC Service Delivery

CMHCs must ensure accessible, coordinated services, including coordinated transitions to and from state hospitals.

Seriously Mentally Ill (SMI) and Seriously Emotionally Disturbed (SED) program summary

DMHA funds mental health treatment for individuals with Serious Mental Illness (SMI) or Serious Emotional Disturbance (SED) who are at or below 200% of poverty.

Adult with Serious Mental Illness (SMI)

An individual, 18 years or older, who has been diagnosed with an eligible mental illness diagnosis and experiences significant functional impairment in two (2) of the following areas:

- Activities of daily living.
- Interpersonal functioning.
- Concentration, persistence and pace.
- Adaptation to change.

Youth with Severe Emotional Disturbance (SED)

An individual, under 18 years, who has been diagnosed with an eligible mental illness diagnosis and experiences significant functional impairment in one (1) of the following areas:

- Activities of daily living.
- Interpersonal functioning.
- Concentration, persistence and pace.
- Adaptation to change.

Seriously Mentally Ill (SMI) financial summary

Expense Category	Current Month Expenditures September 2026	Year To Date Expenditures September 2026		Variance	SFY 2027 Total Expenditures		Variance
		Actual	Budget		Forecast	Budget	
Personal Services	$119,333	$395,907	$485,666	$89,758	$1,373,721	$1,873,282	$499,561
Utilities Expenses	-	-	-	-	-	-	-
External Services Expense	4,467,004	11,432,778	18,975,102	7,542,323	76,878,594	82,472,759	5,594,165
Supplies Materials Parts	316	616	659	44	2,462	2,637	175
Capital	-	-	-	-	-	-	-
Grant Expense	342,751	1,541,198	1,063,492	(477,706)	3,815,676	4,253,967	438,291
Social Service Payments	-	-	-	-	-	-	-
Administrative Expense	3,838	8,420	7,192	(1,229)	32,479	27,740	(4,739)
ID Bills	9,936	25,389	24,994	(394)	97,929	96,407	(1,522)
Total Expenditures	**$4,943,178**	**$13,404,308**	**$20,557,105**	**$7,152,796**	**$82,200,860**	**$88,726,792**	**$6,525,932**

Funding	Current Month Funding September 2026	Year To Date Funding September 2026		Variance	SFY 2027 Total Funding		Variance
		Actual	Budget		Forecast	Budget	
State Funds	$2,754,089	$7,230,079	$13,372,330	$6,142,251	$57,117,572	$60,018,546	$2,900,974
Federal Funds	2,189,089	6,174,230	7,184,774	1,010,544	25,083,288	28,708,244	3,624,956
Dedicated Funds	-	-	-	-	-	-	-
Total Funding	**$4,943,178**	**$13,404,308**	**$20,557,105**	**$7,152,796**	**$82,200,860**	**$88,726,792**	**$6,525,932**

Seriously Emotionally Disturbed (SED) financial summary

Expense Category	Current Month Expenditures September 2026	Year To Date Expenditures September 2026		Variance	SFY 2027 Total Expenditures		Variance
		Actual	Budget		Forecast	Budget	
Personal Services	$86,286	$308,742	$89,871	$(218,871)	$1,150,875	$346,644	$(804,231)
Utilities Expenses	-	-	-	-	-	-	-
External Services Expense	867,453	4,837,645	4,557,206	(280,439)	17,930,551	18,228,824	298,273
Supplies Materials Parts	-	15,343	16	(15,327)	15,343	65	(15,278)
Capital	-	-	-	-	-	-	-
Grant Expense	-	-	-	-	-	-	-
Social Service Payments	-	-	-	-	-	-	-
Administrative Expense	192	763	932	169	2,943	3,594	651
ID Bills	3,739	11,877	8,786	(3,091)	45,811	33,888	(11,923)
Total Expenditures	**$957,670**	**$5,174,371**	**$4,656,810**	**$(517,561)**	**$19,145,524**	**$18,613,015**	**$(532,508)**

Funding	Current Month Funding September 2026	Year To Date Funding September 2026		Variance	SFY 2027 Total Funding		Variance
		Actual	Budget		Forecast	Budget	
State Funds	$24,645	$1,483,303	$1,366,373	$(116,930)	$6,410,179	$5,465,493	$(944,686)
Federal Funds	933,025	3,691,068	3,290,437	(400,631)	12,735,345	13,147,522	412,177
Dedicated Funds	-	-	-	-	-	-	-
Total Funding	**$957,670**	**$5,174,371**	**$4,656,810**	**$(517,561)**	**$19,145,524**	**$18,613,015**	**$(532,508)**

Resilience and Emotional Support Teams

DMHA has collaborated with IDHS to organize **One Stop Shops (OSS)** and provide other community assistance to provide resources and assistance to communities impacted by the disaster, in alignment with the **Governor's initiative**.

Activated REST Districts:

- ✓ District 1 (Northwestern Indiana)
- ✓ District 5 (Central Indiana)
- ✓ District 6 (Eastern Indiana)
- ✓ District 9 (Southeastern Indiana)

DMHA has requested that activated teams fill out a **survey** to provide information on the number of individuals served.

Completed OSS

- Delaware County
- Madison County
- Porter County
- Wayne County
- Marion County
- Henry County
- Fayette County
- Franklin County
- Lake County
- Hamilton County
- LaPorte County

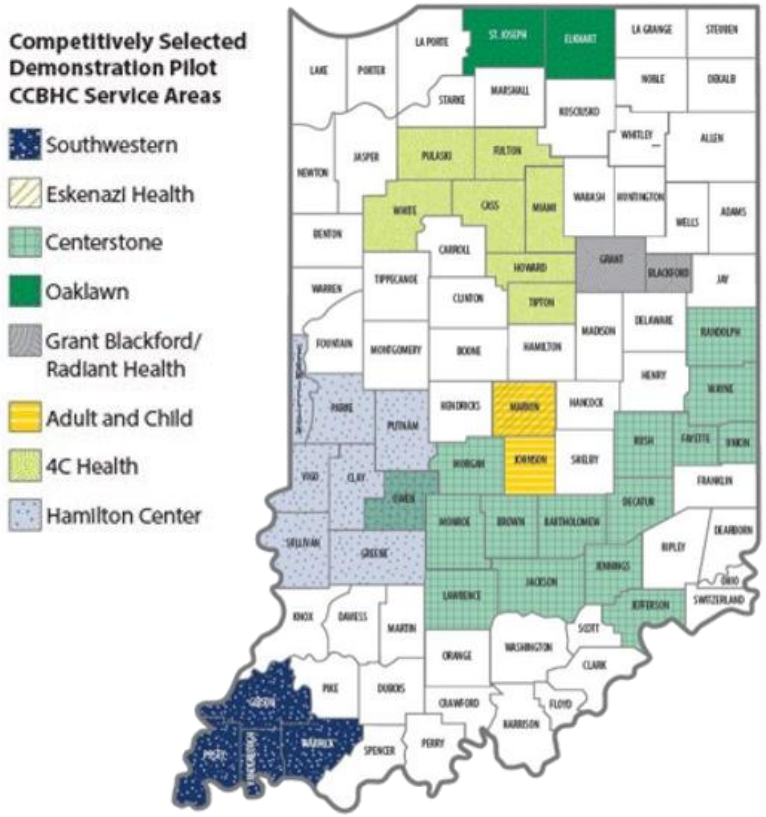
Other Community Assistance

- Wayne County
- Marion County
- Fayette County
- Franklin County

Certified Community Behavioral Health Clinic demonstration

CCBHCs provide a comprehensive range of mental health and addiction services for **anyone** seeking services, **regardless of their diagnosis, insurance, place of residence or age.**

- ✓ Outpatient mental health and substance use services
- ✓ Psychiatric rehabilitation services
- ✓ Community-based mental health care for veterans
- ✓ Screening, diagnosis, and risk assessment
- ✓ Targeted case management
- ✓ Person- and family-centered treatment planning
- ✓ Outpatient primary care screening and monitoring
- ✓ Peer, family support and counselor services
- ✓ Crisis services



21 Required Quality Metrics & Goals

Programmatic, site-specific service mix goals across **9** service categories



Designing a system right for Indiana

988 Indiana – More than a number



Someone to Contact

Individuals connecting to 988 Indiana talk to a trained crisis specialist. Specialists are prepared to help anyone experiencing any form of emotional distress, suicidal thoughts or other mental health or substance use crises.



Someone to Respond

When needed, individuals contacting 988 can receive assistance from a team of trained behavioral health professionals who provide on-site support and connection to appropriate services in their community. Mobile Crisis Teams always include a certified peer support professional, someone with lived experience who is trained to provide support during a behavioral health crisis and another behavioral health professional.

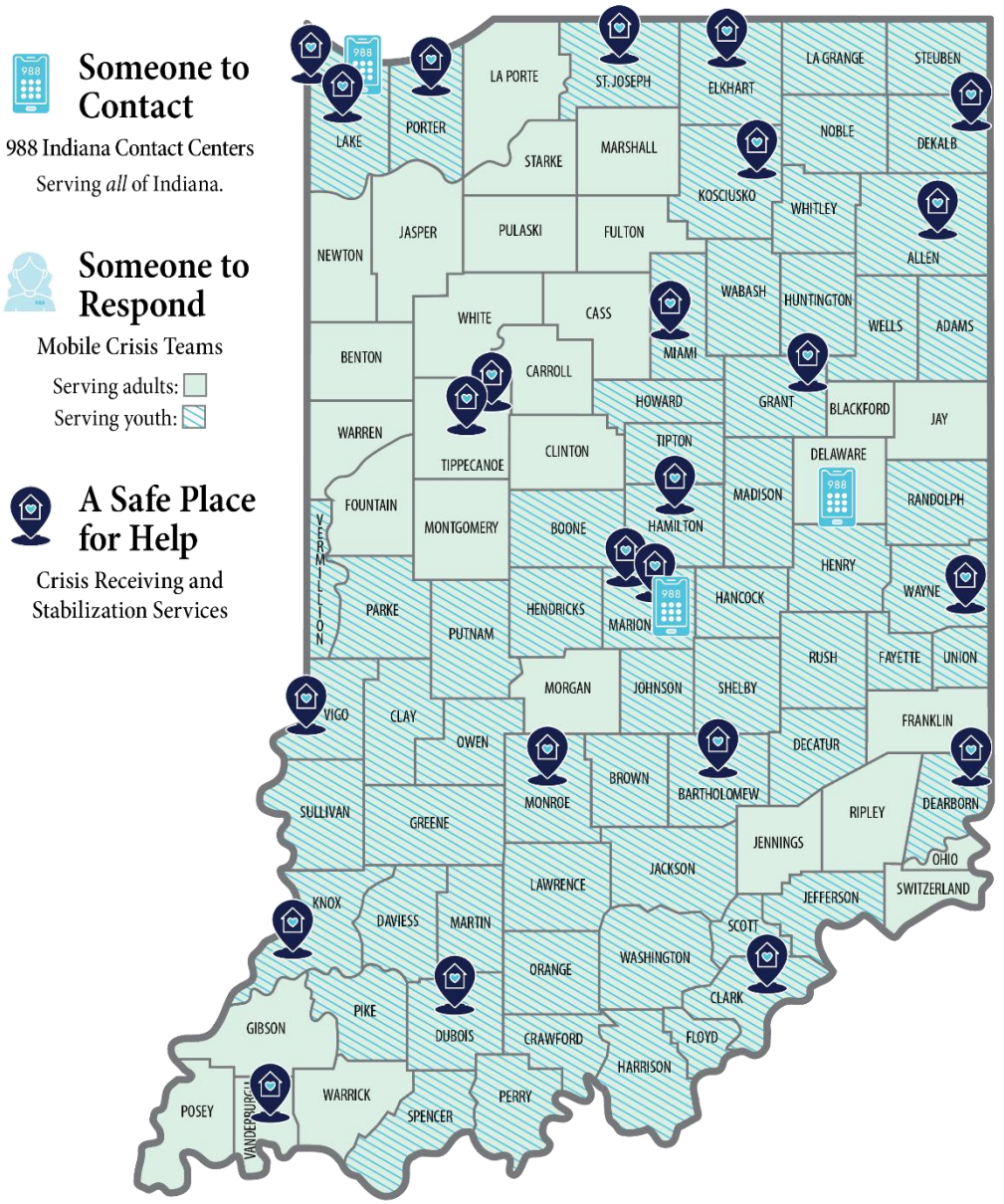


A Safe Place for Help

In some cases, individuals may need additional services and may be referred to a local safe place for short-term support aimed at stabilization and preparing for a return to their community.

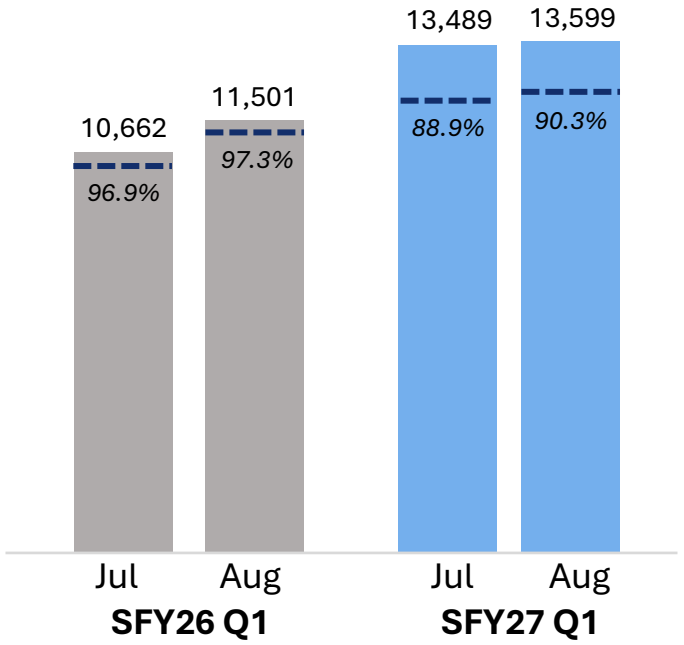
988 Crisis Response System map

https://988indiana.org



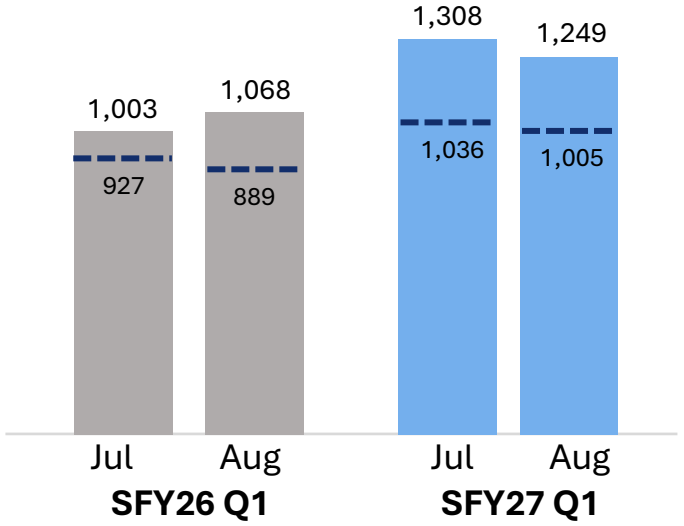
988 comparison data: July and Aug. SFY26 & SFY27

Pillar 1: 988 Calls



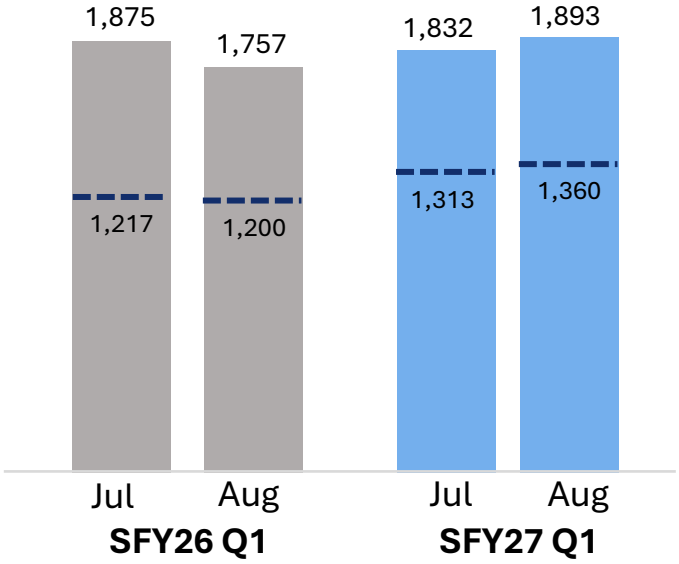
988 Call Volume In State Answer Rate

Pillar 2: Mobile Crisis Responses



Number of Unique Individuals Served by Mobile Crisis Teams

Pillar 3: Crisis Receiving and Stabilization Services



Number of Unique Individuals Served by Crisis Receiving and Stabilization Services

Strengthening 988/911 interoperability

Building the relationships, tools, training, and data infrastructure needed for a coordinated crisis response system.

01 STATEWIDE ENGAGEMENT

Conduct structured outreach across Indiana, including 911, first responders, coroners, community corrections, Mobile Crisis Teams (MCT), and Crisis Receiving and Stabilization Services (CRSS).

02 TRAINING & EDUCATION

Expand crisis response education for public safety partners by hosting presentations and conducting trainings like Mental Health First Aid (MHFA) and Counseling on Access to Lethal Means (CALM).

03 SYSTEM INTEGRATION

Strengthen 988/911 integration by operationalizing the DMHA–Statewide 911 Board MOU, expanding use of the 988/911 Diversion Tool, and convening partners to refine shared communication, transfer, and response practices.

04 DATA & IMPROVEMENT

Develop reporting approaches across 988, 911, and MCTs to better understand interoperability and gather stakeholder feedback to assess crisis system utilization, identify gaps, and inform improvements.

Upcoming Workplan

2027	2028	2029	2030
Implement diversion tool and establish reporting	Expand diversion tool utilization and enhance reporting	Expand training for 988, MCT, CRSS, 911, and first responders	Sustain coordination and accessible crisis training

988 Crisis System financial summary

Expense Category	Current Month Expenditures September 2026	Year To Date Expenditures September 2026		Variance	SFY 2027 Total Expenditures		Variance
		Actual	Budget		Forecast	Budget	
Personal Services	$18,394	$ 37,752	$97,187	$59,435	$119,437	$374,864	$255,427
Utilities Expenses	-	-	-	-	-	-	-
External Services Expense	3,624,435	5,347,971	6,263,732	915,760	24,342,673	25,054,928	712,255
Supplies Materials Parts	-	-	33	33	-	133	133
Capital	-	-	-	-	-	-	-
Grant Expense	-	-	-	-	-	-	-
Social Service Payments	898,537	1,751,602	3,841,750	2,090,148	15,367,000	15,367,000	-
Administrative Expense	-	-	1,355	1,355	5,228	5,228	-
ID Bills	8,694	8,833	1,947	(6,884)	34,070	7,509	(26,561)
Total Expenditures	**$4,550,061**	**$7,146,159**	**$10,206,004**	**$3,059,846**	**$39,868,407**	**$40,809,662**	**$941,253**

Funding	Current Month Funding September 2026	Year To Date Funding September 2026		Variance	SFY 2027 Total Funding		Variance
		Actual	Budget		Forecast	Budget	
State Funds	$1,233,342	$3,430,943	$5,154,917	$1,723,974	$20,511,893	$20,605,312	$93,419
Federal Funds	3,316,718	3,715,217	5,051,087	1,335,871	19,356,514	20,204,349	847,835
Dedicated Funds	-	-	-	-	-	-	-
Total Funding	**$4,550,061**	**$7,146,159**	**$10,206,004**	**$3,059,846**	**$39,868,407**	**$40,809,662**	**$941,253**

Addiction/State Opioid Response

Mixture of state and federally-funded programs:

State Opioid Response Grant

- Substance Use Disorder (SUD) Treatment and Recovery Residence for patients with Opioid Use Disorder (OUD) or Stimulant Use Disorder (StUD) and no access to third party payer
- Overdose Lifeline purchase and distributes Naloxone to community partners, local health departments, and laypersons across the state

State Treatment Funds

- Regional Recovery Hubs connect Hoosiers with mental health and substance use disorder to treatment and recovery supports through Certified Peer Support Professionals
- Lyft Rides administered through Regional Recovery Hubs to provide people with transportation to treatment and recovery appointments

Substance Use Prevention, Treatment and Recovery Services Block Grant

- Residential Treatment (ASAM 3.1 and 3.5 Levels) for patients below 200% of poverty level, pregnant women or women with dependent children with no access to third party payer or denial from payer

Addiction/State Opioid Response (SOR) program metrics

Addiction/SOR	Total SFY26	SFY27 Q1
# of Lyft rides through Regional Recovery Hubs	19,757	3,935
Unduplicated # of participants in recovery residences within DEBS[1]	606	276
Unduplicated # of participants in substance use disorder treatment within DEBS[1]	1,846	1,136
Amount of Naloxone distributed	317,408	93,005

1. DMHA Electronic Billing System (DEBS)

"These funds gave me an opportunity to battle my addiction head-on... Had it not been for DMHA funding, I wouldn't have had the opportunity to work for Goodwill and be promoted to Manager of Donations."
– Individual in recovery

Substance Abuse Treatment (SAT) financial summary

Expense Category	Current Month Expenditures September 2026	Year To Date Expenditures September 2026		Variance	SFY 2027 Total Expenditures		Variance
		Actual	Budget		Forecast	Budget	
Personal Services	$147,355	$521,144	$519,313	$(1,831)	$1,659,252	$2,003,064	$343,813
Utilities Expenses	-	-	-	-	-	-	-
External Services Expense	2,126,077	10,838,672	11,901,670	1,062,998	35,396,599	47,606,680	12,210,081
Supplies Materials Parts	88	527	1,406	879	2,109	5,625	3,516
Capital	-	3,257	1,425	(1,831)	3,257	5,701	2,444
Grant Expense	-	-	2,254,650	2,254,650	1,236,162	9,018,601	7,782,439
Social Service Payments	579,250	2,515,502	1,893,592	(621,910)	7,574,368	7,574,368	-
Administrative Expense	3,686	5,209	227,444	222,236	20,092	877,284	857,192
ID Bills	72,300	80,520	8,447	(72,072)	310,576	32,583	(277,993)
Total Expenditures	**$2,928,755**	**$13,964,831**	**$16,807,950**	**$2,843,119**	**$46,202,414**	**$67,123,906**	**$ 20,921,492**

Funding	Current Month Funding September 2026	Year To Date Funding September 2026		Variance	SFY 2027 Total Funding		Variance
		Actual	Budget		Forecast	Budget	
State Funds	$-	$-	$-	$-	$-	$-	$-
Federal Funds	2,652,149	12,528,999	14,524,163	1,995,164	39,550,137	57,988,760	18,438,623
Dedicated Funds	276,606	1,435,832	2,283,786	847,954	6,652,275	9,135,146	2,482,870
Total Funding	**$2,928,755**	**$13,964,831**	**$16,807,950**	**$2,843,119**	**$46,202,414**	**$67,123,906**	**$20,921,492**

DMHA Problem Gambling program overview

Funding comes from the admissions / supplemental wagering tax and a portion of sports betting tax revenue that are deposited into the Addiction Services Fund:

- DMHA currently has provider agreements with 14 agencies that offer problem gambling treatment / education services.
- Administer the toll-free Problem Gambling helpline: 1-800-994-8448 (*WITH-IT*)
- Provide oversight of state-wide partners that address problem gambling issues.

Gambling program metrics

Gambling	Total SFY26	SFY27 Q1
# of unique clients served by Problem Gambling Providers[1]	741	352
# of new intakes conducted by Problem Gambling Providers	566	157
# of new Voluntary Exclusion Program participants (allows individuals to self-exclude from all Indiana casinos)	571	171
# of new Internet Self Restriction Program participants (enables individuals to request to be barred from participating in licensed mobile sports wagering in Indiana)	176	43
# of Problem Gambling Help Line Specific Calls	760	169

1. Data includes unique clients served for SFY Totals and each quarterly count.

Gambling financial summary

Expense Category	Current Month Expenditures September 2026	Year To Date Expenditures September 2026		Variance	SFY 2027 Total Expenditures		Variance
		Actual	Budget		Forecast	Budget	
Personal Services	$21,715	$78,140	$105,227	$27,087	$261,695	$405,875	$144,180
Utilities Expenses	-	-	-	-	-	-	-
External Services Expense	-	300,986	175,938	(125,048)	779,170	703,750	(75,420)
Supplies Materials Parts	-	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-
Grant Expense	-	-	-	-	-	-	-
Social Service Payments	83,145	341,705	486,771	145,066	1,366,820	1,947,085	580,265
Administrative Expense	-	-	-	-	-	-	-
ID Bills	208	710	1,800	1,089	2,740	6,942	4,202
Total Expenditures	**$105,068**	**$721,541**	**$769,735**	**$48,195**	**$2,410,425**	**$3,063,652**	**$653,227**

Funding	Current Month Funding September 2026	Year To Date Funding September 2026		Variance	SFY 2027 Total Funding		Variance
		Actual	Budget		Forecast	Budget	
State Funds	$-	$-	$-	$-	$-	$-	$-
Federal Funds	-	-	-	-	-	-	-
Dedicated Funds	105,068	721,541	769,735	48,195	2,410,425	3,063,652	653,227
Total Funding	**$105,068**	**$721,541**	**$769,735**	**$48,195**	**$2,410,425**	**$3,063,652**	**$653,227**

Substance Use Prevention program metrics

The Substance Use Prevention, Treatment and Recovery Services Block Grant (**SUPTRS BG**) is the primary source of **federal funding** for the **prevention and treatment of substance use**. In SFY26, DMHA administered funding to **32 grantees** and contracted with the Pacific Institute for Research and Evaluation (PIRE) to report on key outcomes across grantees.

40
Interventions implemented

31,000
Participants in direct service interventions

1.4 million
People reached through indirect service interventions

LifeSkills* and *Too Good for Drugs
The most common school-based interventions

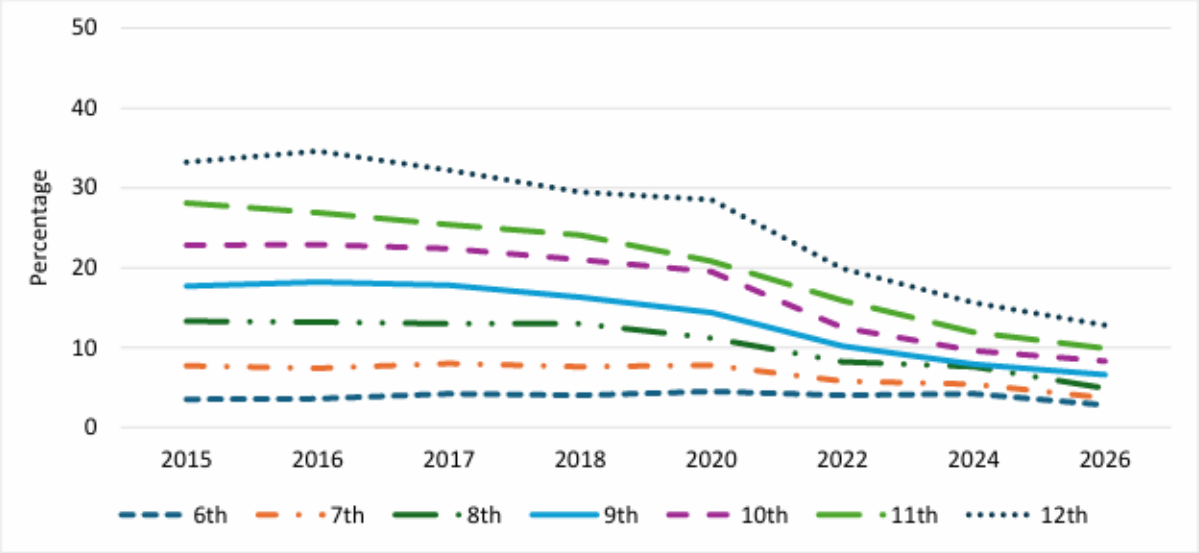
87%
Of statistically significant results were in the desired direction

"Talk. They Hear You."
The most common media campaign

Substance Use Prevention program metrics

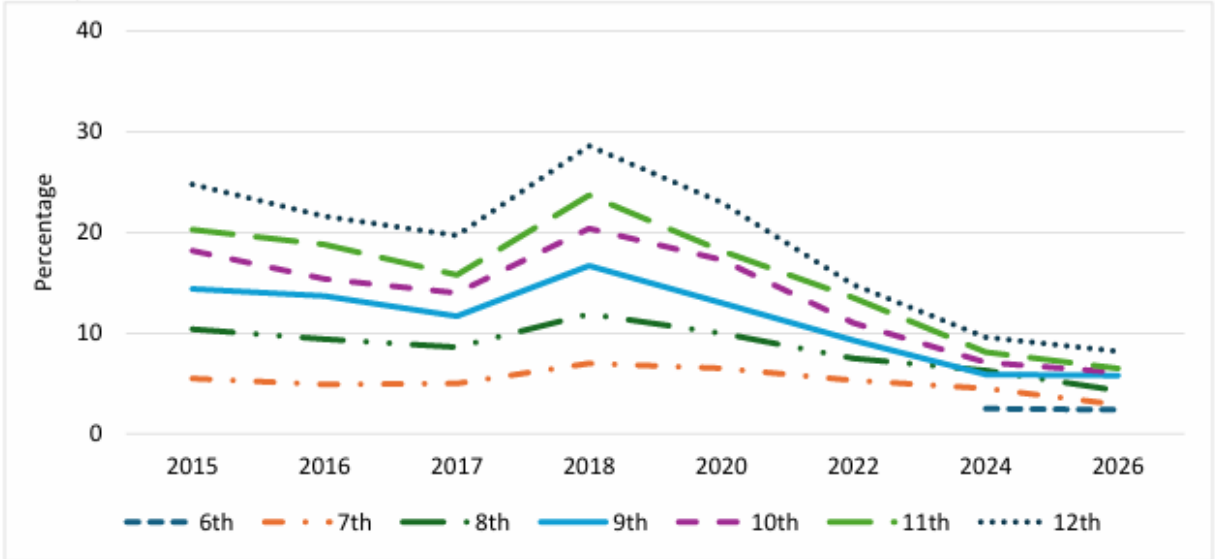
The latest **Indiana Youth Survey** (published August 2026) collected responses from **53,879 students** in grades 6 through 12, representing **183 schools** statewide. Youth substance use declined across nearly every major category.

Figure 1. Percentage of Students Who Reported Using Alcohol in the Past Month by Grade, 2015 - 2026



Note. The scale (y-axis) for this figure is truncated to aid in interpretation of the data.

Figure 2. Percentage of Students Who Reported Using Electronic Vapor Products in the Past Month by Grade, 2015 - 2026



Note. The scale (y-axis) for this figure is truncated to aid in interpretation of the data.

Source: 2026 Indiana Youth Survey Report Executive Summary

Substance Use Prevention financial summary

Expense Category	Current Month Expenditures September 2026	Year To Date Expenditures September 2026		Variance	SFY 2027 Total Expenditures		Variance
		Actual	Budget		Forecast	Budget	
Personal Services	$21,613	$83,156	$103,656	$20,499	$257,746	$399,815	$142,068
Utilities Expenses	-	-	-	-	-	-	-
External Services Expense	861,984	2,400,352	2,127,098	(273,254)	8,573,425	8,508,393	(65,032)
Supplies Materials Parts	-	-	14	14	55	55	-
Capital	-	-	-	-	-	-	-
Grant Expense	-	-	-	-	-	-	-
Social Service Payments	-	-	-	-	-	-	-
Administrative Expense	3,594	3,832	1,287	(2,545)	6,568	5,148	(1,420)
ID Bills	-	-	-	-	-	-	-
Total Expenditures	**$887,190**	**$2,487,340**	**$2,232,056**	**$(255,285)**	**$8,837,795**	**$8,913,411**	**$75,616**

Funding	Current Month Funding September 2026	Year To Date Funding September 2026		Variance	SFY 2027 Total Funding		Variance
		Actual	Budget		Forecast	Budget	
State Funds	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Federal Funds	887,190	2,463,439	2,074,752	(388,687)	8,287,795	8,363,411	75,616
Dedicated Funds	-	23,901	157,304	133,403	550,000	550,000	-
Total Funding	**$887,190**	**$2,487,340**	**$2,232,056**	**$(255,285)**	**$8,837,795**	**$8,913,411**	**$75,616**

Opioid settlement

- Indiana is receiving more than $1 billion from the National Opioid Settlement over 18 years
- The Attorney General Website houses all information and financial updates from the National Opioid Settlement
- **IC 4-6-15-4** defines the distribution structure as a 50/50 split between the state and local municipalities who opted in
- Abatement funds are obligated based on Exhibit E – National Settlement Approved Restricted Funds Uses
- Indiana Opioid Settlement updates are posted on the Indiana Opioid Settlement Website

The SFY27-28 Opioid Settlement Plan was approved by State Budget Committee in June 2026

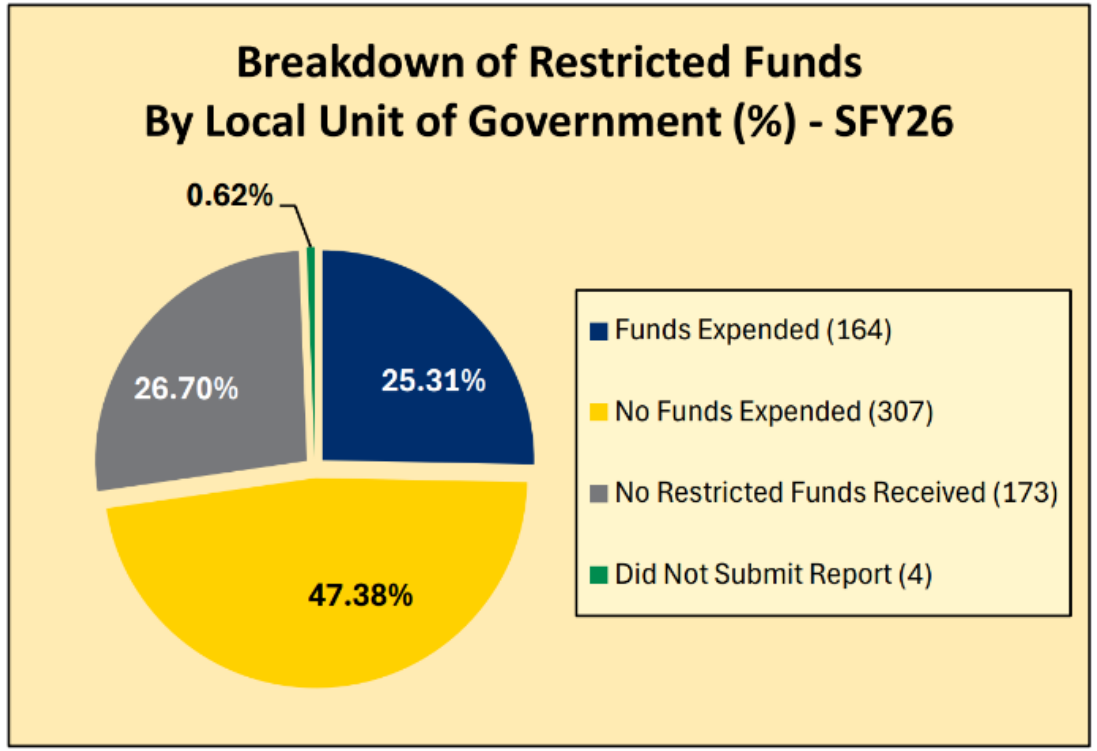
Initiatives will include:

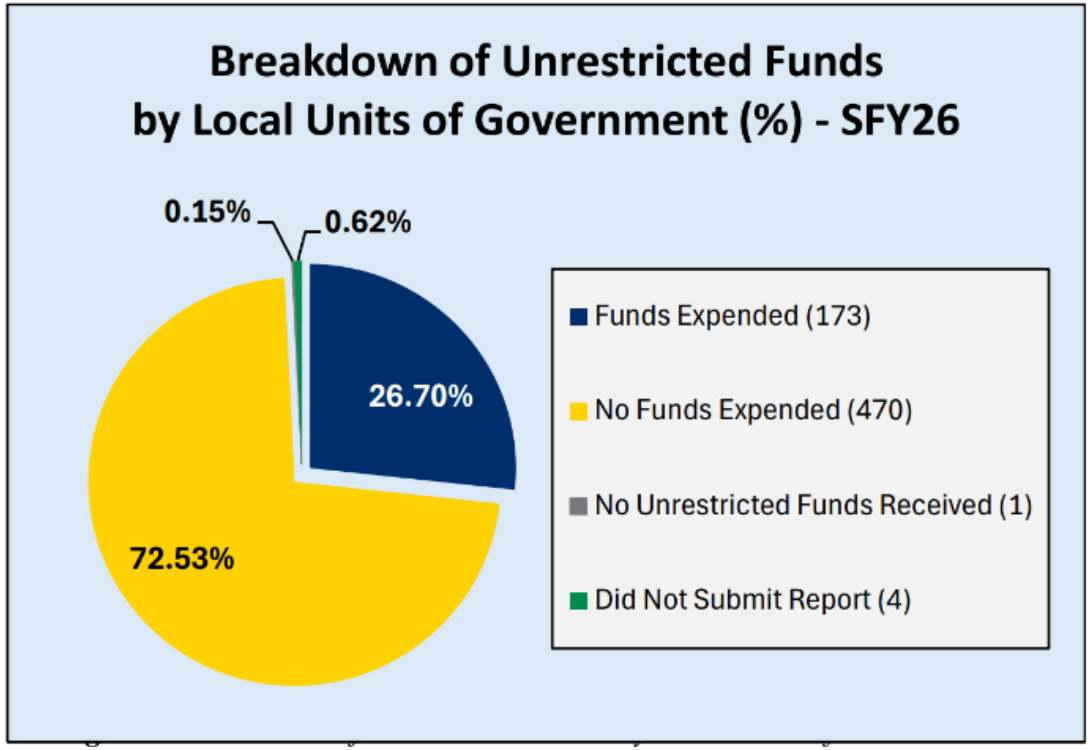
- Prevention
- Treatment
- Recovery
- Workforce
- Enforcement

Partnerships

- Department of Child Services (DCS)
- Indiana Department of Health (IDOH)
- Indiana Housing & Community Development Authority (IHCDA)

Opioid Settlement Fund breakdown – SFY26 local units of government

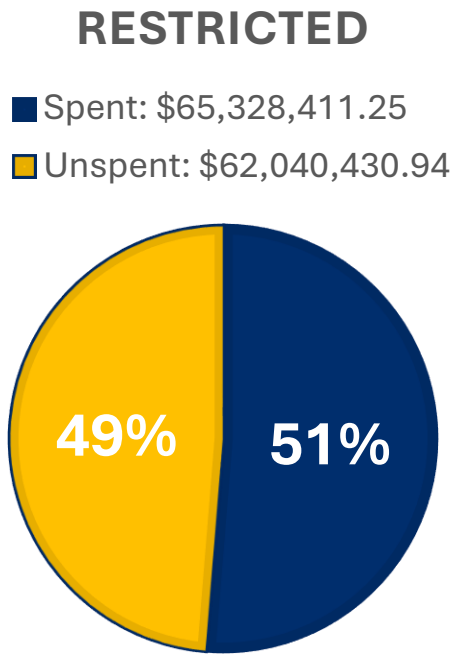




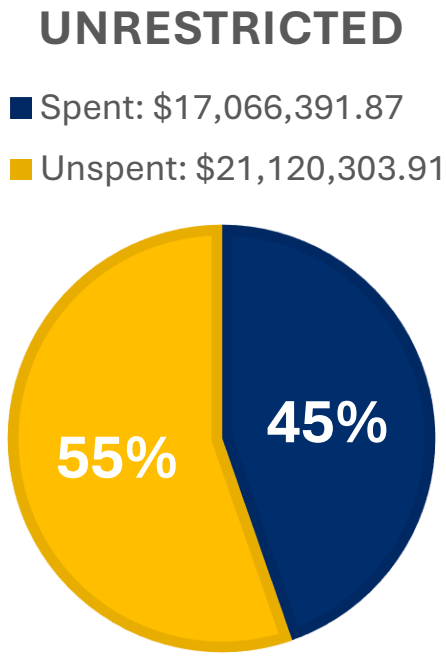
Opioid Settlement Fund breakdown – local units of government spend

Since initial distribution in 2022, Local Units of Government have received

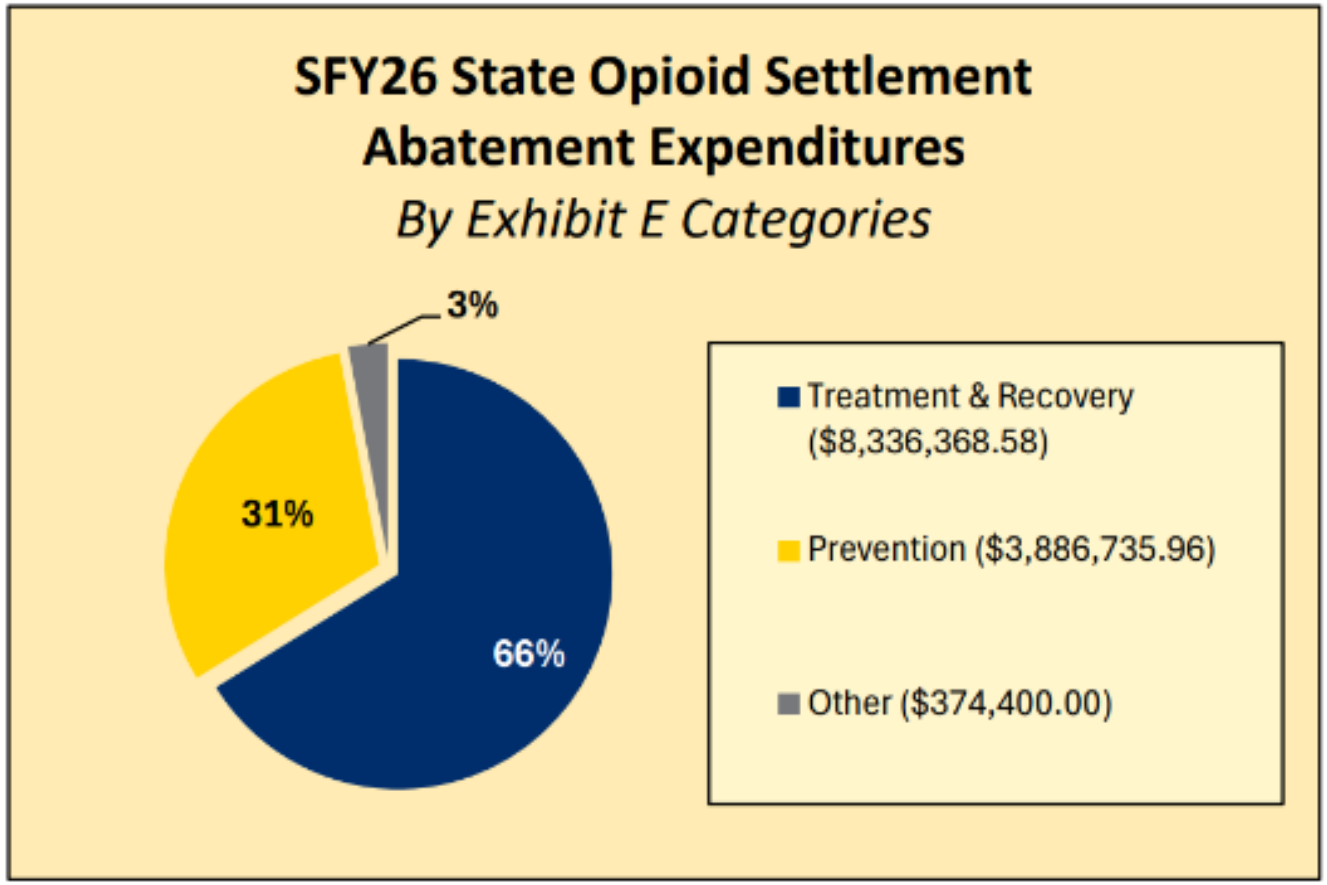
Restricted: $127,368,842.22



Unrestricted: $38,186,695.78



Opioid Settlement Fund breakdown – SFY26 state expenditures



Opioid Settlement financial summary

Expense Category	Current Month Expenditures September 2026	Year To Date Expenditures September 2026		Variance	SFY 2027 Total Expenditures		Variance
		Actual	Budget		Forecast	Budget	
Personal Services	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Utilities Expenses	-	-	-	-	-	-	-
External Services Expense	743,051	2,205,771	3,315,864	1,110,093	8,823,085	13,263,456	4,440,371
Supplies Materials Parts	-	-	78	78	-	310	310
Capital	-	-	-	-	-	-	-
Grant Expense	-	-	-	-	-	-	-
Social Service Payments	-	(80)	-	80	-	-	-
Administrative Expense	-	-	905	905	3,492	3,492	-
ID Bills	14	40	2,438	2,397	155	9,402	9,247
Total Expenditures	**$743,064**	**$2,205,731**	**$3,319,284**	**$1,113,553**	**$8,826,732**	**$13,276,660**	**$4,449,928**

Funding	Current Month Funding September 2026	Year To Date Funding September 2026		Variance	SFY 2027 Total Funding		Variance
		Actual	Budget		Forecast	Budget	
State Funds	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Federal Funds	-	-	-	-	-	-	-
Dedicated Funds	743,064	2,205,731	3,319,284	1,113,553	8,826,732	13,276,661	4,449,929
Total Funding	**$743,064**	**$2,205,731**	**$3,319,284**	**$1,113,553**	**$8,826,732**	**$13,276,660**	**$4,449,928**

Opioid Treatment Programs: Methadone clinics

- 26 DMHA Certified Opioid Treatment Programs in Indiana
- Provide a multi-modal approach including medication, counseling and other supportive services
- Must meet DMHA certification standard (440 IAC 10)
- Comply with state and federal laws
  - HHS/Substance Abuse and Mental Health Services Administration (SAMHSA)
  - DEA Requirements
  - Indiana Board of Pharmacy
- Accreditation by recognized national body

Opioid Treatment Programs: Methadone clinics

Allen
Bowen Recovery Center, BHG Fort Wayne Treatment Center

Clark
Southern Indiana Comprehensive Treatment Center

Dearborn
East Indiana Comprehensive Treatment Center

Delaware
Muncie Comprehensive Treatment Center

Grant
Premier Care of Indiana, Inc. DBA Community Medical Services

Hendricks
WIN Recovery: Hendricks

Howard
Pinnacle Treatment Centers – Kokomo Treatment Services

Jackson
Seymour Comprehensive Treatment Center

Johnson
New Vista Outpatient Recovery Center

Knox
WIN Recovery: Knox

Lake
MedMark Treatment Centers Merrillville, New Season Treatment Center - Semoran, Edgewater New-Life

LaPorte
Porter-Starke Recovery Center: LaPorte

Marion
Indianapolis Comprehensive Treatment Center, Sandra Eskenazi Mental Health Center
Caring Recovery OTP, New Vista North

Monroe
MedMark Treatment Centers Bloomington

Morgan
Pinnacle Treatment Centers – Martinsville Treatment Services

Porter
Porter-Starke Recovery Center: Valparaiso

St. Joseph
Victory Clinical Services II

Tippecanoe
MedMark Treatment Centers Lafayette

Vanderburgh
Evansville Comprehensive Treatment Center

Vigo
WIN Recovery: Vigo

Wayne
Richmond Comprehensive Treatment Center



Opioid Treatment Programs: Methadone clinics

Program Data	Total SFY26	SFY26 Q1
Unique # patients served	14,817	11,627
Admissions	5,260	1,280
Discharges	5,403	1,410

Data includes unique # of patients served for SFY Total and each quarterly count.

Opioid Treatment Programs: Methadone clinics financial summary

Expense Category	Current Month Expenditures September 2026	Year To Date Expenditures September 2026		Variance	SFY 2027 Total Expenditures		Variance
		Actual	Budget		Forecast	Budget	
Personal Services	$37,866	$129,623	$153,635	$24,012	$430,620	$592,593	$161,972
Utilities Expenses	-	-	-	-	-	-	-
External Services Expense	3,640	10,920	10,920	-	36,400	43,680	7,280
Supplies Materials Parts	229	901	331	(570)	3,604	1,324	(2,280)
Capital	-	-	-	-	-	-	-
Grant Expense	-	-	-	-	-	-	-
Social Service Payments	-	-	-	-	-	-	-
Administrative Expense	6,095	12,312	8,121	(4,191)	47,487	31,324	(16,163)
ID Bills	1,432	4,007	2,234	(1,773)	15,454	8,617	(6,837)
Total Expenditures	**$49,263**	**$157,763**	**$175,243**	**$17,480**	**$533,566**	**$677,538**	**$143,972**

Funding	Current Month Funding September 2026	Year To Date Funding September 2026		Variance	SFY 2027 Total Funding		Variance
		Actual	Budget		Forecast	Budget	
State Funds	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Federal Funds	-	-	-	-	-	-	-
Dedicated Funds	49,263	157,763	175,243	17,481	533,566	677,538	143,972
Total Funding	**$49,263**	**$157,763**	**$175,243**	**$17,480**	**$533,566**	**$677,538**	**$143,972**

Mental Health Funds Recovery financial summary

Expense Category	Current Month Expenditures September 2026	Year To Date Expenditures September 2026		Variance	SFY 2027 Total Expenditures		Variance
		Actual	Budget		Forecast	Budget	
Personal Services	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Utilities Expenses	-	-	-	-	-	-	-
External Services Expense	-	7,814,870	10,863,875	3,049,005	43,455,499	43,455,499	-
Supplies Materials Parts	-	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-
Grant Expense	-	-	-	-	-	-	-
Social Service Payments	-	-	-	-	-	-	-
Administrative Expense	-	-	-	-	-	-	-
ID Bills	-	-	-	-	-	-	-
Total Expenditures	**$ -**	**$7,814,870**	**$10,863,875**	**$3,049,005**	**$43,455,499**	**$43,455,499**	**$ -**

Funding	Current Month Funding September 2026	Year To Date Funding September 2026		Variance	SFY 2027 Total Funding		Variance
		Actual	Budget		Forecast	Budget	
State Funds	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Federal Funds	-	7,814,870	10,863,875	3,049,005	43,205,999	43,205,999	-
Dedicated Funds	-	-	-	-	249,500	249,500	-
Total Funding	**$ -**	**$7,814,870**	**$10,863,875**	**$3,049,005**	**$43,455,499**	**$43,455,499**	**$ -**

Quality Assurance/Quality Improvement

The QA/QI Team is responsible for auditing Community Mental Health Centers, Certified Community Behavioral Health Clinics, Mobile Crisis, Addiction Service Providers, Private Mental Health Institutions and Recovery Residences

- These providers may hold multiple certifications or designations, such as Addiction Service provider with a sub-acute and American Society of Addiction Medicine (ASAM) designations.
- The team conducted 46 quality assurance reviews.
- The team received and reviewed a total of 1,002 provider-reported critical incidents.
- The team received and reviewed a total of 170 provider complaints from the Consumer Service Line (CSL).

Quality Assurance/Quality Improvement data (Q1 SFY27)

	Private Mental Health Institutions	Outpatient/ Residential	Recovery Residences	Opioid Treatment Programs
Site Visits	12	26	N/A	8
Critical Incident Reports/Complaints/Mortality Reviews	117	1,098	N/A	6
Total # of Corrective Action Plans	12	26	N/A	8
# of New Conditionals	2	11	0	0
# of Terminations	0	0	0	0

DMHA admin financial summary

Expense Category	Current Month Expenditures September 2026	Year To Date Expenditures September 2026		Variance	SFY 2027 Total Expenditures		Variance
		Actual	Budget		Forecast	Budget	
Personal Services	$ 234,689	$1,001,631	$1,227,792	$226,160	$2,580,299	$4,735,767	$2,155,469
Utilities Expenses	-	-	-	-	-	-	-
External Services Expense	89,316	266,837	211,119	(55,718)	969,445	844,475	(124,970)
Supplies Materials Parts	975	2,914	2,018	(896)	11,655	8,073	(3,582)
Capital	255	271	152	(120)	1,086	606	(480)
Grant Expense	-	250,000	62,500	(187,500)	250,000	250,000	-
Social Service Payments	-	-	-	-	-	-	-
Administrative Expense	1,608	26,153	29,008	2,855	100,876	111,890	11,014
ID Bills	142,302	408,765	540,865	132,100	1,576,665	2,086,193	509,528
Total Expenditures	**$469,145**	**$1,956,571**	**$2,073,453**	**$116,882**	**$5,490,026**	**$8,037,003**	**$2,546,978**

Funding	Current Month Funding September 2026	Year To Date Funding September 2026		Variance	SFY 2027 Total Funding		Variance
		Actual	Budget		Forecast	Budget	
State Funds	$450,232	$925,558	$ 1,170,113	$244,555	$3,581,922	$4,423,643	$841,721
Federal Funds	18,913	1,031,013	903,340	(127,673)	1,908,104	3,613,360	1,705,257
Dedicated Funds	-	-	-	-	-	-	-
Total Funding	**$469,145**	**$1,956,571**	**$2,073,453**	**$116,882**	**$5,490,026**	**$8,037,003**	**$2,546,978**

DMHA staffing summary

	End of SFY26	26-Jul	26-Aug	26-Sep
State FTE				
# Filled	84	83	89	91
Contractor FTE				
# Active	5	6	6	6

197 SFY27 Q1 QFR

DMHA major contracts summary

Contractor	Contract Period	Total Contract Value	Annual Contract Value	State Funding	Federal Funding	YTD Expenditures Jul – Sep 26	Current Balance
InteCare Inc.	7/1/2026 - 6/30/2027	$169,479,996	$42,369,999	$23,679,999	$18,690,000	$7,824,870	$34,545,129
CMHC and CCBHC Providers (aggregate)	7/1/2026 - 6/30/2027	75,263,430	75,263,430	50,137,592	25,125,838	2,473,929	72,789,501
988 Contact Centers (aggregate)	7/1/2026 - 6/30/2030	48,926,318	16,584,879	8,555,277	8,029,602	-	16,584,879
Free Standing Addiction Programs (aggregate)	7/1/2026 - 6/30/2027	5,224,333	5,224,333	592,061	4,632,272	353,721	4,870,612
	Total	**$298,894,077**	**$139,442,641**	**$82,964,929**	**$56,477,712**	**$10,652,520**	**$128,790,121**

DMHA financial summary

Data through September 2026

Program	Current Month Expenditures September 2026	Year To Date Expenditures September 2026		Variance	SFY2027 Total Expenditures		Variance
		Actual	Budget		Forecast	Budget	
988 Crisis System	$4,550,061	$ 7,146,159	$10,206,004	$3,059,846	$39,868,407	$40,809,662	$941,253
Seriously Mentally Ill	4,943,178	13,404,308	20,557,105	7,152,796	82,200,861	88,726,792	6,525,931
Seriously Emotionally Disturbed	957,670	5,174,371	4,656,810	(517,561)	19,145,524	18,613,015	(532,508)
Substance Abuse Treatment	2,928,755	13,964,831	16,807,950	2,843,119	46,202,414	67,123,906	20,921,492
Opioid Settlement Fund	743,064	2,205,731	3,319,284	1,113,553	8,826,732	13,276,660	4,449,928
Recovery Works	955,758	3,902,657	3,130,299	(772,358)	12,206,070	12,500,000	293,930
Methadone Clinics	49,263	157,763	175,243	17,480	533,566	677,538	143,972
Gamblers Assistance	105,068	721,541	769,735	48,195	2,410,425	3,063,652	653,227
Substance Abuse Prevention	887,190	2,487,340	2,232,056	(255,285)	8,837,795	8,913,411	75,616
Mental Health Funds Recovery	-	7,814,870	10,863,875	3,049,005	43,455,499	43,455,499	-
DMHA Administration	469,145	1,956,571	2,073,453	116,882	5,490,026	8,037,003	2,546,978
Total Expenditures	**$16,589,152**	**$58,936,141**	**$74,791,813**	**$15,855,672**	**$269,177,320**	**$305,197,138**	**$36,019,821**

SFY2027 YTD funding breakdown

Program	Current Month Funding September 2026	Year To Date Funding September 2026		Variance	SFY2027 Total Funding		Variance
		Actual	Budget		Forecast	Budget	
State	$5,418,066	$16,972,539	$24,194,032	$7,221,493	$99,827,636	$103,012,995	$3,185,359
Federal	9,997,085	37,418,834	43,892,428	6,473,594	150,127,182	175,231,646	25,104,464
Dedicated	1,174,000	4,544,768	6,705,353	2,160,586	19,222,498	26,952,497	7,729,998
Total Funding	**$16,589,152**	**$58,936,141**	**$74,791,813**	**$15,855,672**	**$269,177,320**	**$305,197,138**	**$36,019,821**

DMHA Medicaid financial summary

Medicaid: Data through September 2026

Medicaid Program	Current Month Actuals Sep 2026	Current Month Dec 2025 Forecast	Variance Current Month Actuals to Forecast	YTD Actual Spent	YTD Forecast Dec 2025	Variance Actuals YTD to Forecast	SFY2026 Actual Spent YTD	Variance SFY 2026 to SFY 2027 YTD	Total SFY27 Dec 2025 Forecast
1915(i) Adult Mental Health and Habilitation	$740,370	$109,013	$(631,357)	$2,019,798	$355,540	$(1,664,258)	$305,570	$(1,714,228)	$1,427,484
1915(i) Child Mental Health Wraparound Services	1,674,665	1,740,585	65,920	4,848,256	5,681,906	833,650	5,404,825	556,569	22,727,626
1915(i) Behavioral and Primary Healthcare Coordination	74,566	65,902	(8,665)	217,431	215,127	(2,304)	223,002	5,571	860,508
Inpatient Psychiatric	5,309,351	5,534,747	225,396	16,269,533	17,135,700	866,167	18,137,934	1,868,400	68,436,641
Mental Health Rehabilitation	12,690,785	15,462,381	2,771,596	36,713,147	47,401,425	10,688,278	41,364,305	4,651,158	190,001,236
Certified Community Behavioral Health Clinic FFS	29,569,052	23,348,492	(6,220,561)	77,671,695	71,948,890	(5,722,805)	66,046,748	(11,624,947)	310,159,192
Other Mental Health Services	3,326,480	2,176,772	(1,149,708)	8,722,408	6,892,194	(1,830,213)	7,026,547	(1,695,860)	28,151,107
PRTF Facility	1,918,579	3,747,142	1,828,563	5,947,969	11,241,425	5,293,456	6,349,177	401,208	44,965,701
Medicaid Total	**$55,303,848**	**$52,185,034**	**$(3,118,816)**	**$152,410,237**	**$160,872,207**	**$8,461,971**	**$144,858,108**	**$(7,552,129)**	**$666,729,495**

SFY27 Q1
Quarterly Financial Review
Indiana State Psychiatric Hospital Network

Presented Oct. 27, 2026

Quarterly Financial Review outline

1. ISPHN Metrics
2. CCBHC and CMHC Usage
3. ISPHN Staffing and Summary
4. Incompetent to Stand Trial Orders
5. ISPHN Patient Populations
6. Competency Restoration and ISHN Metrics
7. Recovery Works Program
8. ISPHN Financial Summary
9. ISPHN Cross Agency Collaborations

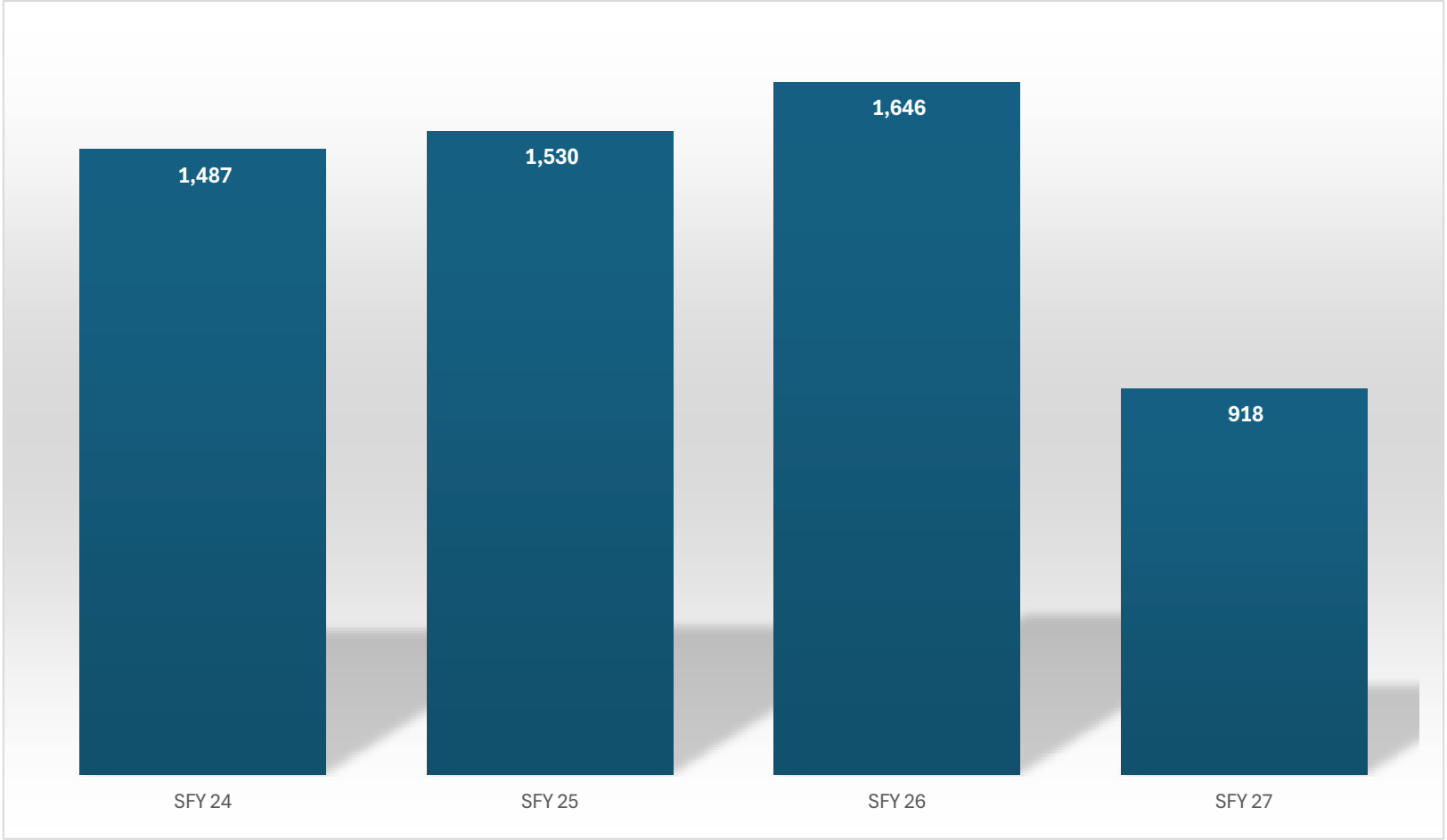
About Indiana State Psychiatric Hospital Network

- **Six state-operated facilities** providing specialized inpatient psychiatric care across Indiana.
- **Serves adults and youth** with serious mental health needs, including complex psychiatric conditions and co-occurring mental health and substance use disorders.
- **Provides intensive, structured treatment**, including assessment, stabilization, medication management, therapy and intensive case management.
- **Supports forensic services**, including competency evaluations and restoration for individual involved in the criminal justice system.
- **Coordinates with community providers** to support recovery and timely transitions to appropriate community-based care.
- **Maintains Joint Commission accreditation**, with performance measurements to support quality improvement and patient outcomes.

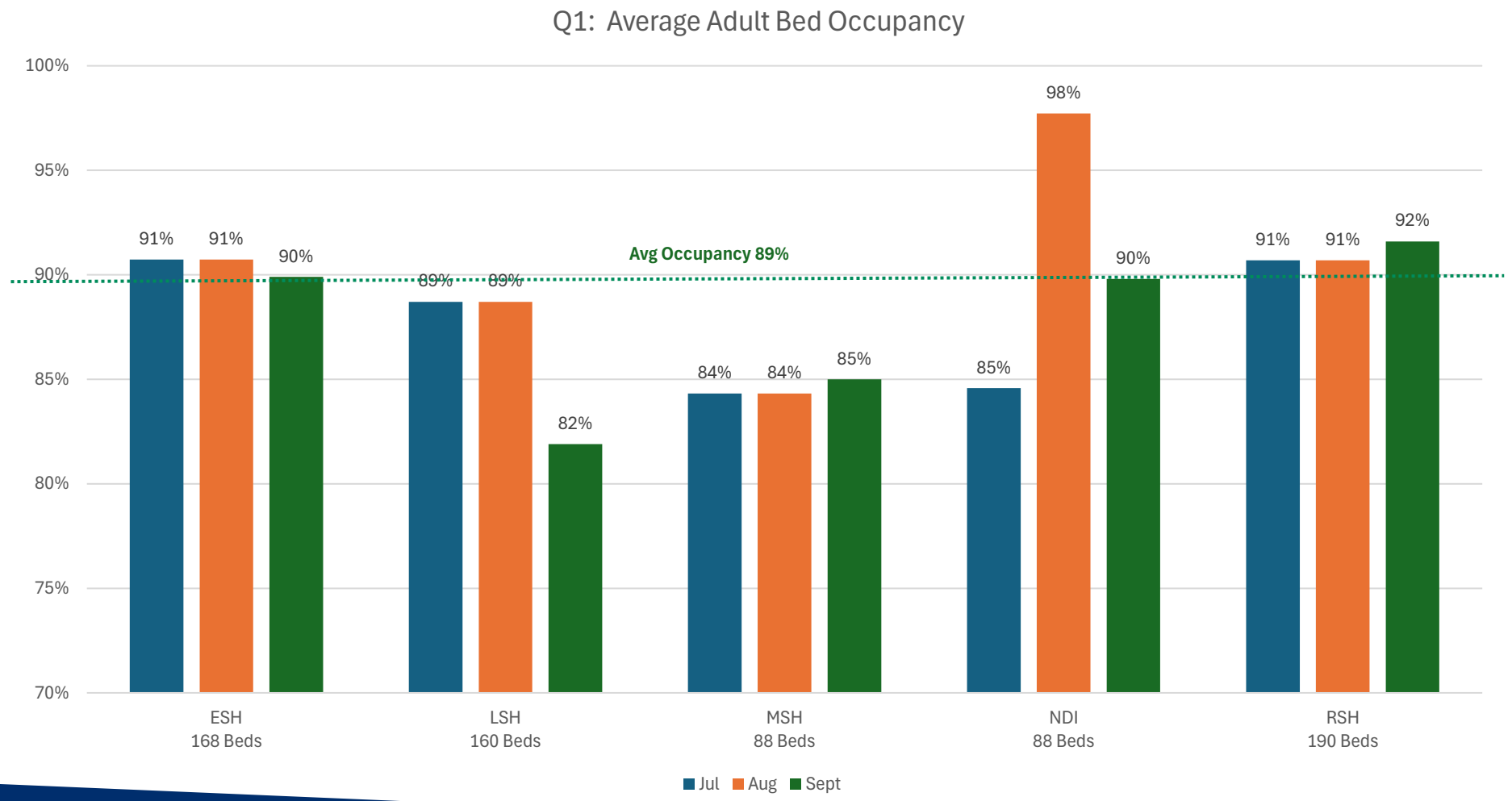
Indiana State Psychiatric Hospital locations

- Evansville State Hospital
- Evansville State Psychiatric Children's Center
- Logansport State Hospital
- Madison State Hospital
- NeuroDiagnostic Institute
- Richmond State Hospital

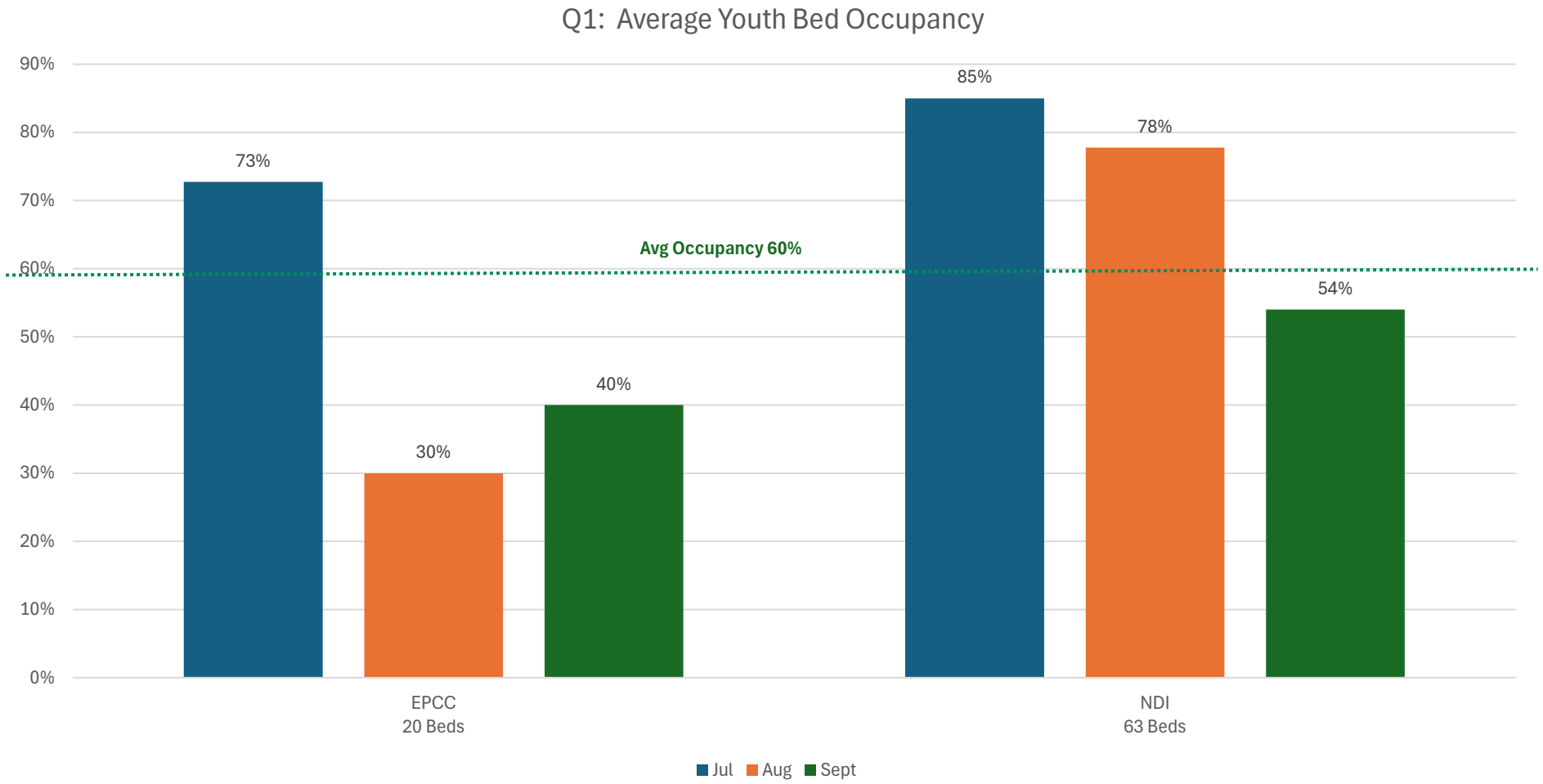
ISPHN patients served



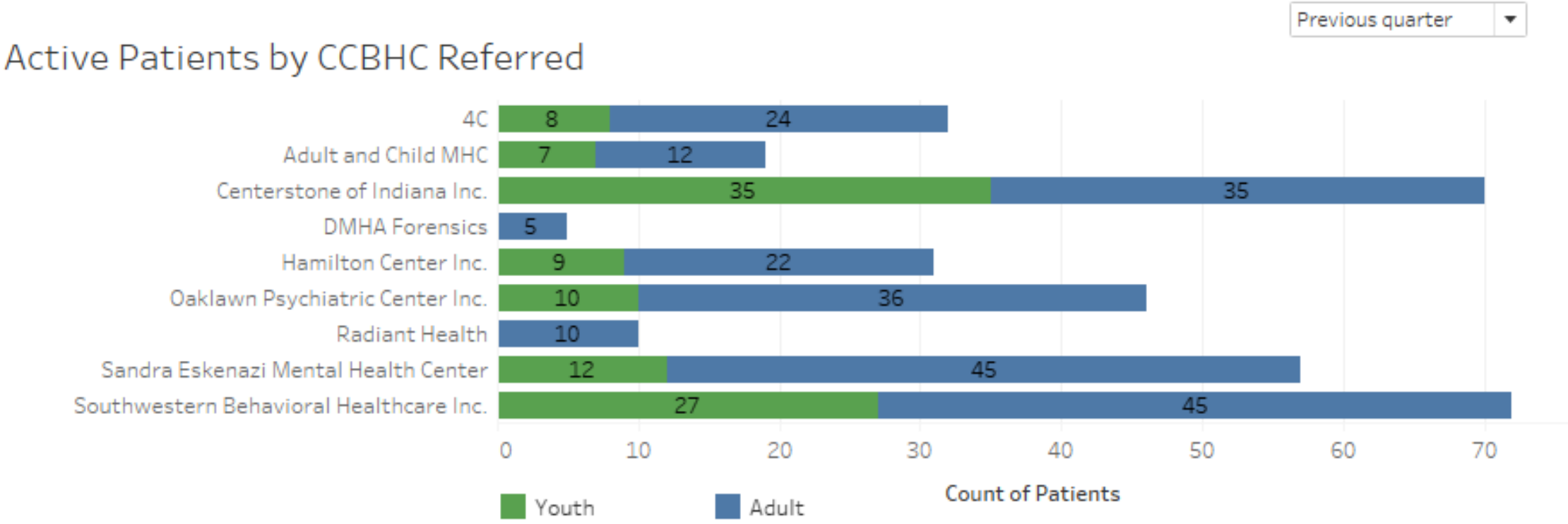
ISPHN adult bed occupancy



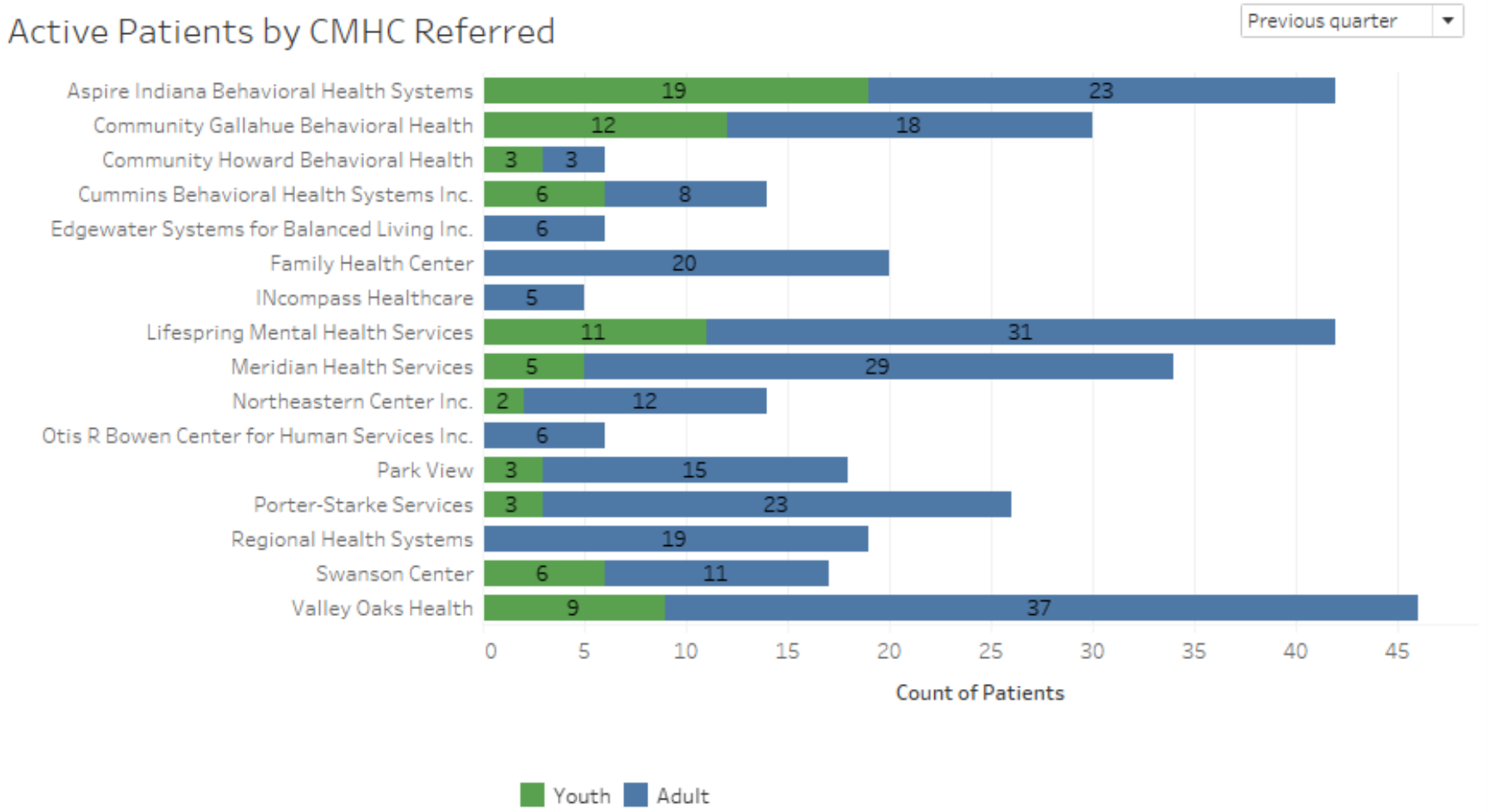
ISPHN youth bed occupancy



Program metric: Hospital usage by Certified Community Behavioral Health Clinic (CCBHC) pilot sites

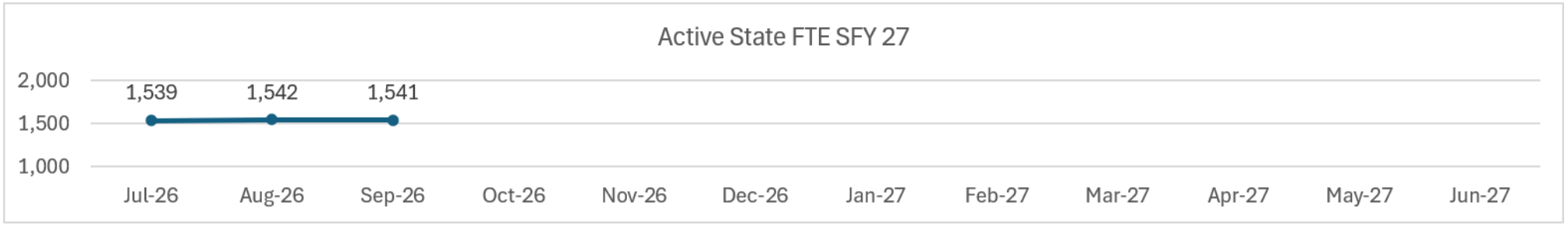


Program metric: Hospital usage by Community Mental Health Centers (CMHCs)



ISPHN staffing summary

Active FTE SFY 2027	Jul-26	Aug-26	Sept-26	YTD Average
State	1,539	1,542	1,541	1,541
Contractor	30.8	40.8	41.8	37.8





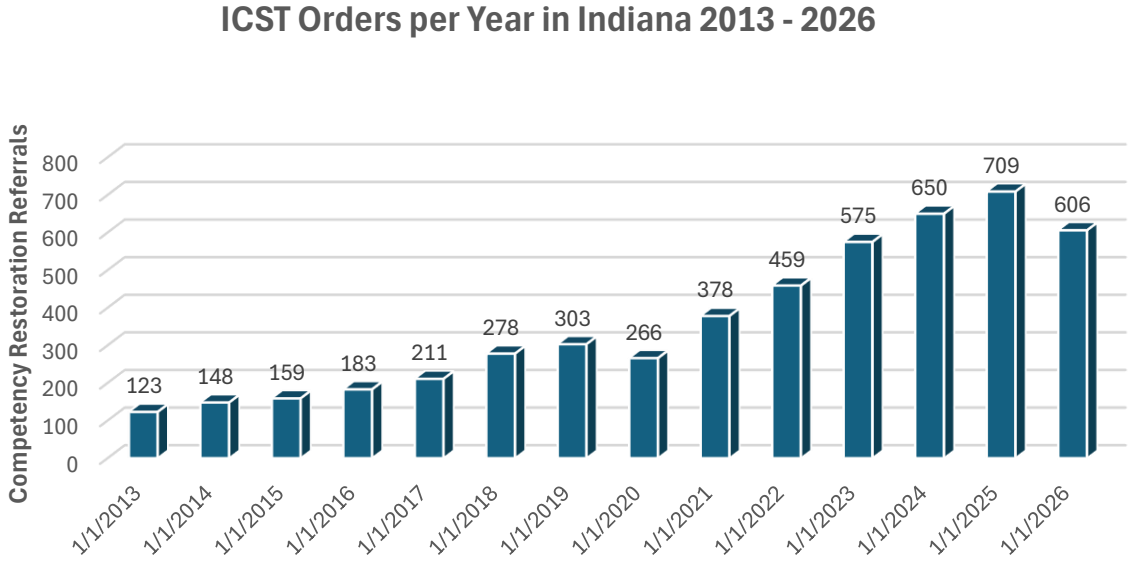
ISPHN contracts summary

Contractor	Contract Period	Total Contract Value	Annual Contact Amount	State Funding	Federal Funding	YTD Expenditures Jul – Sep 2026	Current Balance
Cura Hospitality, LLC	07/01/2025 - 06/30/2029	$ 27,241,554	$ 6,810,388	$ 6,810,388	$ -	$1,432,720	$5,377,668
Cerner Corp (Oracle)	02/04/2019 - 02/03/2027	22,102,315	2,037,146	2,037,146	-	0	2,037,146
Community Health Network	01/01/2025 - 12/31/2029	11,585,638	2,170,700	2,170,700	-	877,040	1,337,006
Blue & Company, LLC	07/01/2026 - 06/30/2030	3,984,000	996,000	996,000	-	166,000	830,000
Pharmatech Management	07/01/2019 - 06/30/2027	4,678,312	598,332	598,332	-	188,099	410,233
CPS Solutions LLC	07/01/2023 - 06/30/2027	2,856,139	723,947	723,947	-	178,932	566,003
NJH DMD P.C.	07/01/2025 - 06/30/2027	812,999	400,687	400,687	-	74,439	337,873
Interstate Business Solutions	07/01/2026 - 06/30/2030	493,855	121,630	121,630	-	53,657	67,973
	Total	**$ 73,754,811**	**$ 13,934,788**	**$ 13,934,788**	**$ -**	**$2,970,887**	**$10,963,902**

Competency restoration

Incompetent to Stand Trial (ICST)

- A defendant deemed incompetent lacks the fitness to stand trial
- They are unable to help in defending their own charges
- The number of referrals are surging, and state hospitals cannot meet the demand

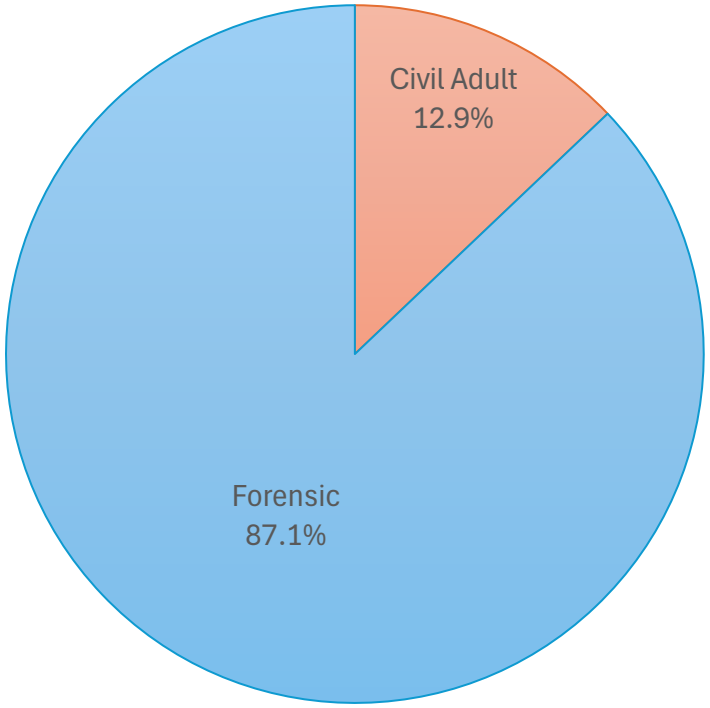


As of 10/1/2026

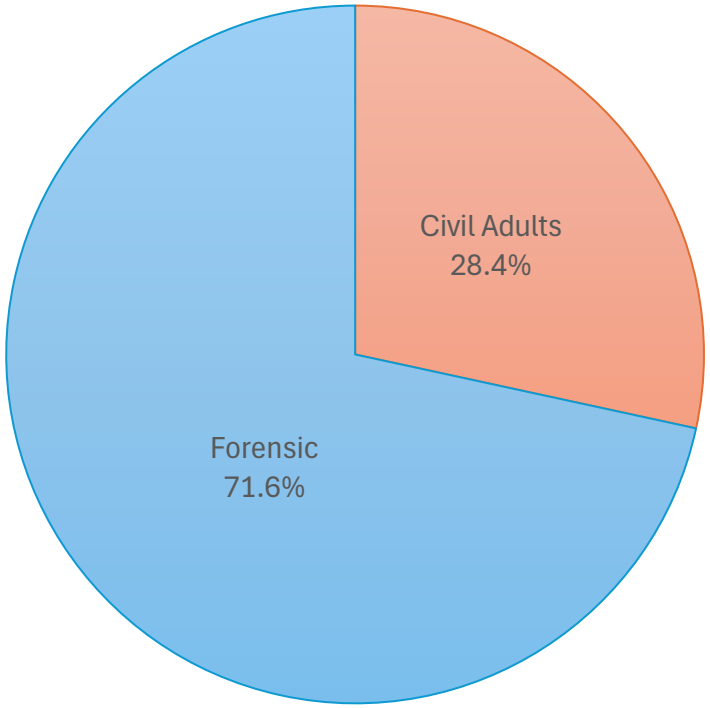
From 2013 to 2025, the number of incompetent to stand trial (ICST) referrals per year in Indiana increased by 476%.

ISPHN adult patient population

Admitted Q1



Currently Serving



As of 09.30.2026

Two different missions.
One limited system capacity.

01

Treat

Provide necessary treatment for those who are mentally ill and either:

- **Dangerous**
- **Gravely disabled**

The civil commitment pathway — serving people whose illness poses a danger to themselves or their community.

02

Restore

Restore competency for individuals found by trial courts to be incompetent to stand trial (ICST).

The forensic pathway — getting a defendant ready for trial so the case can move forward.

Competency Restoration

Project CREATE vs ISPHN for Q1 2027

Create

24	89	35%	18	16	37	16	100%
Adult Beds	Patients Served in 2026	Recidivism	Patients Admitted	Patients Restored	Patients Served in Q1	Average Days to Admit	Restored in < 90 days

ISPHN

726	962	30%	153	154	689	46	61%
Adult Beds	Patients Served in 2026	Recidivism	Patients Admitted	Patients Restored	Patients Served in Q1	Average Days to Admit	Restored in < 90 days

Restoring patients using an alternative restoration facility reduces the wait times for low level non-violent offenders waiting in jail and benefiting civil patients who can wait many months for a bed to receive mental health services. Competency Restoration involves restoring a patient to competency so they can comprehend the court proceedings and assist in their own defense. Competency Restoration is not treatment for mental illness but preparation for trial proceedings.

ISPHN Youth

ISPHN Youth Program Metrics for Q1 2027

36 Average Days Referred to Admit

60% Average Capacity

83 Youth Beds

127 Patients Served YTD 2026

18 Patients Admitted

36 Patients Discharged

85 Youth Served in Q1

652 Youth Referred since 2020

494 Youth Admitted since 2020

478 Youth Discharged since 2020

184 Average Length of Stay in Days since 2020

15 Average age at Referred

2 Patients in a bed more than 2 years

171 Average Length of Stay in Days for Q1

According to Youth First, Indiana's youth mental health crisis is marked by high rates of depression, rising suicide attempts, and severe staffing shortages. State programs and community advocacy are working to address these gaps, but urgent, sustained investment and policy change are needed to ensure every Hoosier youth has access to timely, quality mental health care.

https://youthfirstinc.org/indianas-youth-mental-health-crisis/

ISPHN Adults

ISPHN Adult Program Metrics for Q1 2027

38 Average Days Referred to Admit

89% Average Capacity

726 Adult Beds

301 Patients Served YTD 2026

25 Patients Admitted

45 Patients Discharged

185 Adults Served in Q1

13% Average Civil Patient Population

87% Average Forensic Patient Population

40% Recidivism

357 Average Length of Stay in Days since 2020

40.5 Average age at Referred

156 Patients in a bed more than 2 years

387 Average Length of Stay in Days for Q1

Indiana State Psychiatric Hospitals offer comprehensive, holistic and compassionate inpatient psychiatric care to Hoosiers who have been involuntarily committed. Our vision is to be a fully functioning network of state psychiatric hospitals that specialize in addressing the evolving psychiatric needs of Hoosiers, by providing high-quality and holistic treatment, that supports individuals to return to their home communities safely.

Recovery Works

The Recovery Works program, launched in 2016 through HB1006, is a $12.5 million per year funding initiative aimed at diverting low-level offenders from incarceration into community-based services. This initiative has been instrumental in curbing substance use and reducing recidivism rates.

- ★ The funding encompasses traditional treatment methods, such as mental health counseling, substance use groups and intensive outpatient programs.
- ★ It also supports alternative treatment approaches, including Recovery Community Organizations (providing peer support within the community) and faith-based treatment options.
- ★ Recovery Works incorporates participant centered perspective while using a structured set of factors to guide placement, including participant location, service needs, treatment availability, and alignment between facility services and participant needs. The program fosters a sense of empowerment and encourages active participation throughout the recovery process, while promoting engagement in employment and meaningful contributions to care.

Recovery Works program metrics

Top 3 Service Utilization	July-26		August-26		September-26	
	Total Clients	Total Service Cost	Total Clients	Total Service Cost	Total Clients	Total Service Cost
Recovery Residence	1,385	$494,682	1,639	$552,781	1,500	$450,789
Recovery Community Organization: Peer Support Incarcerated Services	715	$337,750	679	$291,375	615	$273,875
Recovery Community Organization: Peer Support Community Services	1,238	$75,879	1,241	$73,757	1,138	$70,102

Client totals include unique new episodes of care and individuals continuing care. This data does not represent unique individuals across months (i.e., individuals may be counted in multiple months).

Recovery Works financial summary

Expense Category	Current Month Expenditures September 2026	Year To Date Expenditures September 2026		Variance	SFY 2027 Total Expenditures		Variance
		Actual	Budget		Forecast	Budget	
Personal Services	$10,308	$28,924	$140,883	$111,959	$97,767	$543,407	$445,640
Utilities Expenses	-	-	-	-	-	-	-
External Services Expense	95,000	670,250	346,250	(324,000)	1,538,250	1,385,000	(153,250)
Supplies Materials Parts	-	-	44	44	-	174	174
Capital	-	-	-	-	-	-	-
Grant Expense	-	-	-	-	-	-	-
Social Service Payments	847,442	3,196,353	2,635,638	(560,715)	10,542,552	10,542,552	-
Administrative Expense	440	440	1,581	1,141	1,697	6,098	4,401
ID Bills	2,568	6,690	5,903	(787)	25,803	22,769	(3,034)
Total Expenditures	**$955,758**	**$3,902,657**	**$3,130,299**	**$(772,358)**	**$12,206,070**	**$12,500,000**	**$293,930**

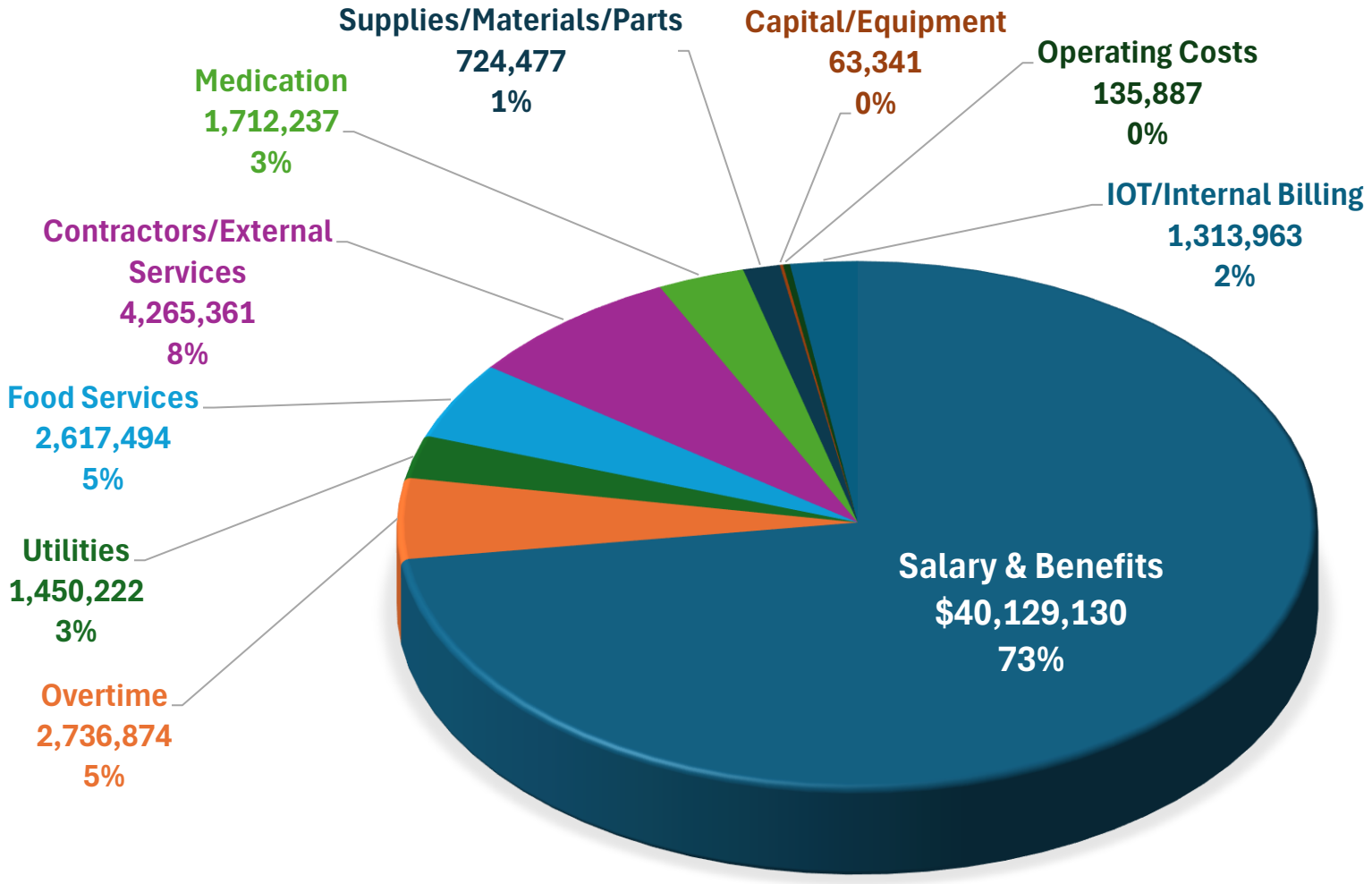
Funding	Current Month Funding September 2026	Year To Date Funding September 2026		Variance	SFY 2027 Total Funding		Variance
		Actual	Budget		Forecast	Budget	
State Funds	$955,758	$3,902,657	$3,130,299	$(772,358)	$12,206,070	$12,500,000	$293,930
Federal Funds	-	-	-	-	-	-	-
Dedicated Funds	-	-	-	-	-	-	-
Total Funding	**$955,758**	**$3,902,657**	**$3,130,299**	**$(772,358)**	**$12,206,070**	**$12,500,000**	**$293,930**

ISPHN financial summary

Program	Current Month Expenditures September 2026	Year To Date Expenditures September 2026		Variance	SFY2027 Total Expenditures		Variance
		Actual	Budget		Forecast	Budget	
F5470 – Evansville Psychiatric Children's Center	$370,942	$1,325,344	$1,184,146	($141,197)	$5,847,533	$4,736,586	($1,110,947)
F5480 – Evansville State Hospital	2,705,262	9,451,843	8,752,941	(698,903)	37,263,766	35,011,763	(2,252,003)
F5490 – Madison State Hospital	2,244,314	9,256,827	8,321,651	(935,176)	35,225,843	33,286,605	(1,939,238)
F5500 – Logansport State Hospital	2,841,754	10,849,411	8,997,238	(1,852,173)	40,575,662	35,988,951	(4,586,711)
F5510 – Richmond State Hospital	3,218,674	11,588,638	10,830,969	(757,669)	44,711,250	43,323,877	(1,387,373)
F5550 – NeuroDiagnostic Institute	3,294,270	12,676,923	10,468,682	(2,208,241)	46,389,902	41,874,728	(4,515,174)
Total Expenditures	**$14,675,216**	**$55,148,986**	**$48,555,627**	**($6,593,359)**	**$210,013,956**	**$194,222,510**	**($15,791,446)**

Funding	Current Month Funding September 2026	Year To Date Funding September 2026		Variance	SFY2027 Total Funding		Variance
		Actual	Budget		Forecast	Budget	
State	$12,610,864	$48,523,383	$41,059,429	($7,463,954)	$180,029,166	$173,903,622	($6,125,544)
Mental Health Fund	2,064,352	6,625,603	7,496,198	870,595	29,984,790	20,318,888	(9,665,902)
Total Funding	**$14,675,216**	**$55,148,986**	**$48,555,627**	**($6,593,359)**	**$210,013,956**	**$194,222,510**	**($15,791,446)**

ISPHN SFY27 YTD expenditures breakdown



ISPHN cross-agency collaborations

- Office of Court Services
- CHANP workgroup

The FSSA Quarterly Financial Review will resume after a brief break.

Email questions to
askthesecretary@fssa.in.gov

Schedule:

www.in.gov/fssa/
Quarterly-Financial-Reporting

SFY27 Q1 Quarterly Financial Review

Division of Disability, Aging and Rehabilitative Services

Presented Oct. 27, 2026

Quarterly financial review outline

1. Division overview
2. By program
    a. Bureau of Better Aging
    b. Bureau of Disabilities Services
    c. Bureau of Rehabilitation Services
    d. Bureau of Child Development Services
    e. DDRS financial summary
    f. DA financial summary
3. Division-wide metrics
    a. Initiative updates
    b. Appendix
        1. Contracts
        2. DDARS admin financial summary
        3. Program Financial summaries



DDARS overview

Bureau of Child Development Services (BCDS)

- Oversees **First Steps**
- Indiana First Steps is a family-centered, locally based, coordinated system that provides early intervention services to infants and toddlers with disabilities or who are developmentally vulnerable. First Steps brings together professionals from education, health and social services agencies to provide skilled therapeutic interventions that **promote age-appropriate development of infants and toddlers** experiencing developmental delays.

9 state staff positions; none vacant

Bureau of Rehabilitation Services (BRS)

- Plans, establishes, and operates programs and services relating to **vocational rehabilitation**.
- Assists in finding resources to meet the needs of deaf and hard of hearing individuals.
- Provides **entrepreneurial opportunities** for VR participants who are legally blind.
- Centers for Independent Living provide services to persons with disabilities regardless of age or type of disability **promoting independent living** and **full inclusion.**

344 state staff positions; 10 vacant

Bureau of Disabilities Services (BDS)

- Four **Home & Community-Based (HCBS) Waivers**
- Performs Intake/Eligibility entity for individuals with Intellectual Developmental Disabilities
- Licenses Supervised Group Living (SGL) facilities
- Field Staff provide case management for individuals not supported through HCBS
- Field Staff monitor SGLs and State Line Services
- Central Office monitors HCBS Waiver provider compliance
- BDS contracts with 6 entities to provide case management for the Family Supports Waiver and Community Integration & Habilitation Waiver

142 state staff positions; 11 vacant

Bureau of Better Aging (BBA)

- Identified **State Unit on Aging**
- Oversees Adult Protective Services
- Support Aging Hoosiers and Hoosiers with Disabilities through various programs and services
- Responsible for development and oversight of the State Plan on Aging.

26 state staff; 5 vacant

DDARS Administration – 7 state staff; no vacancies

Bureau of Better Aging: AAA Network overview

- As the State Unit on Aging, under the federal **Older Americans Act** statute, FSSA Bureau of Better Aging (BBA) designates **Area Agencies on Aging (AAAs)** to help older adults live independently and with dignity in their communities. AAAs receive these Federal grant funds through DA.
- BBA receives federal **Social Services Block Grant** funding from DCS that supports AAA efforts.
- **Medicaid and CHOICE** funding are awarded to the AAAs to serve as Aging and Disability Resource Centers (ADRCs). ADRCs are an entry point to access home and community-based service programs.
- The local **Long Term Care Ombudsmen** are contracted through AAAs.
- Three AAAs serve as **Adult Guardianship** program partners.
- AAAs are responsible for implementing the **Dementia Care** initiative.
- Most direct services available from these contracts are delivered through local service providers.
- Care Management, Information & Assistance, & Outreach are provided by AAAs.

AAAs receive ~75% of BBA's funding.

AAA Service Area Map Redesign

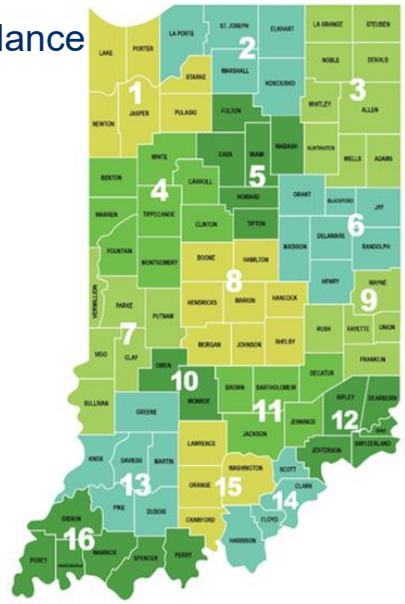
- Developing recommendations for consolidating or realigning service areas (IC 12-8-1.5-18.5)
- Multi-year process following federal and state guidelines

Why?

- Population shifts and demographic changes
- Environmental, physical and technological changes
- Workload/resource imbalance

Goals:

- Alignment of resources & need
- Consistency of core programs
- Administrative & service delivery efficiencies
- Sustainability

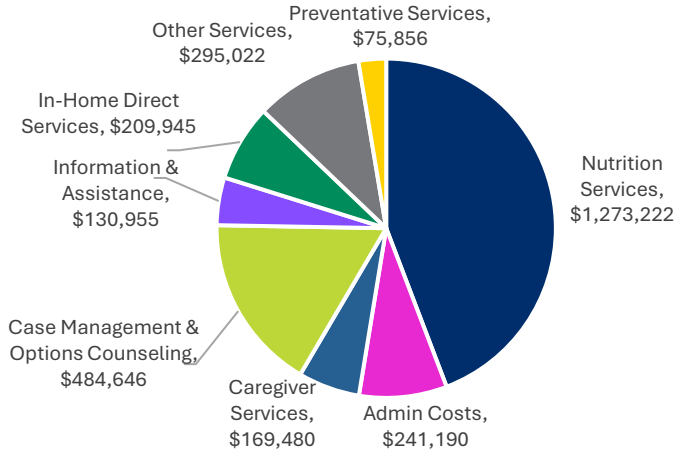


Non-Medicaid Home and Community-Based Services

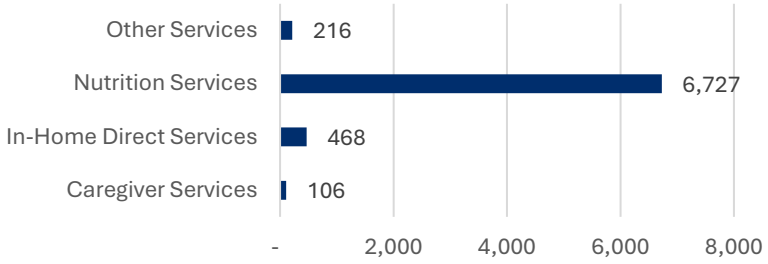
Older Americans Act Title III & Social Services Block Grant

Federally-funded services, with state & local match requirements

OAA & SSBG Claims by Service Category
July 2026 - Total: $2,880,317



OAA & SSBG Participants by Service Category
July 2026

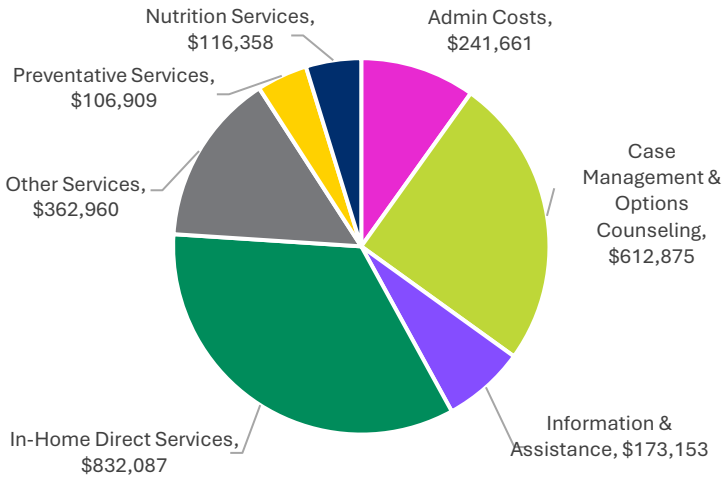


CHOICE

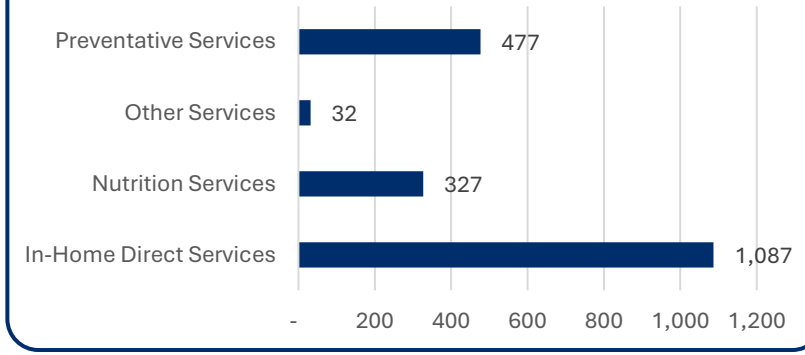
(Community and Home Options to Institutional Care for the Elderly and Disabled)

State-funded services focused on prevention and early intervention

CHOICE Claims by Service Category
July 2026 - Total: $2,446,002



CHOICE Participants by Service Category
July 2026



Dementia Care Specialist Program

- Part of Indiana's Dementia Strategic Plan
- **Goal:** Expand infrastructure and capacity of our state to prevent and address the complex needs of Hoosiers with dementia and their care partners

19,693
Hoosier participants
(Jan-Jun 26)

790
Events across the state
(Jan-Jun 26)

CHOICE Prevention & Early Intervention: Home Modifications

37
home modifications in SFY 2026

$387,858
CHOICE dollars spent in SFY 2026

$10,483
per person in SFY 2026

Non-Medicaid Nutrition Services

Direct Meal Services

Home Delivered Meals – *July 2026*

73,237 meals served

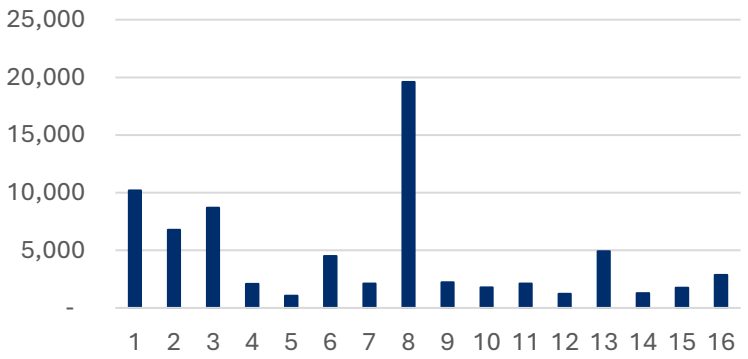
3,211 people fed

Congregate Meals – *July 2026*

37,632 meals served

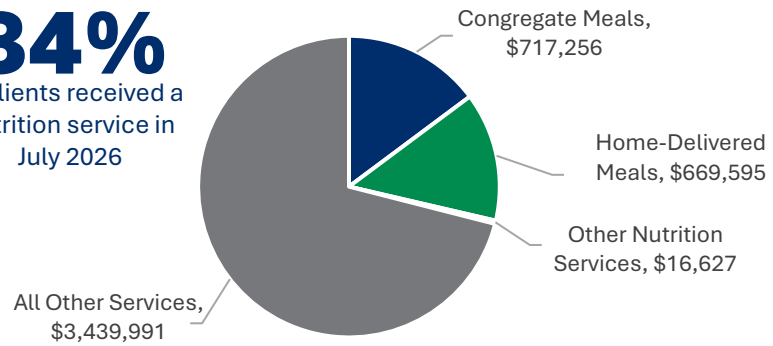
3,858 people fed

Home Delivered Meals by AAA
July 2026



Grant Claims Across All BBA HCBS Funding Sources
July 2026 - Total: $4,843,469

84% of clients received a nutrition service in July 2026

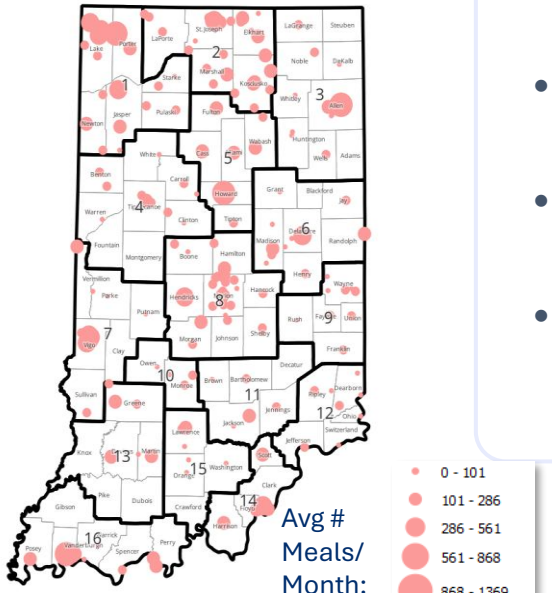


46% congregate meals

38% home delivered meals

of clients who received ANY service in July 2026 also received at least one meal

Congregate Nutrition Sites (222 total) SFY 2027



Better Nutrition Leads to Better Health Outcomes

nearly **1 in 10** Hoosiers over 60 can't afford enough food for a healthy, active lifestyle

America's Health Rankings, 2023. United Health Foundation

Collaboration with IDOH

- Senior Farmers' Market Nutrition Program coordination
- Explore integrating Food is Medicine into BBA services
- Strengthen fresh-produce access for older adults

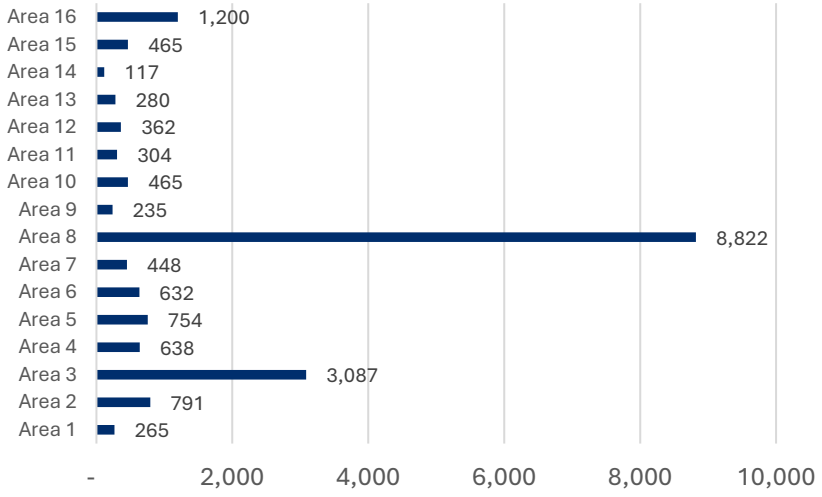
Aging and Disability Resource Centers (ADRCs)

Incoming Referral

Referral Sources

- Hospitals, primary care, medical staff
- Indiana 211
- DSNP Health Plans
- Level of Care Assessment Representative (LCAR)
- Community-Based Organizations (CBOs)
- Online searching & Social Media
- Word of Mouth

Average Information & Assistance Contacts per Month (SFY 26)

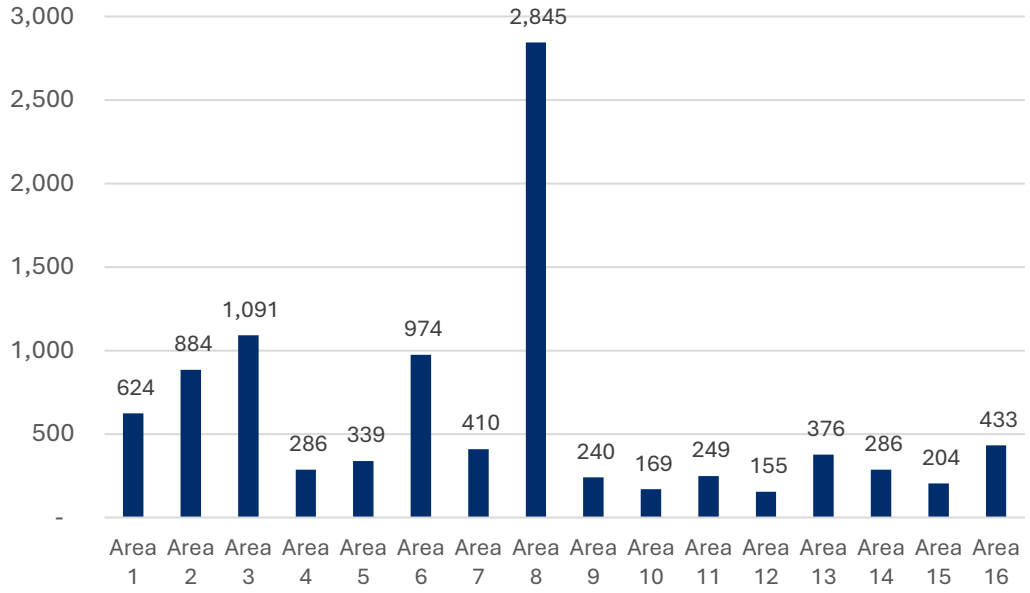


Assess Needs

Assess need for next steps, including:

- General information on long-term services & support options
- Community resources
- Options counseling for AAA services
- Waiver assessment by LCAR or general pre-waiver information & assistance

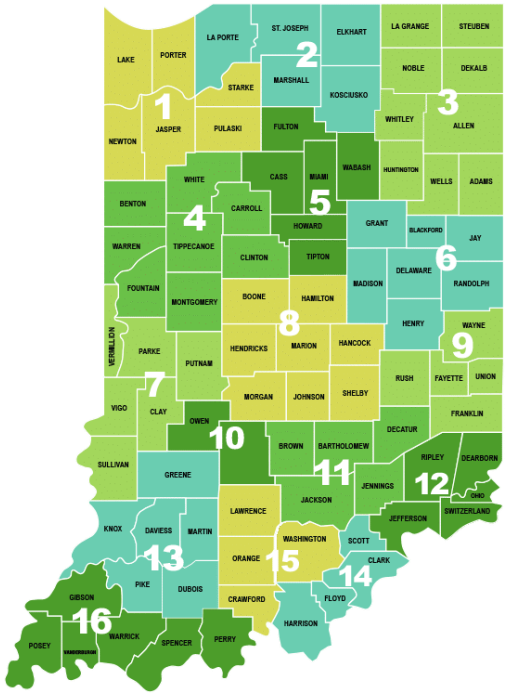
Individuals Receiving Waiver Intake Activities July 2026



Connect to Resources

Resources

- Coordination with LCAR
- Options counseling for in-home services
- Caregiver training & support groups
- SHIP Counselors
- Senior transportation information
- Senior Housing information



CHOICE financial summary

Expenditures	Current Month Expenditures September 2026	Year To Date Expenditures September 2026 Actual	Budget	Variance	SFY 2027 Total Expenditures Forecast	Budget	Variance
.1 Personal Services	$ (408)	$ 113,740	$ 97,925	$ (15,815)	$ 356,283	$ 356,283	$ -
.2 Utilities Expenses				-			-
.3 External Services Expense	152,018	1,185,771	2,307,709	1,121,938	9,230,836	9,230,836	-
.4 Supplies Materials Parts			-	-	-		-
.5 Capital			-	-	-		-
.7 Grant Expense	2,031,299	7,890,373	6,609,541	(1,280,832)	26,438,163	26,438,163	-
.8 Social Service Payments			-	-	-		-
.9 Administrative Expense	38	76	61,959	61,883	247,835	247,835	-
ID Bills	1,185	4,303	5,162	859	17,213	20,647	3,434
Total Expenditures	**$ 2,184,132**	**$ 9,194,264**	**$ 9,082,296**	**$ (111,968)**	**$ 36,290,331**	**$ 36,293,765**	**$ 3,434**

Funding	Current Month Funding September 2026	Year to Date Funding September 2026 Actual	Budget	Variance	SFY 2027 Total Funding Forecast	Budget	Variance
State Funds	$ 1,875,107	$ 7,594,149	$ 7,729,545	$ 135,396	$ 31,279,329	$ 31,282,763	$ 3,434
Federal Funds	309,025	1,600,114	1,352,750	(247,364)	5,011,001	5,011,001	-
Dedicated Funds	-	-	-	-	-	-	-
Total Funding	**$ 2,184,132**	**$ 9,194,264**	**$ 9,082,296**	**$ (111,968)**	**$ 36,290,331**	**$ 36,293,765**	**$ 3,434**

HCBS financial summary

Expenditures	Current Month Expenditures September 2026	Year To Date Expenditures September 2026 Actual	Budget	Variance	SFY 2027 Total Expenditures Forecast	Budget	Variance
.1 Personal Services	$ 11,920	$ 58,828	$ 119,764	$ 60,936	$ 239,615	$ 440,520	$ 200,904
.2 Utilities Expenses							-
.3 External Services Expense							-
.4 Supplies Materials Parts							-
.5 Capital							-
.7 Grant Expense	3,391,377	9,721,430	9,632,339	(89,091)	38,529,358	38,529,358	-
.8 Social Service Payments				-			-
.9 Administrative Expense	135,156	135,156	118,781	(16,374)	171,603	118,781	(52,822)
ID Bills	2,171	7,062	7,778	716	28,248	46,668	18,420
Total Expenditures	**$ 3,540,624**	**$ 9,922,476**	**$ 9,878,663**	**$ (43,813)**	**$ 38,968,824**	**$ 39,135,327**	**$ 166,503**

Funding	Current Month Funding September 2026	Year to Date Funding September 2026 Actual	Budget	Variance	SFY 2027 Total Funding Forecast	Budget	Variance
State Funds	$ 137,733	$ 350,699	$ 383,268	$ 32,569	$ 2,167,262	$ 2,333,764	$ 166,503
Federal Funds	3,402,891	9,571,777	9,495,395	(76,382)	36,801,563	36,801,563	-
Dedicated Funds	-	-	-	-	-	-	-
Total Funding	**$ 3,540,624**	**$ 9,922,476**	**$ 9,878,663**	**$ (43,813)**	**$ 38,968,824**	**$ 39,135,327**	**$ 166,503**

Residential Care Assistance Program (RCAP)

Stability, Expression, and Family Reunion: Norris' RCAP Journey

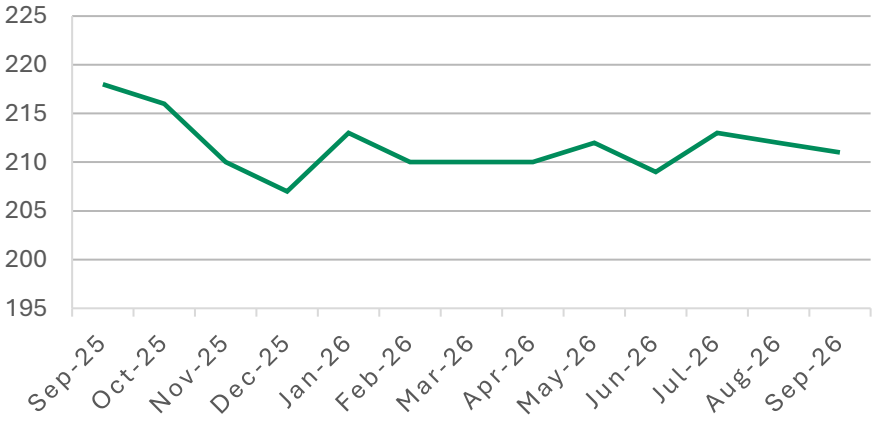
Background: Admitted in May 2024, Norris is a 51-year-old resident who moved to an RCAP facility after his mother found herself unable to safely manage his care needs at home.

The Turnaround: The RCAP facility provided the structured environment Norris needed to achieve medical stability. With consistent medication management and a dedicated staff, Norris began to thrive. The facility recognized his passion for art and ensured he always has a steady supply of drawing materials.

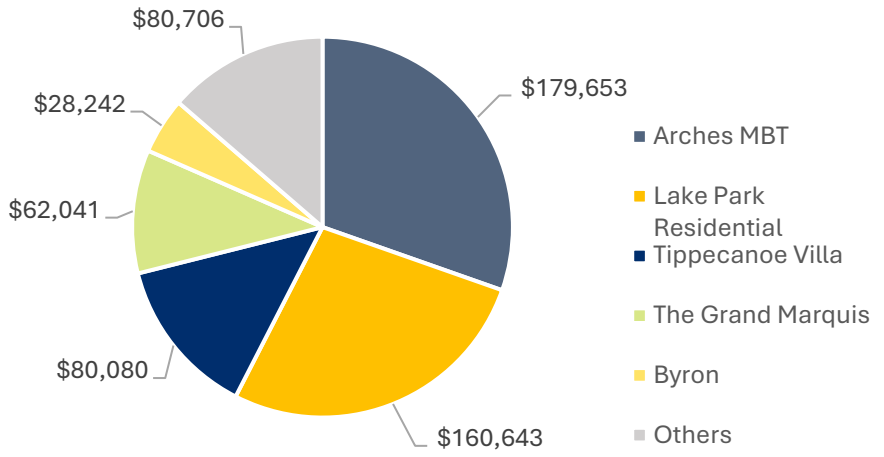
RCAP Impact: The stability Norris found here paved the way for a beautiful milestone: he has successfully reunited and reconnected with his family, highlighting how residential care heals both individuals and families.



Total RCAP Participants
Sep 25 – Sep 26



RCAP Provider Funding
SFY 27 YTD (Jul 26 – Aug 26)
Total: $591,364



- In SFY 27 YTD, **11** residents enrolled and **11** discharged.
- Currently, there are **211 RCAP residents** with 19 providers.
- Average monthly RCAP funding per person (Aug 26): **$1,377.17**

Participant Profile

- 63% male
- 48% age 60+
- 45% ages 40-59
- Over 95% have a mental health disorder
- 100% have Medicaid or receive SSI

Top Reason for Discharge (SFY 27 YTD):
Moved to Nursing Facility (4)

Long-Term Care Ombudsman Program (LTCOP)

RESIDENT ADVOCATES

Statewide Scope (as of 6/30/26)

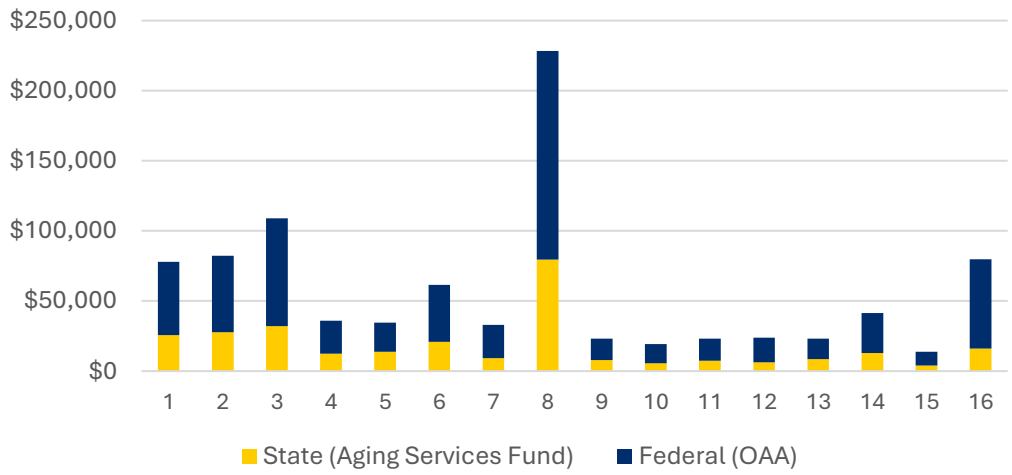
- **737** nursing homes and licensed assisted living facilities
- 71,599 licensed beds (**48,386** nursing home and **23,213** licensed assisted living beds)

FFY26 LTCOP Activities (10/1/25-9/30/26)*

- **1,428** complaints investigated
- **2,434** instances of information & assistance (I&A) provided to individuals (3.4% increase over FFY25)
- **1,075** instances of I&A provided to facility staff
- **2,064** routine access visits to facilities (not in response to a complaint)

**Preliminary FFY26 data (10/1/25 – 9/30/26), subject to revision as year-end reporting is completed.*

FY 27 LTCOP Grant Funding by AAA
Total: $910,287



Maintaining Resident Access Amid Staffing Reductions

- Indiana Legal Services (ILS), which provides local ombudsman services through subcontracts with 12 AAAs, has reduced ombudsman staffing due to funding constraints.
- Resident complaints often involve complex issues, including involuntary transfers and discharges, family conflict, and quality of care concerns. Resolving these matters frequently requires multiple contacts, facility visits, and sustained advocacy.
- With fewer local ombudsmen hours available, the State Ombudsman Office has issued guidance prioritizing urgent resident concerns and essential services in the affected areas.

INDIANA LONG-TERM CARE Ombudsman PROGRAM

Residential Care Assistance Program financial summary

Expenditures	Current Month Expenditures September 2026	Year To Date Expenditures September 2026 Actual	Budget	Variance	SFY 2027 Total Expenditures Forecast	Budget	Variance
.1 Personal Services	$ 6,985	$ 27,542	$ 22,998	$ (4,543)	$ 94,500	$ 81,566	$ (12,934)
.2 Utilities Expenses				-			-
.3 External Services Expense			-	-	8,640	8,640	-
.4 Supplies Materials Parts				-			-
.5 Capital				-			-
.7 Grant Expense				-			-
.8 Social Service Payments	296,026	882,424	877,569	(4,854)	3,510,277	3,510,277	-
.9 Administrative Expense			-	-	6,229	6,229	-
ID Bills	249	717	676	(40)	2,867	2,706	(161)
Total Expenditures	**$ 303,260**	**$ 910,682**	**$ 901,244**	**$ (9,438)**	**$ 3,622,513**	**$ 3,609,418**	**$ (13,096)**

Funding	Current Month Funding September 2026	Year to Date Funding September 2026 Actual	Budget	Variance	SFY 2027 Total Funding Forecast	Budget	Variance
State Funds	$ 303,260	$ 910,682	$ 901,244	$ (9,438)	$ 3,622,513	$ 3,609,418	$ (13,096)
Federal Funds				-			-
Dedicated Funds							
Total Funding	**$ 303,260**	**$ 910,682**	**$ 901,244**	**$ (9,438)**	**$ 3,622,513**	**$ 3,609,418**	**$ (13,096)**

Long-Term Care Ombudsman Program financial summary

Expenditures	Current Month Expenditures September 2026	Year To Date Expenditures September 2026 Actual	Budget	Variance	SFY 2027 Total Expenditures Forecast	Budget	Variance
.1 Personal Services	$ 6,645	$ 30,722	$ 35,805	$ 5,084	$ 122,887	$ 143,222	$ 20,334
.2 Utilities Expenses							-
.3 External Services Expense							-
.4 Supplies Materials Parts		92	1,000	908	369	4,000	3,631
.5 Capital							-
.7 Grant Expense	58,583	161,759	170,367	8,608	681,466	681,466	-
.8 Social Service Payments							-
.9 Administrative Expense						1,515	1,515
ID Bills	230	777	700	(77)	3,106	2,800	(306)
Total Expenditures	**$ 65,458**	**$ 193,350**	**$ 207,872**	**$ 14,522**	**$ 807,829**	**$ 833,003**	**$ 25,174**

Funding	Current Month Funding September 2026	Year to Date Funding September 2026 Actual	Budget	Variance	SFY 2027 Total Funding Forecast	Budget	Variance
State Funds	$ 13,801	$ 56,394	$ 101,142	$ 44,748	$ 253,963	$ 279,136	$ 25,174
Federal Funds	51,658	136,956	106,730	(30,226)	553,867	553,867	-
Dedicated Funds	-	-	-	-	-	-	-
Total Funding	**$ 65,458**	**$ 193,350**	**$ 207,872**	**$ 14,522**	**$ 807,829**	**$ 833,003**	**$ 25,174**

Adult Protective & Guardianship Services

Adult Protective Services (APS)

WHAT APS IS

- State program
- Receives reports of abuse, neglect, or exploitation of endangered adults
- Investigates and assesses allegations
- Develops service plans and connects adults to services
- Works with community partners, law enforcement, courts, and providers

Authority
Indiana Code § 12-10-3 and 460 IAC 17-2

WHAT APS ISN'T

- Not an emergency response, medical provider, social service provider, or law enforcement
- Not a placement provider, but can help coordinate
- Not a guardian or representative payee
- No direct social or health-related services
- Cannot provide APS services without consent of the endangered adult, their guardian, or a court order

Who We Protect & How We Connect

WHO IS AN ENDANGERED ADULT?

Defined by Indiana Code § 12-10-3-2



HOW APS AND AGS WORK TOGETHER



APS state hotline:
800-992-6978

Adult Protective Services online reporting:
https://aps-govcloud.my.site.com/APSOnlineReport/s/

Adult Guardianship Services (AGS)

WHAT AGS IS

- Court-appointed guardians who work in the best interest of the adult, with court oversight
- Provides decision-making support for adults who cannot manage personal or financial affairs
- Promotes safety and well-being in the least restrictive environment
- Focuses on protection, dignity, and quality of life

Authority
Indiana Code § 12-10-7 and 460 IAC 17-6

WHAT AGS ISN'T

Not APS
- AGS does not investigate abuse or accept reports

Not a universal solution
- Used only when necessary and ordered by the court

Not a place to live
- AGS does not provide housing, residential care, or direct services.

Not without oversight
- All guardians are supervised by the court and must follow state law

Adult Protective Services Model

Service Model Change

THEN

17 Regional Prosecutors

Criminal Justice-Focused Model

NOW

1 Statewide Vendor as of 7/1/25

Social Services-Focused Model

Public Consulting Group (PCG)

Impact of Service Model Change

	THEN CY 2024* Quarterly Average	NOW Q1 SFY27 (July-Sept)	% change
Intake Reports Received	6,166	10,577	72%
Substantiated Reports	258	3,000	1,063%
Open Cases	2,662	2,862	8%
Service Plans Developed	179	2,037	1,038%

last full year under prosecutors' offices

RISE

A research-backed service planning model designed specifically for APS clients.

- **R** Report Received
- **I** Inspire Change
- **S** Support Connection
- **E** Empower Choice

Adult Protective Services financial summary

Expenditures	Current Month Expenditures September 2026	Year To Date Expenditures September 2026 Actual	Budget	Variance	SFY 2027 Total Expenditures Forecast	Budget	Variance
.1 Personal Services	$ 8,375	$ 50,854	$ 76,747	$ 25,894	$ 181,864	$ 281,740	$ 99,876
.2 Utilities Expenses				-			-
.3 External Services Expense	572,756	1,671,451	1,734,941	63,490	6,685,806	6,939,764	253,958
.4 Supplies Materials Parts			-	-	100	100	-
.5 Capital			-	-			-
.7 Grant Expense			-	-			-
.8 Social Service Payments			-	-			-
.9 Administrative Expense			-	-	205,939	205,939	-
ID Bills	1,560	5,608	3,743	(1,865)	22,430	14,970	(7,460)
Total Expenditures	**$ 582,691**	**$ 1,727,913**	**$ 1,815,431**	**$ 87,518**	**$ 7,096,139**	**$ 7,442,513**	**$ 346,374**

Funding	Current Month Funding September 2026	Year to Date Funding September 2026 Actual	Budget	Variance	SFY 2027 Total Funding Forecast	Budget	Variance
State Funds	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Federal Funds	15,478	341,191	416,555	75,365	1,636,191	1,982,565	346,374
Dedicated Funds	567,213	1,386,722	1,398,876	12,154	5,459,948	5,459,948	-
Total Funding	**$ 582,691**	**$ 1,727,913**	**$ 1,815,431**	**$ 87,518**	**$ 7,096,139**	**$ 7,442,513**	**$ 346,374**

Bureau of Better Aging (Division of Aging) Financial Summary

Program	Current Month Expenditures September 2026	Year To Date Expenditures September 2026 Actual	Budget	Variance	SFY 2027 Total Expenditures Forecast	Budget	Variance
Aging Administration	$ 122,822	$ 378,327	$ 465,727	$ 87,401	$ 1,464,698	$ 1,731,712	$ 267,014
Adult Guardianship Services	44,293	96,342	94,122	(2,221)	385,287	385,287	-
Adult Protective Services	582,691	1,727,913	1,815,431	87,518	7,096,139	7,442,513	346,374
CHOICE	2,184,132	9,194,264	9,082,296	(111,968)	36,290,331	36,293,765	3,434
Dementia Care Specialis Program	100,074	335,641	335,167	(473)	1,381,076	1,391,743	10,667
Long-Term Care Ombudsman	65,458	193,350	207,872	14,522	807,829	833,003	25,174
Residential Care Assistance Program	303,260	910,682	901,244	(9,438)	3,627,103	3,609,418	(17,686)
Title III	3,540,624	9,922,476	9,878,663	(43,813)	39,037,844	39,135,327	97,482
Total Expenditures	**$ 6,943,354**	**$ 22,758,994**	**$ 22,780,522**	**$ 21,528**	**$ 90,090,307**	**$ 90,822,767**	**$ 732,459**

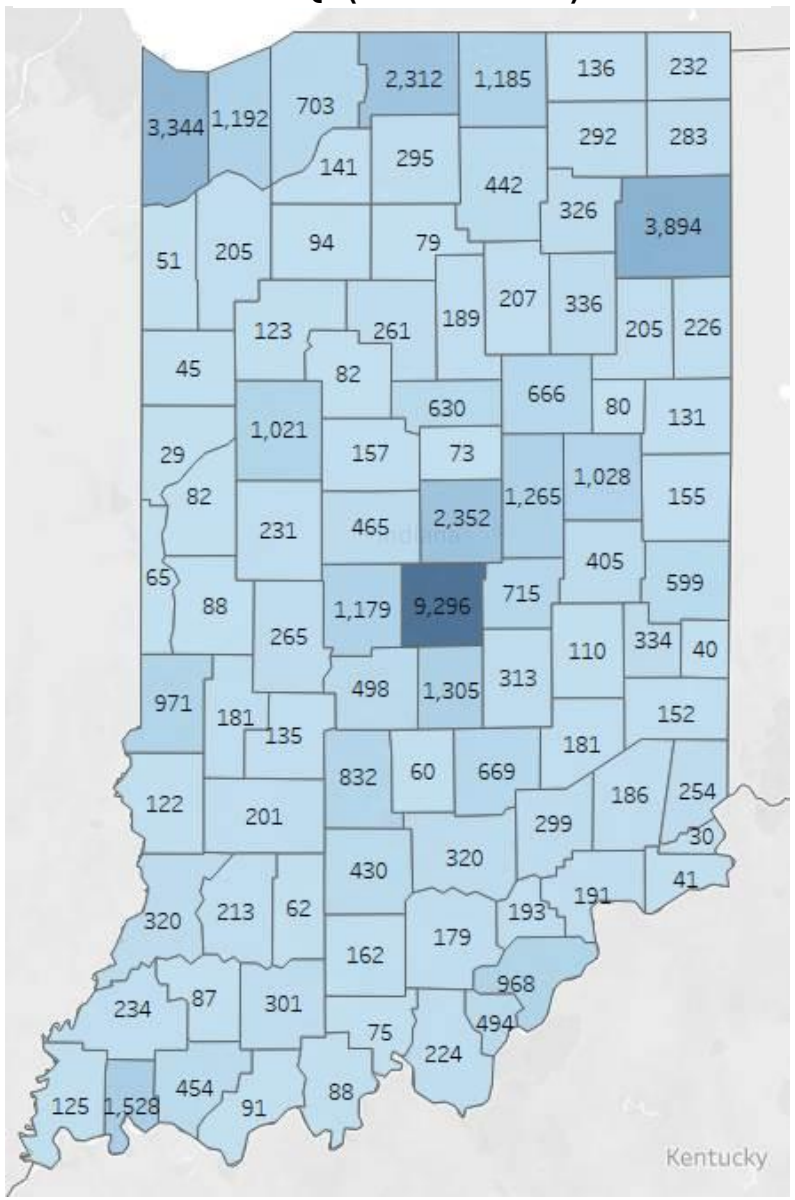
Sources of Funding	Current Month Funding September 2026	Year to Date Funding September 2026 Actual	Budget	Variance	SFY 2027 Total Funding Forecast	Budget	Variance
State Funds	$ 2,597,090	$ 9,641,865	$ 9,814,274	$ 172,409	$ 40,306,259	$ 40,147,967	$ (158,292)
Federal Funds	3,779,051	11,730,407	11,567,373	(163,034)	44,324,100	45,214,851	890,751
Dedicated Funds	567,213	1,386,722	1,398,876	12,154	5,459,948	5,459,948	-
Total Funding	**$ 6,943,354**	**$ 22,758,994**	**$ 22,780,522**	**$ 21,528**	**$ 90,090,307**	**$ 90,822,767**	**$ 732,459**

Bureau of Disabilities Services

A centralized office and eight regional field offices

- Four Home and Community-Based Services (HCBS) Waivers
- Serves as the intake entity for individuals with Intellectual/Developmental Disabilities
- Oversees Level of Care (LOC)\eligibility determination process
- Licenses provider-owned and operated Supervised Group Living (SGL) facilities
- Field staff provide case management for individuals not supported through HCBS
- Field staff monitor SGLs and state line services
- Central office enrolls HCBS providers
- Central office monitors HCBS Waiver provider compliance and contract with Liberty of IN for quality assurance
- BDS contracts with case management entities for the four BDS administered HCBS Waivers via selective contracting waiver

Participants served per county:
SFY26 Q1 (7/1/26-9/30/26)



Eligibility/Level of Care**
Home and Community-Based Services (HCBS) waivers

Intermediate Care Facility for Individuals with Intellectual Disabilities (ICF/IID)

- Family Supports Waiver (FSW)
- Community Integration and Habilitation (CIH) Waiver

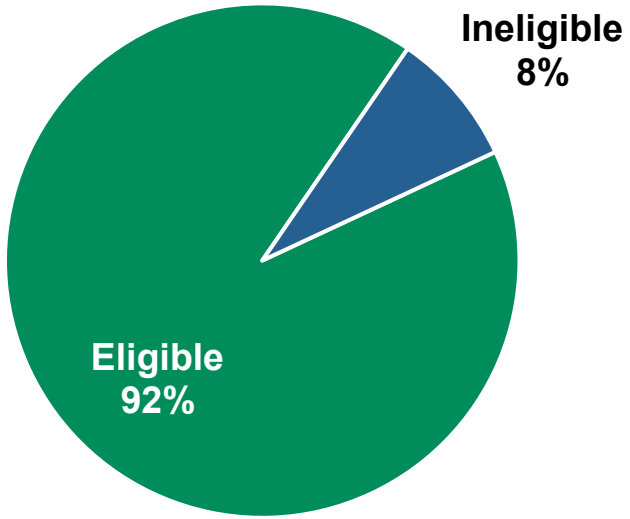
Nursing Facility Level of Care (NFLOC)

- Health and Wellness Waiver (H&W)
- Traumatic Brain Injury (TBI) Waiver*

**TBI Waiver eligibility may be met with either NF or ICF/IID LOC*
***The Centers for Medicare and Medicaid Services (CMS) requires both an initial assessment of level of care and an annual assessment for ongoing eligibility determination*

Nursing Facility Level of Care (NFLOC)

SFY27 YTD
NFLOC Determinations



NFLOC – PathWays for Aging and Health & Wellness Waivers	Sept. 2026	SF27 YTD	SF26 YTD
Total LOC Determinations Completed	7,390	23,267	17,867
Level of Care Outcomes			
Eligible	6,855	21,294	16,421
Ineligible	535	1,973	1,446

NFLOC assessments completed by Level of Care Assessment Representative (LCAR) statewide vendor Maximus

ICF/IID Level of Care

29,608 Determinations

- **28,566 Eligible LOC – 96.5%**
- **1,042 Ineligible LOC – 3.5%**

Early Years (0-3)

- 479 Determinations
- 467 Eligible LOC – 97.5%
- 12 Ineligible LOC – 2.5%

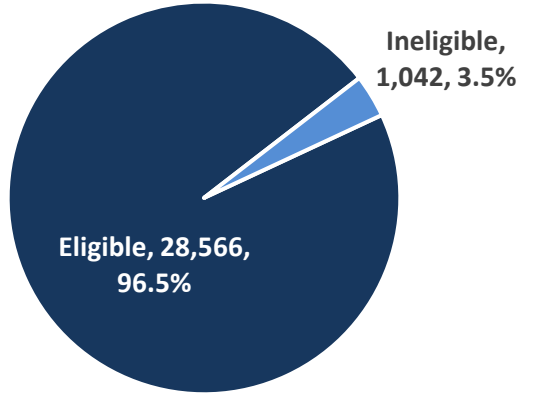
ChYMH-DD (4-17)

- 9,938 Determinations
- 9,606 Eligible LOC – 96.7%
- 332 Ineligible LOC – 3.3%

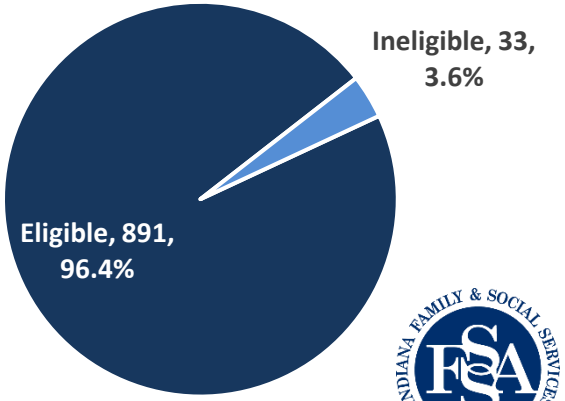
Intellectual Disability

- 19,191 Determinations
- 18,493 Eligible LOC – 96.4%
- 698 Ineligible LOC – 3.6%

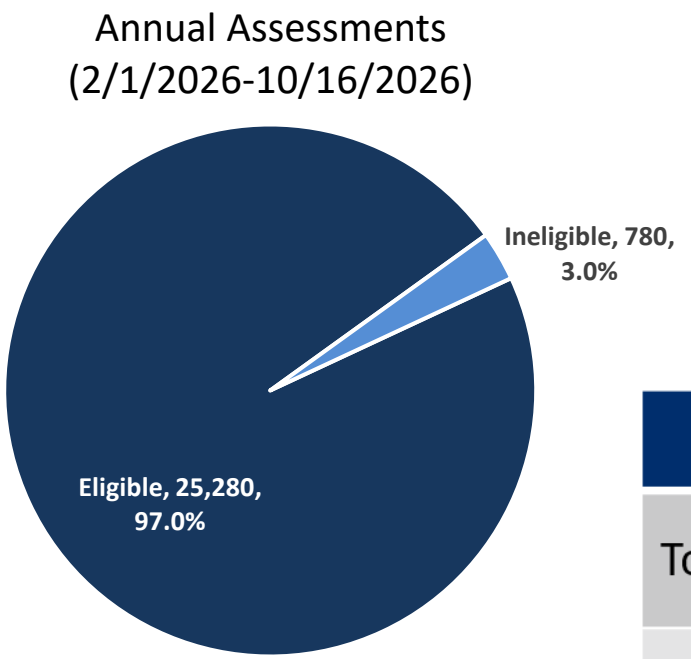
All Assessments
(2/1/2026-10/16/2026)



Initial Assessments
(2/1/2026-10/16/2026)



ICF/IID Level of Care



Annual Assessments
(2/1/26 – 10/16/26)

	Number	Percentage
Total Annual Assessments	**26,060**	
Eligible	**25,280**	**97%**
Ineligible	780	3%

Why annual assessments?

Inform Planning for Services and Support

- Person-Centered Planning
- CMS requires that HCBS Waiver Services address identified need
- Needs change over the lifespan
- Connect to services and support, including those that are not provided through Medicaid or Medicaid Waiver

Inform Eligibility Determination

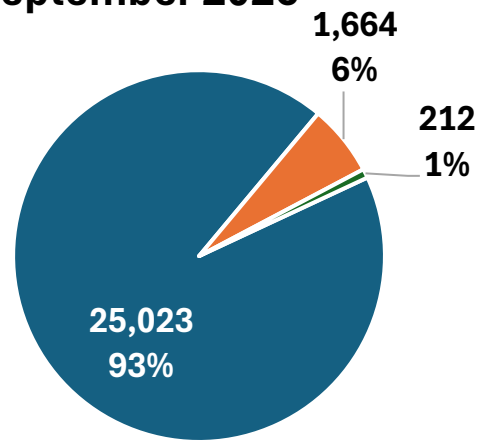
- CMS requires annual determination of eligibility
- Functional needs change over the lifespan
- Diagnosis alone does not maintain eligibility for Medicaid-funded long-term services and support (LTSS)

Quality Assurance

- Mandatory attestations of participation
- Mandatory refresher training for assessors 9/21/26 & 9/28/26
- Additional printed guidance for assessors
- Mandatory assessor case notes documenting guided interview
- Verification of information gleaned from guided interview

HCBS waiver metrics

FSW Capacity September 2026

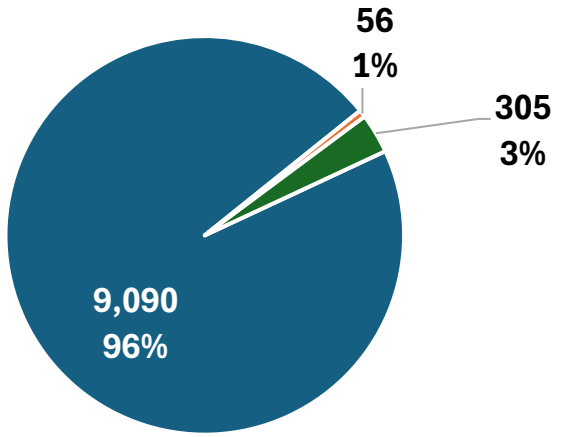


Waitlist – 11,455

Invitations

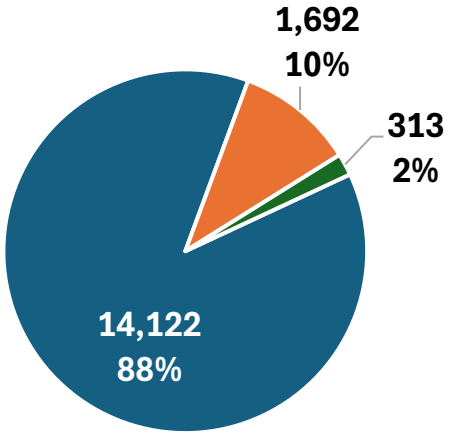
	Sept 2026	SFY27TD	SFY26TD
H&W	400	1,900	2,098
FSW	600	1,835	820
TBI	0	1	3
CIH	8	52	138

CIH Waiver Capacity September 2026

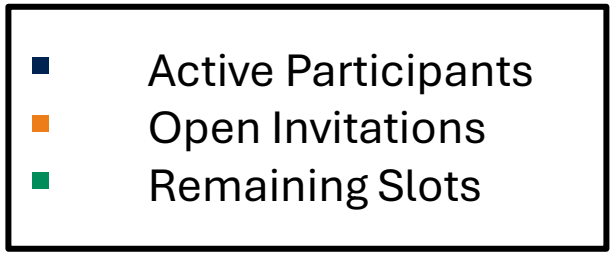


Waitlist – 12

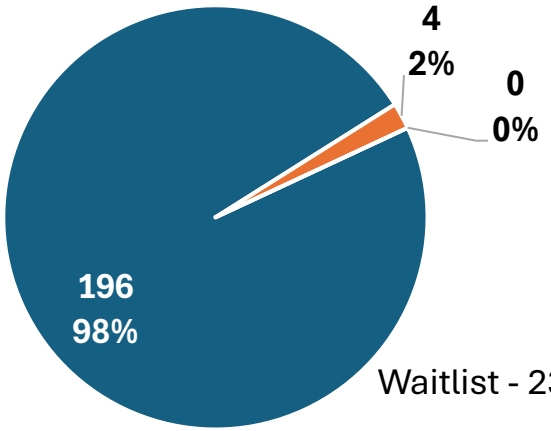
H&W Waiver Capacity September 2026



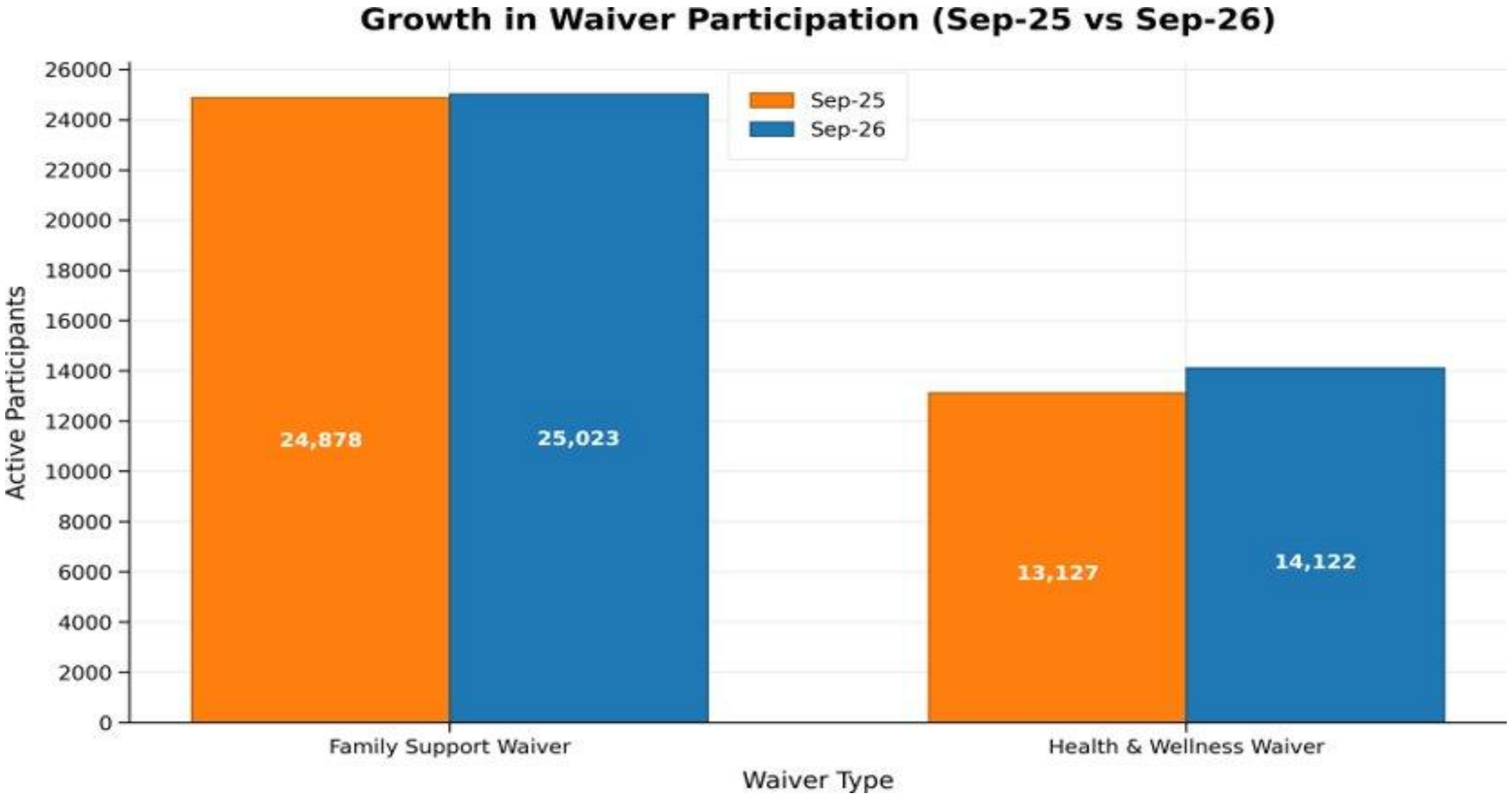
Waitlist – 6,920



TBI Waiver Capacity September 2026



Waitlist - 23


Growth in Waiver Participation (Sep-25 vs Sep-26)
Active Participants
26000
24000
22000
20000
18000
16000
14000
12000
10000
8000
6000
4000
2000
0
Sep-25
Sep-26
24,878
25,023
13,127
14,122
Family Support Waiver
Health & Wellness Waiver
Waiver Type

The impact of waiver: Lennon

Lennon excitedly “graduated” from waiver services in the Spring of 2026, declaring he no longer needed the formal paid supports the waiver provides.

His journey to independence began in 2009 when his mother passed away. His waiver team supported him in learning to care for himself, his home, his medical needs and his finances. His independent nature allowed the team to build on this personal strength and create key relationships as his primary support system.

Lennon uses typical technology for his calendar reminders and alerts. He has folks he trusts who he can turn to with any questions.

Lennon's community is important to him, and he is very involved in his church. As an active member of his faith community, he has developed a strong circle of friends and a system of informal supports that he values and maintains.

Lennon works a full-time job in Hospitality at Indiana University. He takes advantage of the city bus to get to his favorite places to eat, shop and socialize as well as to his full-time job. He also displays his creative nature as a musician playing multiple instruments for local music and dance gatherings.

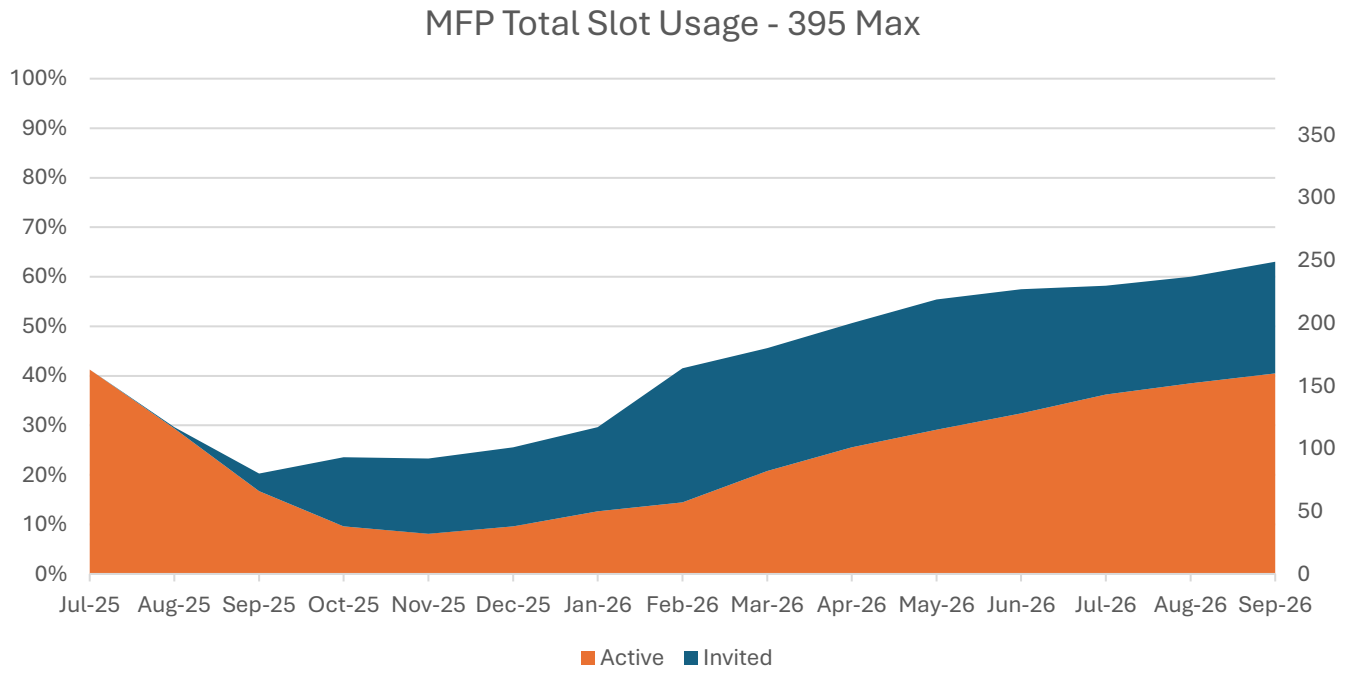
Lennon’s very own YouTube channel was celebrated by the city of Bloomington when he reached the incredible milestone of 10,000 episodes. He is a prolific creator who produces videos and makes music for the Community Access Television.

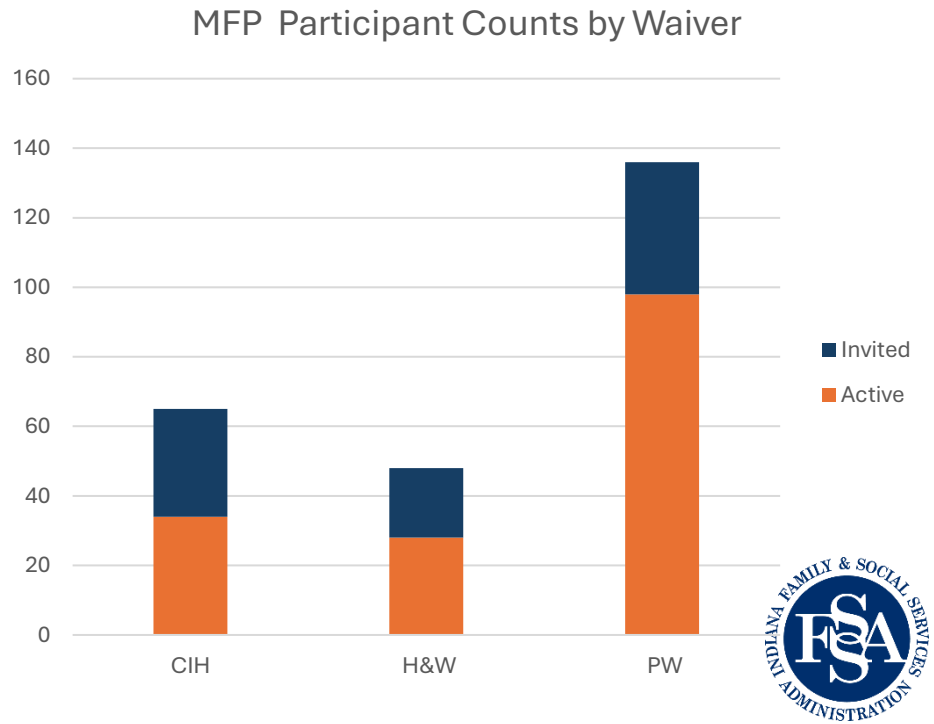


Money Follows the Person (MFP)

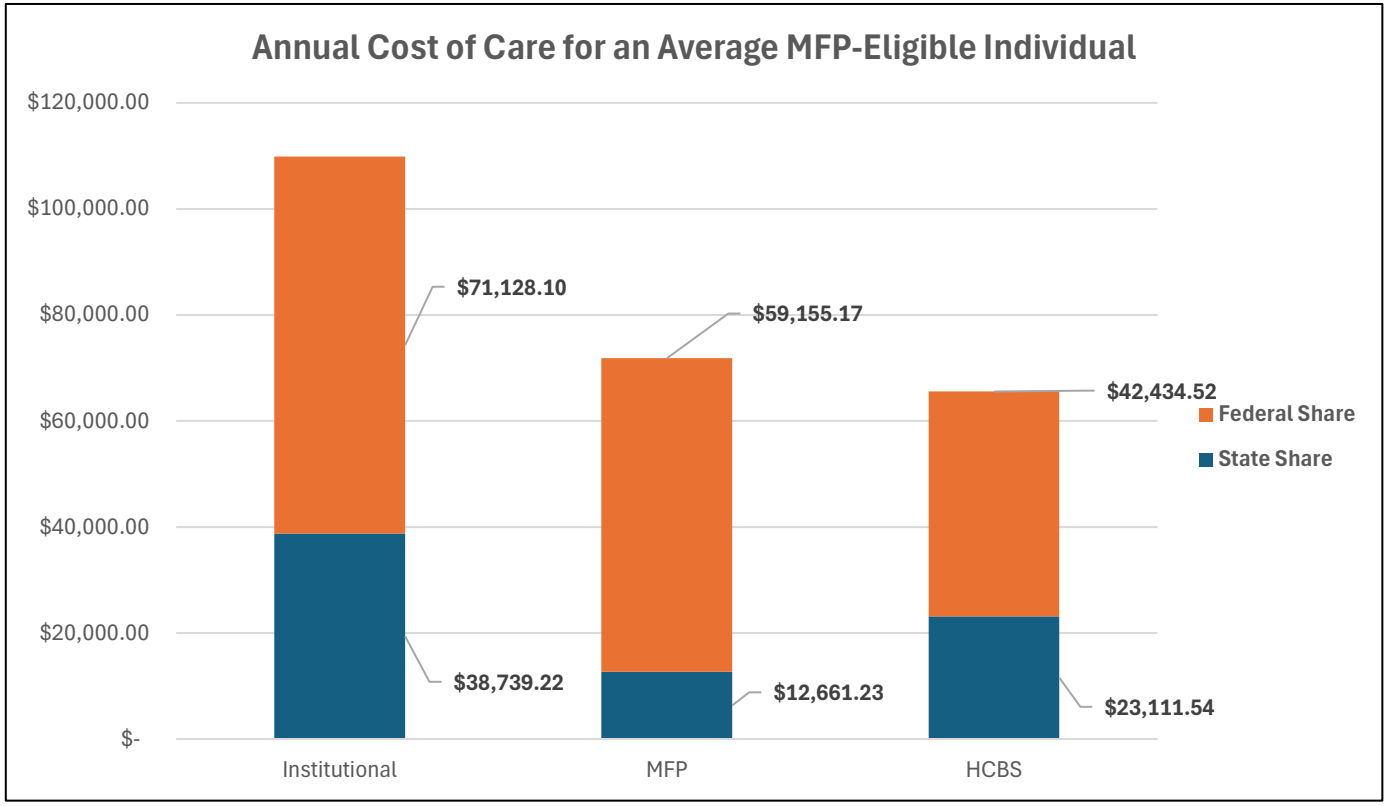
MFP Program – SFY27 Q1

	Number of Invitations SFY27 Q1	Number of Open Invitations	Total Active Members	Successful Transitions	Unsuccessful Transitions
CIH	9	31	34	0	1
H&W	13	20	28	0	0
PW	21	38	98	0	0
Total	43	89	160	0	0





Annual Cost of Care for MFP-Eligible Individual



Cost of Care Analysis			
	Average Annual Cost per Individual		
	Institutional	MFP	HCBS
Total	$ 109,867.32	$ 71,816.40	$ 65,546.07
Federal Share	$ 71,128.10	$ 59,155.17	$ 42,434.52
State Share	$ 38,739.22	$ 12,661.23	$ 23,111.54

Annual Savings per Individual		
	MFP	HCBS
Vs. Institutional Cost	$ 26,077.98	$ 15,627.67
Vs. HCBS Cost	$ 10,450.31	

Medicaid State Plan cost of care for HCBS Waiver members: Medicare & Medicaid eligible (Duals)

CIH Waiver

- Non-Duals vs Duals State Plan PMPM variance: $1,988
- Annual spend of **$70M** on Non-Duals in CIH

CIH SFY26 Enrollment

Duals	6,697
Non-Duals	2,294
Total	8,991

SFY26 CIH Spend

	Duals	Non-Duals
Waiver PMPM	$9,182	$9,615
State Plan PMPM	$557	$2,545
Total PMPM	$9,738	$12,160

TBI Waiver

- Non-Duals vs Duals State Plan Variance: $1,602
- Annual spend of **$3M** on Non-Duals in TBI

TBI SFY26 Enrollment

Duals	120
Non-Duals	65
Total	185

SFY26 TBI Spend

	Duals	Non-Duals
Waiver PMPM	$6,187	$4,855
State Plan PMPM	$2,284	$3,886
Total PMPM	$8,472	$8,742

Home and Community Services
Cost of care: Medicare & Medicaid eligible (Duals)

H&W Waiver

- Non-Duals vs Duals State Plan PMPM Variance: $4,607
- Annual spend of **$444M** on Non-Duals in H&W

H&W SFY26TD Enrollment

Duals	6,985
Non-Duals	6,286
Total	13,271

SFY26TD H&W Spend

	Duals	Non-Duals
Waiver PMPM	$4,160	$4,325
State Plan PMPM	$1,282	$5,889
Total PMPM	$5,442	$10,214

FSW

- Non-Duals vs Duals State Plan Variance: $1,150
- Annual spend of **$364M** on Non-Duals in FSW

FSW SFY26TD Enrollment

Duals	5,498
Non-Duals	18,899
Total	24,397

SFY26TD FSW Spend

	Duals	Non-Duals
Waiver PMPM	$1,377	$1,084
State Plan PMPM	$455	$1,605
Total PMPM	$1,833	$2,690

Why improved care coordination?

- $881M in SFY26 in Medicaid State Plan Services for Non-Dual Members enrolled in the four BDS-operated waivers
- Medicaid State Plan and Medicaid Waiver Services are not coordinated holistically; Waiver Reset focused on coordinated long term services and support (LTSS)
- Fee-for-Service (FFS) Waiver case managers have historically not managed/coordinated long-term services and support across Medicaid and Medicaid Waiver

Waiver reset: A sustainable framework

- **Simplify the System**
  - Make it easier to understand the waiver program
  - Reduce the number of assessments, paperwork and administrative steps
  - Update the services that are offered
- **Improve Support Coordination**
  - Understand how all the different supports available connect and work together
  - Offer more help in finding and maximizing unpaid and paid supports
- **Enhance Quality Outcomes**
  - Help providers get ready to offer new and updated services that help people reach their goals
  - Develop a way to pay providers for quality and not just quantity
- **Implement a Sustainable Service Delivery System**
  - Use one assessment to fully understand people's support needs
  - Set up supports budgets so available funding is shared in equitable manner
  - Lay the foundation to address the growing group of individuals eligible and waiting for services

The future

Phase 1 waiver reset (now – 2027):

- Care coordination (case management) technical assistance and support
- Youth waiver: Establish waiver framework and initiate transitions

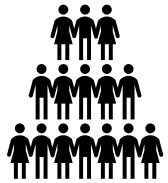
Phase 2 waiver reset (2028):

- Support needs tiers and budget framework across all HCBS waivers
- Transition remaining under 22 populations
- New array of HCBS waivers for 21+ population
- Redesigned service array across all waivers

Why a youth waiver

- Feedback from Stakeholders
- Current Waiver Structure was designed for adults, nearly 40 years ago
- Design Service Array to more appropriately address the needs of the youth population
- Youth have access to other services (First Steps, EPSDT and Educational Services) not available to adults

Why a cross-disability waiver array



Feedback from stakeholders



Medical, behavioral and developmental service needs are not exclusive to a specific level of care population



Holistic and person-centered approach to supporting identified needs of the individual



Coordination of long-term services and supports (LTSS) regardless of funding source (Medicaid State Plan and Medicaid Waiver)

Initiate youth waiver framework July 2027



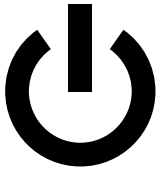
Who is going to be served?

- **Target Age:** 0-21; An initial, **phased implementation with the youth IDD population, to start**

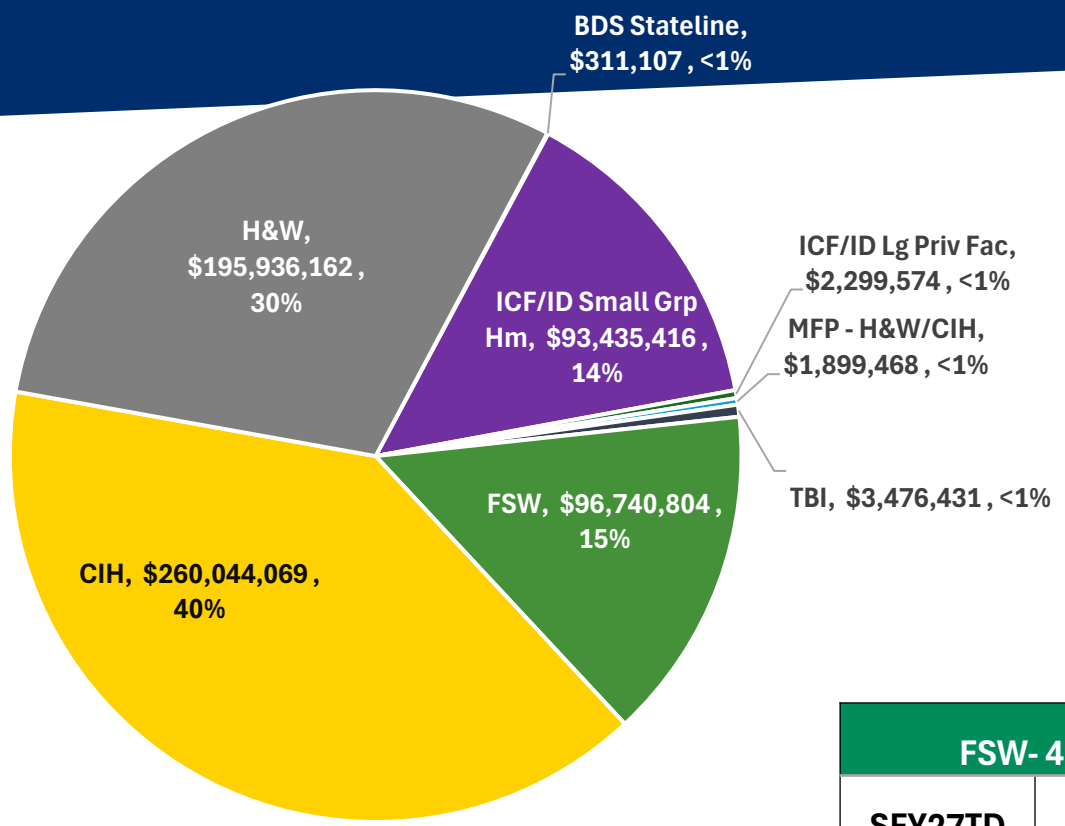


What is changing?

- **First, a youth HCBS waiver (7/1/27) for the IDD population** with potential service array updates
  - Offering a youth-focused service array that supports youth in gaining independence as they prepare for and enter adulthood
  - Enhanced coordination across all Medicaid services (Medicaid State Plan, including EPSDT and waiver), as well as with other key resources, such as educational services and community resources



- **Then, a cross-disability** at time of full **waiver reset (Phase 2; 2028)**
  - Will serve individuals who meet Nursing Facility and/or ICF/IID Level of Care
  - Introduction of supports budgets as part of Phase 2



BDS Home and Community Medicaid Waivers

	FSW- 48%		HW-28%		CIH-18%		TBI- <1%	
	SFY27TD	SFY26TD	SFY27TD	SFY26TD	SFY27TD	SFY26TD	SFY27TD	SFY26TD
Medicaid Waiver Spend PMPY (Deloitte)	$15,917	$14,178	$58,598	$56,305	$116,429	$116,769	$74,762	$56,305
Medicaid State Plan (PA) Spend PMPY (D&A Scorecard)	$17,448	NA	$122,424	NA	$30,600	NA	$42,156	NA
Total Medicaid Spend PMPY (D&A Scorecard)	$29,412	NA	$115,788	NA	$121,656	NA	$94,392	NA
Percentage of Members Dually Enrolled in Medicaid and Medicare (Duals)	23%	NA	53%	NA	75%	NA	64%	NA

BDS Medicaid facility-based residential programs

	Group Homes (Sm. ICF/ID) 5%		CRMNF (Lg. ICF/ID) <1%	
	SFY27TD	SFY26TD	SFY27TD	SFY26TD
Enrollment (Deloitte)	2,556	2,575	20	20
Medicaid Spend PMPY (Deloitte)	$146,221*	$114,862	$459,915*	$245,037
Number of Beds	2,873	2,909	21	20

**Note: Costs appear higher due to a provider acquisition and the "catch up" on claims.*

Medicaid expenditures

Medicaid Program	Current Month Actuals September 2026	Current Month to December 2025 Forecast	Variance Current Month Actuals to Forecast	YTD Actual Spent thru September 2026	YTD December 2025 Forecast September 2026	Variance Actuals YTD to Forecast	SFY2026 Actual Spent YTD September 2025	Variance SFY 2026 to SFY 2027 YTD	Total SFY 2027 December 2025 Forecast
ICF/ID - Small Group Homes	$ 27,039,981	$ 26,352,801	$ (687,181)	$ 93,435,416	$ 80,789,060	$ (12,646,356)	$ 73,942,279	$ (19,493,137)	$ 320,039,271
ICF/ID - Large Private Facilities	396,979	424,333	27,354	2,299,574	1,283,478	(1,016,096)	1,225,187	(1,074,386)	7,819,158
HCBS Waiver Services - MFP Demo Grant	710,393	1,833,651	1,123,258	1,899,468	5,558,656	3,659,188	2,237,377	337,910	22,948,084
HCBS Waiver Services - Traumatic Brain Injury Waiver	1,230,933	1,166,098	(64,835)	3,476,431	3,656,592	180,161	3,443,307	(33,124)	14,684,383
HCBS Waiver Services - Family Supports Waiver	32,522,846	26,899,837	(5,623,009)	96,740,804	87,789,327	(8,951,477)	89,113,087	(7,627,717)	355,563,645
HCBS Waiver Services - CIH Waiver	87,642,716	83,037,269	(4,605,448)	260,044,069	263,822,636	3,778,567	264,715,855	4,671,786	1,056,266,044
HCBS Waiver Services - Health & Wellness Waiver	69,360,521	62,853,584	(6,506,937)	195,936,162	194,246,424	(1,689,738)	177,969,623	(17,966,538)	777,561,637
Totals	**$ 218,904,370**	**$ 202,567,573**	**$ (16,336,797)**	**$ 653,831,922**	**$ 637,146,172**	**$ (16,685,749)**	**$ 612,646,716**	**$ (41,185,206)**	**$ 2,554,882,223**

BDS financial summary

Expenditures	Current Month Expenditures September 2026	Year To Date Expenditures September 2026 Actual	Budget	Variance	SFY 2027 Total Expenditures Forecast	Budget	Variance
.1 Personnel Services	$ 797,763	$ 3,222,426	$ 3,182,846	$ (39,580)	$ 11,620,787	$ 11,468,120	$ (152,667)
.2 Utilities Expenses				-	-	-	-
.3 External Services Expense	1,379,981	6,530,789	4,627,120	(1,903,669)	18,508,480	18,508,480	-
.4 Supplies Materials Parts		159	6,000	5,841	636	24,000	23,364
.5 Capital			-	-	-	-	-
.7 Grant Expense			-	-	-	-	-
.8 Social Service Payments	178,309	311,107	282,250	(28,857)	1,129,000	1,129,000	-
.9 Administrative Expense	23,065	198,541	220,698	22,156	794,166	882,791	88,626
ID Bills	182,678	486,284	306,686	(179,598)	1,945,136	1,226,745	(718,391)
Total Expenditures	$ 2,561,796	$ 10,749,307	$ 8,625,600	$ (2,123,706)	$ 33,998,204	$ 33,239,136	$ (759,068)

Funding	Current Month Funding September 2026	Year to Date Funding September 2026 Actual	Budget	Variance	SFY 2027 Total Funding Forecast	Budget	Variance
State Funds	$ 1,662,392	$ 4,493,986	3,548,105	$ (945,881)	$ 13,380,303	$ 12,929,155	$ (451,148)
Federal Funds	899,403	6,255,321	5,077,495	(1,177,826)	20,617,901	20,309,981	(307,920)
Dedicated Funds	-	-	-	-	-	-	-
Total Funding	$ 2,561,796	$ 10,749,307	$ 8,625,600	$ (2,123,706)	$ 33,998,204	$ 33,239,136	$ (759,068)

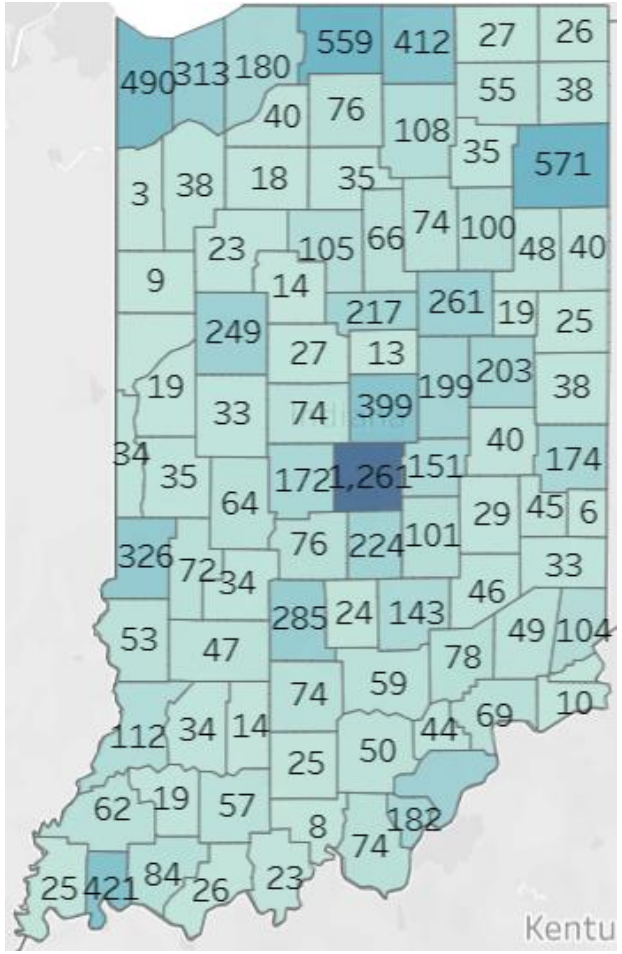
MFP financial summary

Expenditures	Current Month Expenditures September 2026	Year To Date Expenditures September 2026 Actual	Budget	Variance	SFY 2027 Total Expenditures Forecast	Budget	Variance
.1 Personal Services	$ 7,733	$ 25,540	$ 25,772	$ 233	$ 98,511	$ 99,408	$ 898
.2 Utilities Expenses				-			-
.3 External Services Expense	205,827	1,049,732	841,299	(208,433)	3,365,198	3,365,198	-
.4 Supplies Materials Parts			-	-	-		-
.5 Capital			-	-	-		-
.7 Grant Expense			-		-		-
.8 Social Service Payments	790,133	1,865,396	3,067,313	1,201,916	13,242,996	15,435,734	2,192,738
.9 Administrative Expense	70	70	6,114	6,044	24,456	24,456	-
ID Bills	14	40	313	272	161	1,250	1,089
Total Expenditures	**$ 1,003,776**	**$ 2,940,778**	**$ 3,940,811**	**$ 1,000,033**	**$ 16,731,321**	**$ 18,926,046**	**$ 2,194,724**

Funding	Current Month Funding September 2026	Year to Date Funding September 2026 Actual	Budget	Variance	SFY 2027 Total Funding Forecast	Budget	Variance
State Funds	$ 139,301	$ 328,869	$ 490,005	$ 161,136	$ 2,178,952	$ 2,823,494	$ 644,542
Federal Funds	864,476	2,611,909	3,450,806	838,897	14,552,370	16,102,551	1,550,182
Dedicated Funds	-	-	-	-			-
Total Funding	**$ 1,003,776**	**$ 2,940,778**	**$ 3,940,811**	**$ 1,000,033**	**$ 16,731,321**	**$ 18,926,046**	**$ 2,194,724**

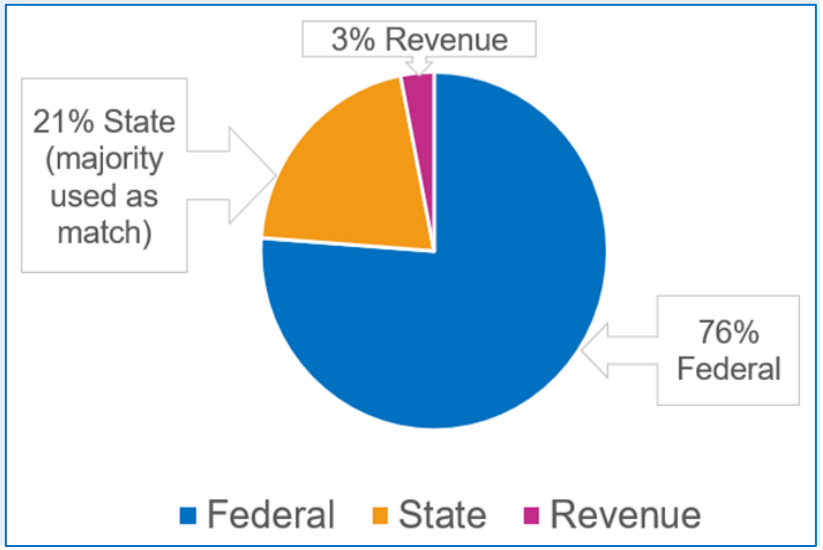
Bureau of Rehabilitation Services

Snapshot open VR cases Sept 2026



BRS maintains a central office and 19 VR Field Offices, and serves over 30,000 individuals with disabilities annually

- **Vocational Rehabilitation** services assist eligible individuals with all types of physical or mental impairments, to prepare for, obtain, maintain, regain, or advance in employment. VR team members perform eligibility, service plan development, case management, service authorizations and vocational guidance. VR Office Locations
- **Blind & Visual Impairment Services** supports entrepreneurial opportunities for blind Hoosiers and services to improve independent living for older blind (55+) population.
- **Deaf and Hard of Hearing Services** certifies Indiana interpreters and provides case management services to improve independent living skills of deaf and hard of hearing Hoosiers.
- *Designated State Entity* for **Indiana Independent Living Network**.



BRS programs

Vocational Rehabilitation (VR)

- VR eligible individuals: Physical or mental impairment that causes barriers to working; VR provides services necessary for employment through VR Counselors and a network of vendors statewide
- Students with disabilities: Pre-employment transition services (15% federal earmark)-career exploration & job readiness
- *Approximately 25,000 individuals served annually (VR eligible:18,000, Pre-ETS students: 7,000-8,000)*

Blind & Visual Impairment Services (BVIS)

- Business Enterprise Program – train & support licensed blind managers in vending locations at state & federal facilities
- Older Blind Independent Living – increase independent living skills & community access for individuals age 55+ who are Blind or have vision loss
- *Approximately 1,500 served annually*

Deaf and Hard of Hearing Services

- Oversight of Indiana Interpreter Certifications
- Case Management Services – increase independent living skills & community access for Deaf & hard of hearing Hoosiers
- *Over 1,500 served annually*

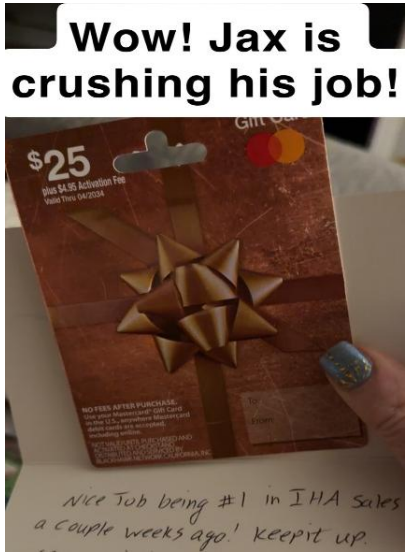
Independent Living (IL) Network

- Part of IL Network in partnership with 10 Centers for Independent Living and Indiana Statewide Independent Living Council
- *Over 26,000 served annually (information and referral, independent living skills training, peer counseling, advocacy, transition services)*

The impact of employment: Jax

- **Entered VR uncertain of the opportunities available to him, working part-time in a job he did not enjoy**
- **VR services**: career exploration, job placement, connecting to natural supports on the job, plenty of encouragement
- Through DDARS-VR, **secured and maintained employment as a Measure Technician at Home Depot, 25 hours/week @ $19/hour**
    - Provider partner: Developmental Services, Inc. (DSI)
- Quotes from Mom: “Your program gave me so much hope. I have never seen him so confident and happy… He has hit so many milestones… that never would have happened without the confidence this program brought to his life.”
- Just reached 1-year mark at Home Depot
- #1 in Sales in his department this summer





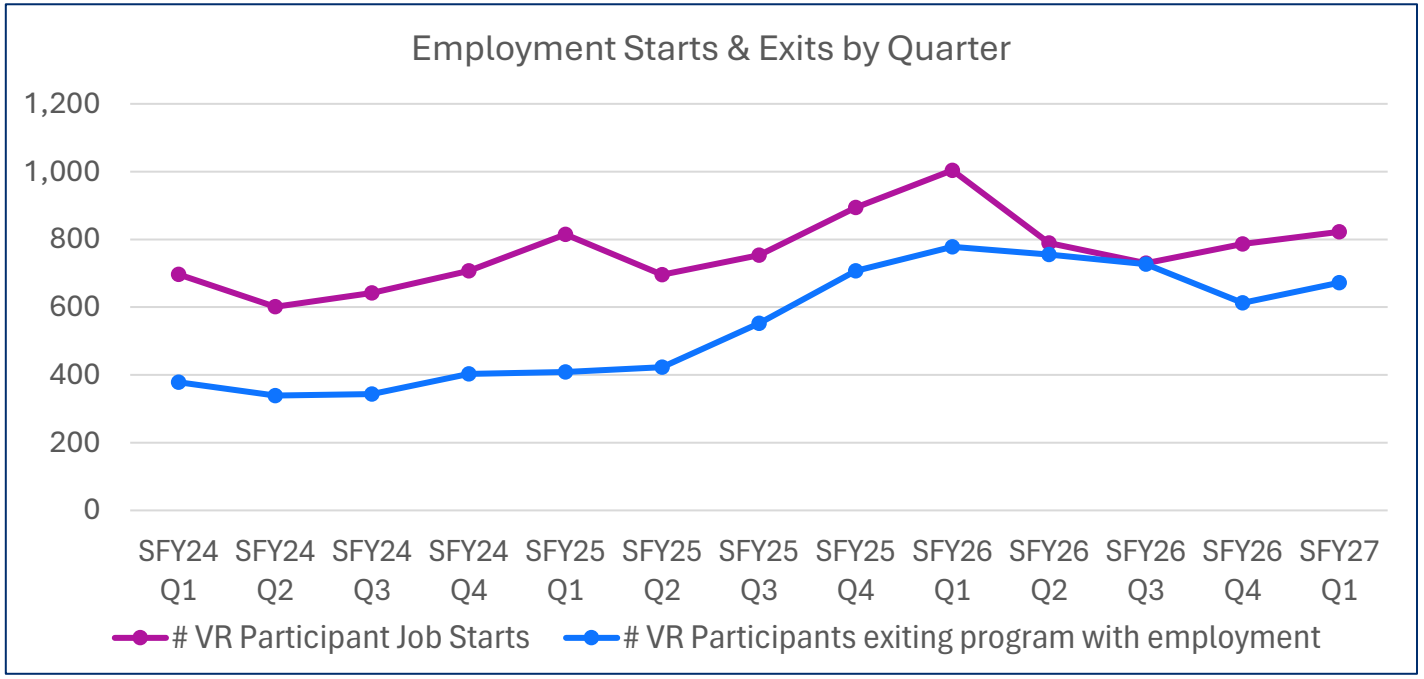
Vocational Rehabilitation outcomes

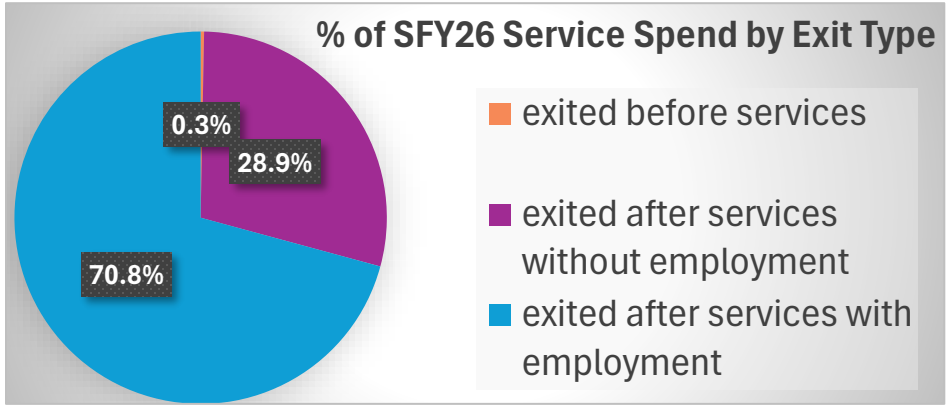
Average wages and weekly work hours at exit per individual

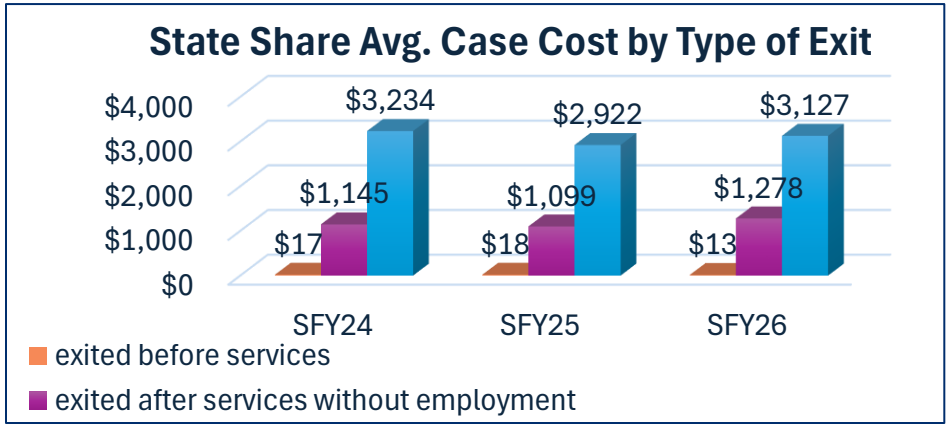
- *SFY25: $17.97/hour, 27.15 hours/week (2,091 exits with employment)*
- *SFY26: $17.54/hour, 25.37 hours/week (2,873 exits with employment)*

Aggregate annualized earnings of all individuals retaining employment 1 year after exit

- *SFY25 Aggregate = $24,674,112*
- *SFY26 Aggregate = $31,263,375*

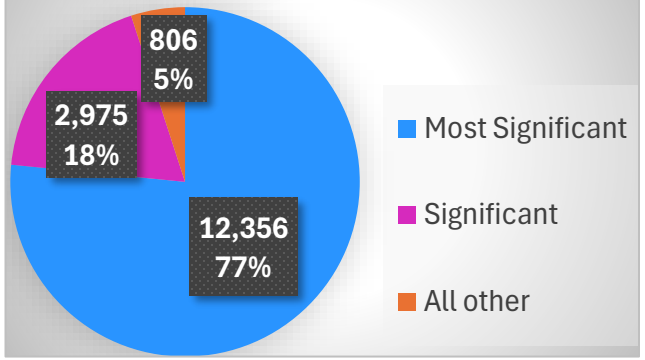




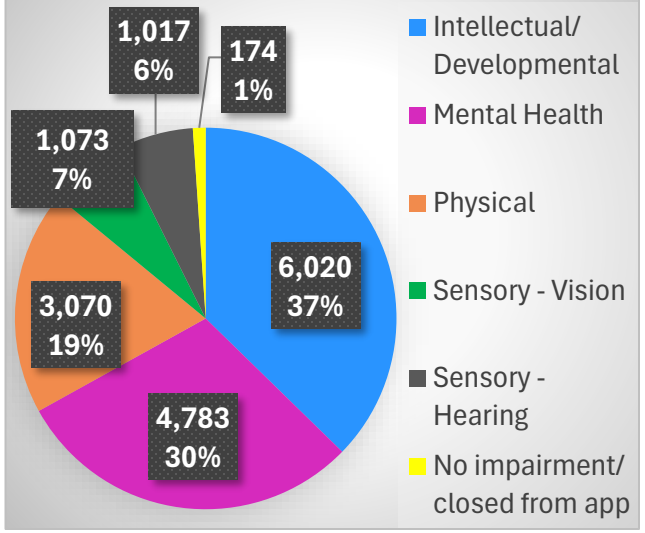


VR participant and service spend trends

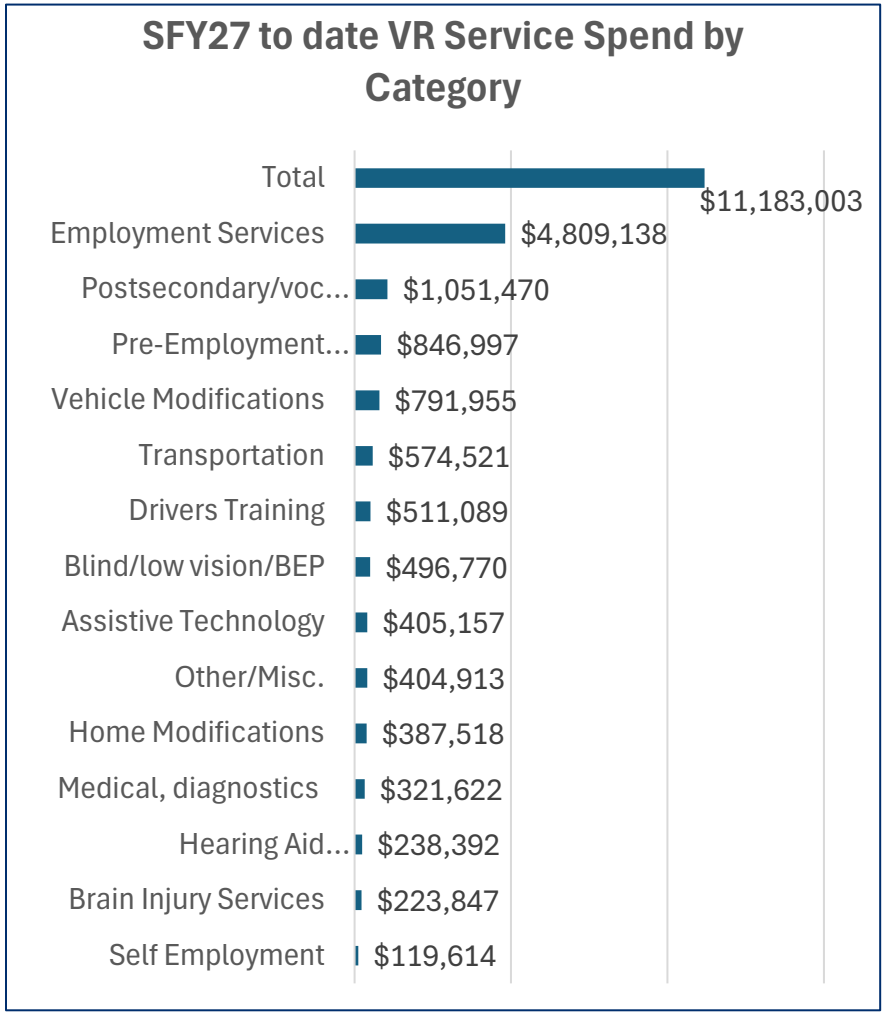
Disability Significance SFY26



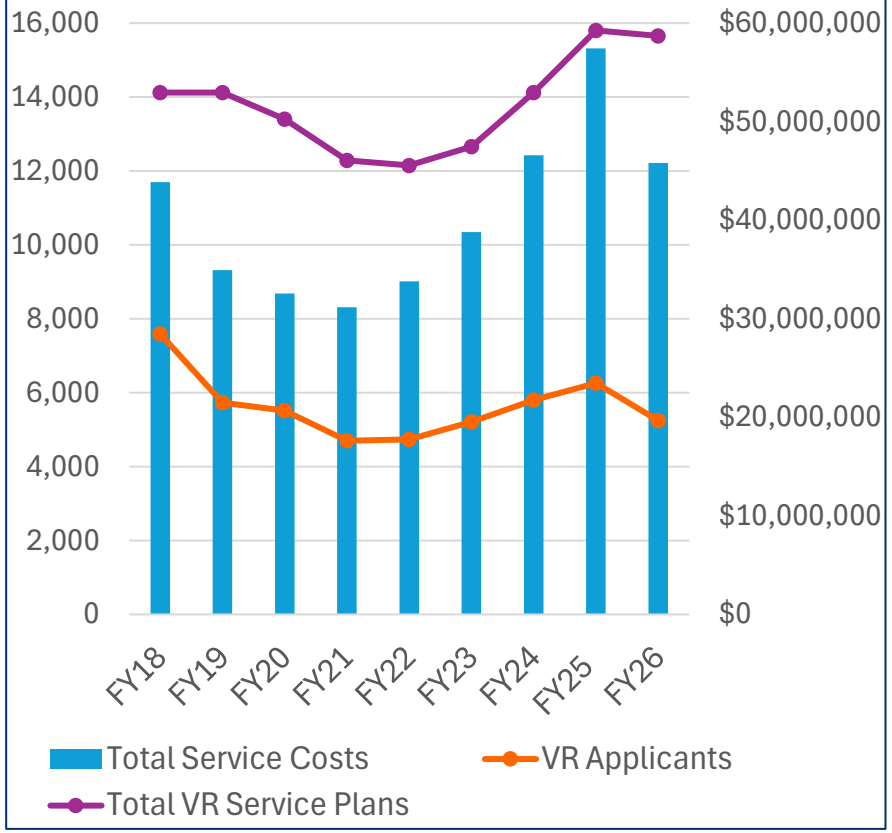
Primary Disability SFY26



SFY27 to date VR Service Spend by Category



VR Program Growth and Cost Trends



Purchasing quality employment outcomes

CHALLENGES

- Half of employment services expenses are fee-for-service (ffs), not outcome-based
- Providers and VR staff feedback on areas of improvement
  - Lack of clarity around certain processes (e.g., when cases are not linear)
  - Gaps in service intentionality
  - Service authorization/billing practices can vary across VR office locations
  - Some processes are too complex

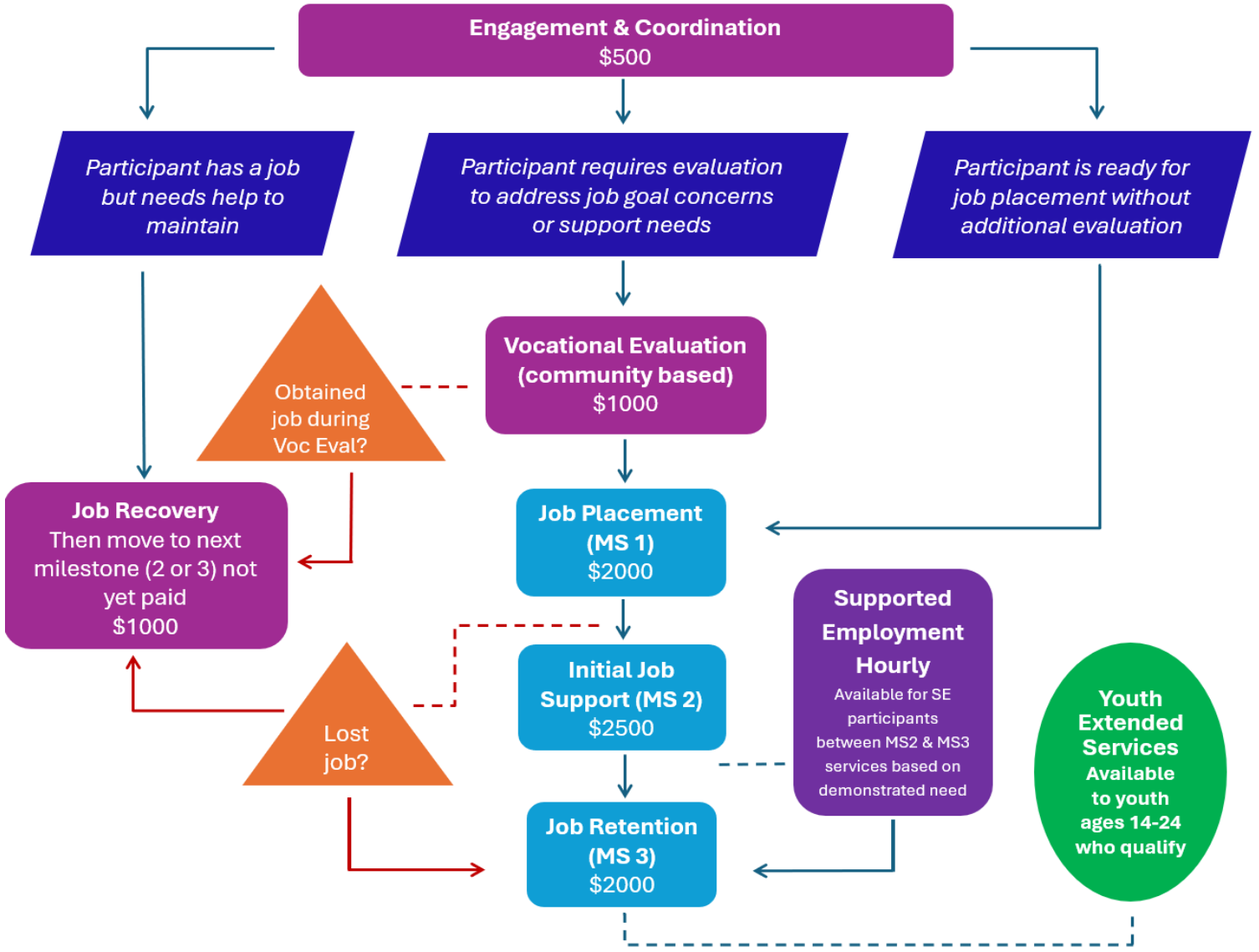
Stakeholder feedback → improved approach

COST-NEUTRAL SOLUTIONS

- Fee-for-service (ffs)→ outcome-based
  - Eliminate most hourly ffs (Discovery, hourly job placement) & shift to outcome payments; promotes service intentionality and outcomes
  - Shift ffs costs to support adjustments to outcome payments
- Simplify structure, add clarity
- Update select service definitions to better address participant needs and provider concerns
- Establish communication expectations for local VR/provider teams

VR employment service improvements

- Incentivizes more intentional service delivery, leading to improved outcomes
- Shifting from ffs to outcome-based payments drives improved outcomes
- Simplifies employment service pay structure and reduces administrative burden
- Improves consistency and may positively impact local VR-provider relationships
- Addresses feedback from providers and staff
- Accomplishes intended purpose without increase in cost



Timeline

- Oct.-Dec.: Update service manual, documentation templates, system (no cost); Communication to staff and stakeholders
- Jan.-Feb.: Joint training to VR and providers
- March: Issue service authorizations
- April 1, 2027: implementation

VR and FSSA collaboration

- Connecting with Office of Medicaid Policy and Planning and Division of Family Resources
  - Opportunity for collaboration and promoting employment
- Interagency Agreement with Division of Mental Health and Addiction
  - Prioritizing employment for behavioral health population
  - DMHA and VR jointly funding dedicated trainers (2 FTEs)
    - Training and technical assistance for early adopter Individual Placement and Support sites
    - Onboarding local mental health centers as VR employment service providers
  - Braiding and sequencing of VR and Medicaid funds
    - VR provides job development and job support, vocational training or other employment related services
    - Employment is an important part of recovery process for individuals experiencing mental health diagnosis or substance use

Bureau of Rehabilitation Services financial summary

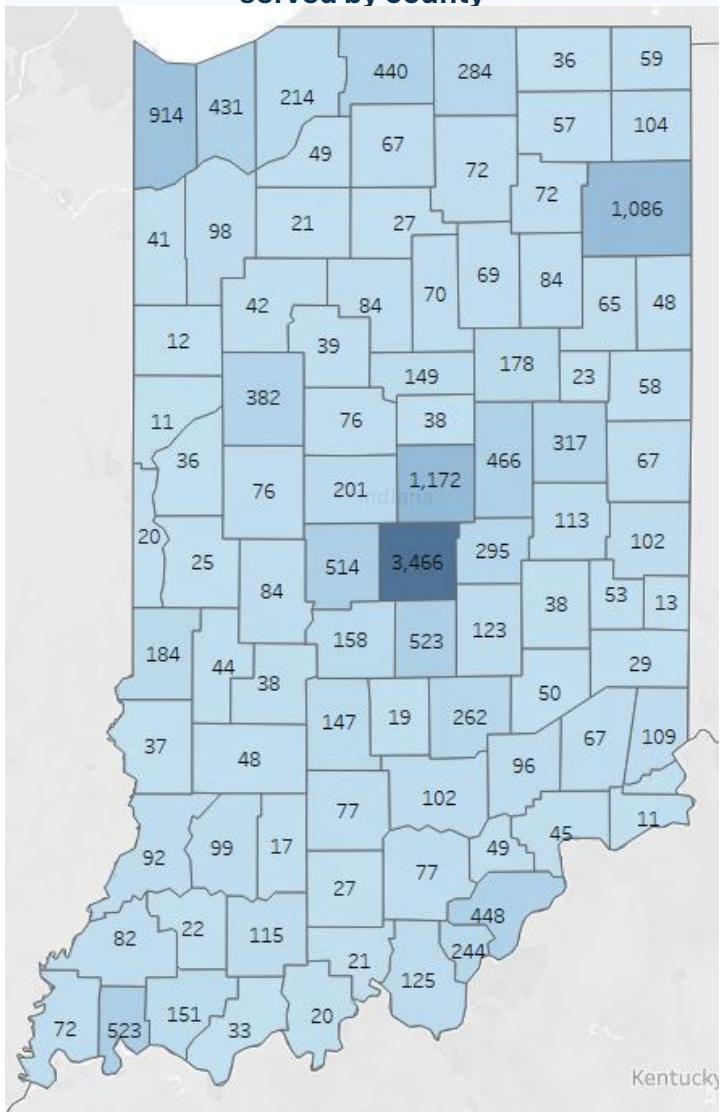
Expenditures	Current Month Expenditures September 2026	Year To Date Expenditures September 2026 Actual	Budget	Variance	SFY 2027 Total Expenditures Forecast	Budget	Variance
.1 Personnel Services	$ 2,201,920	$ 8,681,134	$ 8,869,815	$ 188,681	$ 31,195,801	$ 31,923,572	$ 727,771
.2 Utilities Expenses			-	-	-	-	-
.3 External Services Expense	695,222	2,347,627	2,386,815	39,188	9,547,259	9,547,259	-
.4 Supplies Materials Parts	523	5,738	25,193	19,455	22,952	100,770	77,818
.5 Capital	110,809	247,751	263,391	15,640	991,004	1,053,564	62,560
.7 Grant Expense	186,791	593,296	1,312,643	719,347	5,250,574	5,250,574	-
.8 Social Service Payments	3,947,918	10,776,637	13,461,279	2,684,642	58,455,867	58,455,867	-
.9 Administrative Expense	654,663	1,018,025	414,388	(603,637)	2,072,101	1,657,554	(414,547)
ID Bills	86,142	281,143	523,171	242,028	1,124,572	2,092,685	968,113
Total Expenditures	**$ 7,883,989**	**$ 23,951,351**	**$ 27,256,695**	**$ 3,305,345**	**$ 108,660,130**	**$ 110,081,845**	**$ 1,421,715**

Funding	Current Month Funding September 2026	Year to Date Funding September 2026 Actual	Budget	Variance	SFY2027 Total Funding Forecast	Budget	Variance
State Funds	$ 16,682	$ 2,858,260	$ 5,415,696	$ 2,557,436	$ 21,662,783	$ 21,662,783	$ -
Federal Funds	7,689,791	20,294,923	20,389,078	94,155	81,189,660	82,611,376	1,421,715
Dedicated Funds	177,517	798,168	1,451,922	653,754	5,807,687	5,807,687	-
Total Funding	**$ 7,883,989**	**$ 23,951,351**	**$ 27,256,695**	**$ 3,305,345**	**$ 108,660,130**	**$ 110,081,845**	**$ 1,421,715**

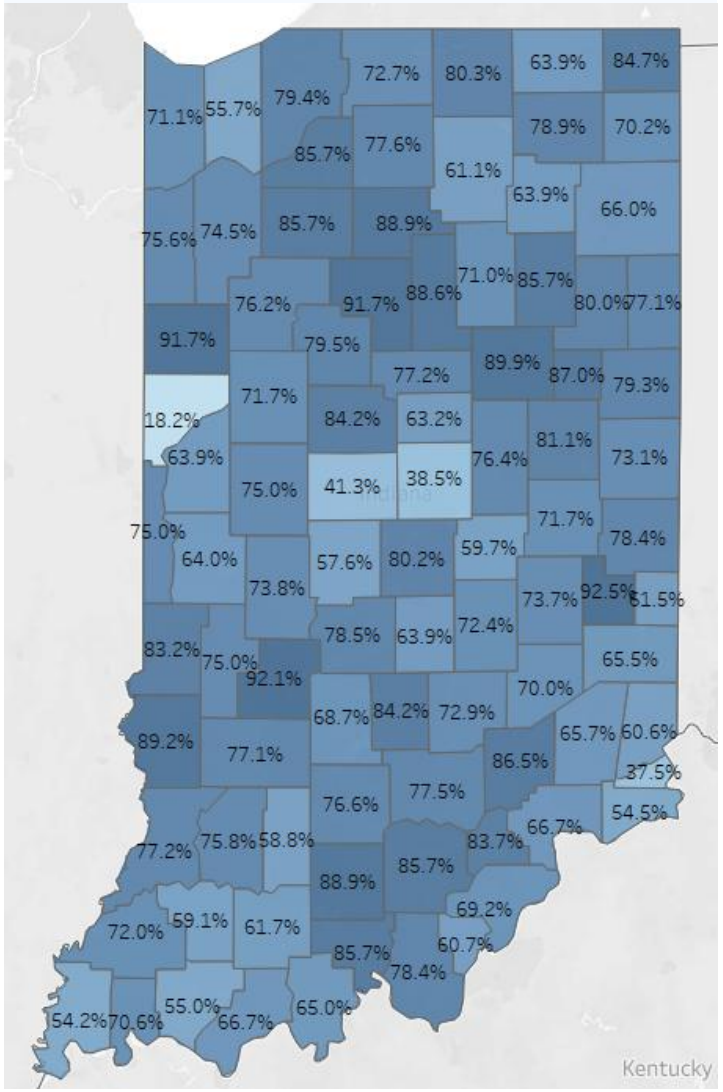
First Steps is a family-centered, locally based system that provides early intervention entitlement services for infants and toddlers with disabilities or developmental delays. It brings together professionals from education, health and social services to deliver skilled, family-guided, routines-based interventions that promote age-appropriate development.



SFY 2027 YTD
Total number of children served by county



SFY 2027 YTD
Percent of children served who are 250% or below federal poverty level by county



First Steps Early Intervention Program
State Fiscal Year 2027

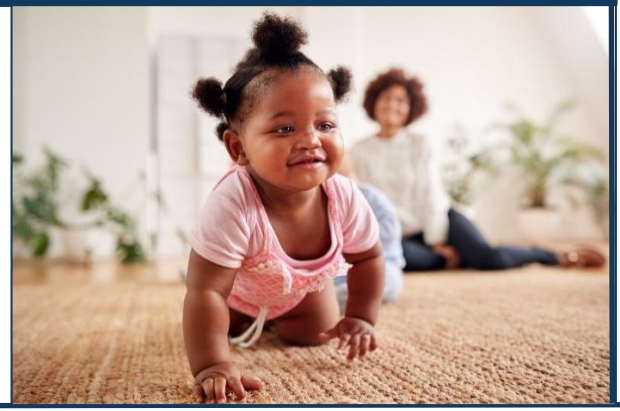
Statewide Service Delivery System

9 central office staff

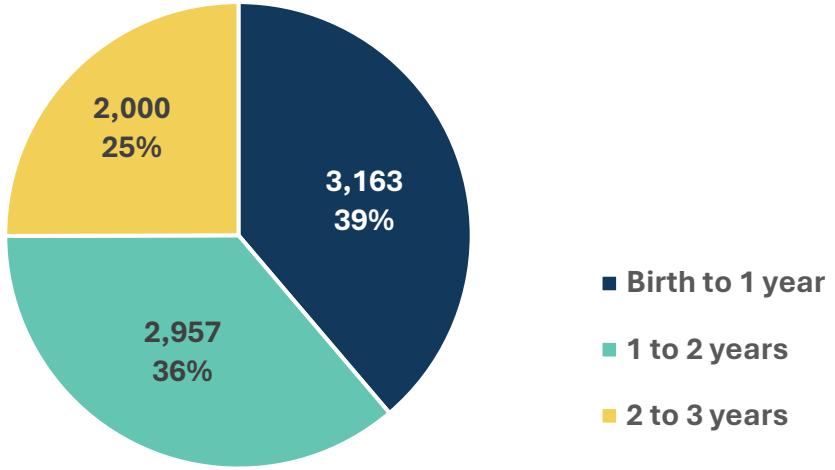
9 System Points of Entry
- 250 Service Coordinators

45 Provider Agencies
- ~2,000 providers

100 Independent Providers
- Nutrition, social work, psychology, audiology, ophthalmology, interpreter services



Referrals by Age YTD



Number of Children Referred SFY 2027

8,120

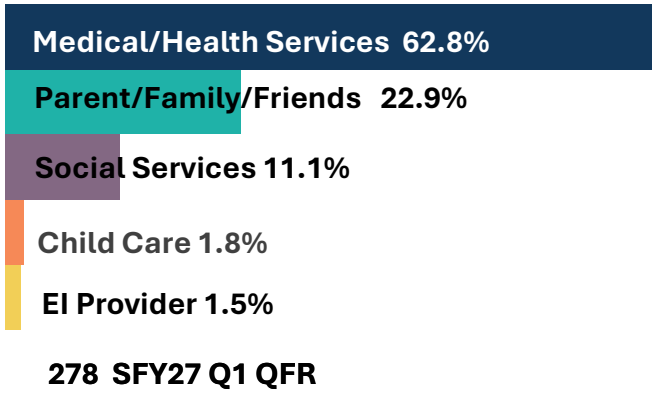
Number of Children Served SFY 2027

16,955

Number of Family Visits SFY 2027

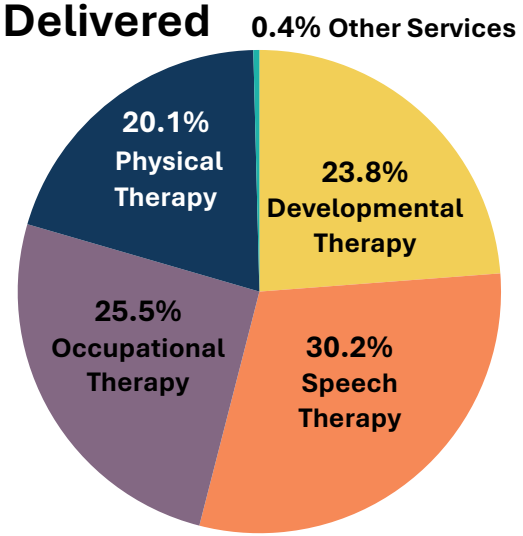
194,407

Referral Sources

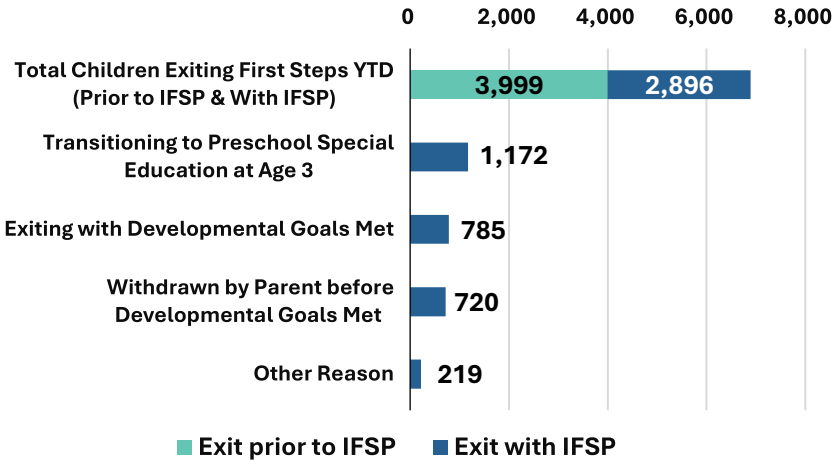


278 SFY27 Q1 QFR

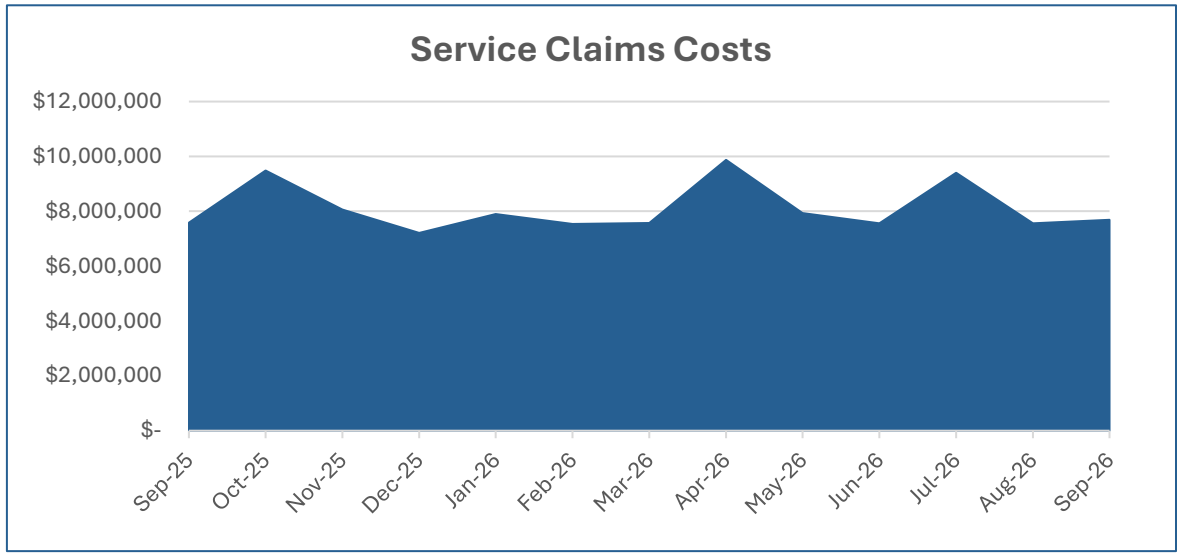
Services Delivered

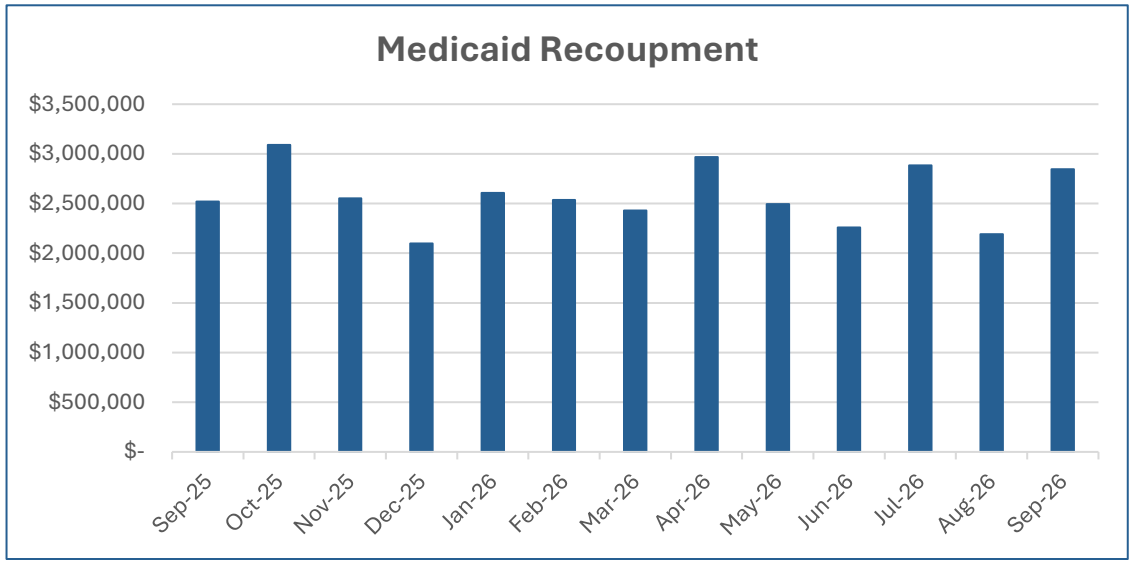


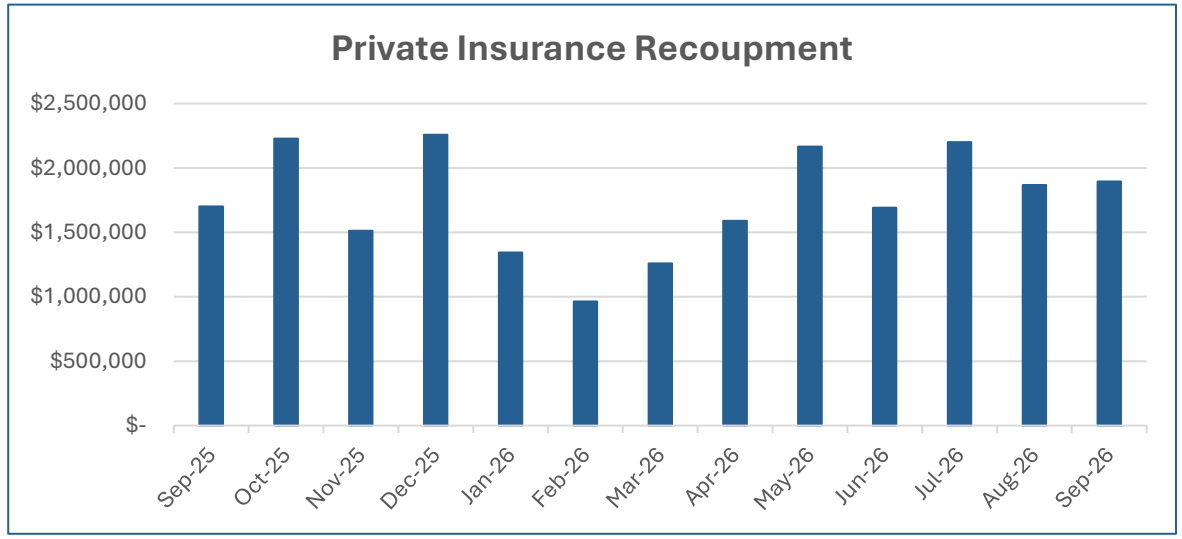
Exit Data

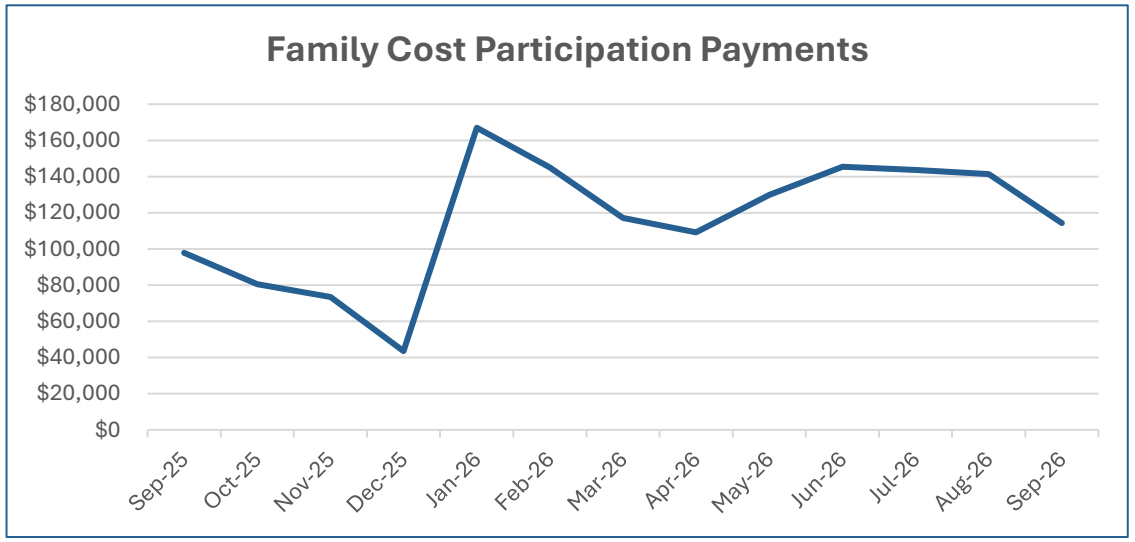


Bureau of Child Development Services









Bureau of Child Development Services

Program sustainability: Recoupment overview
Good stewardship of Hoosier tax dollars

Total cost of First Steps Services YTD SFY27

$24,660,271

Funds used to cover cost of services

State Appropriation	$12,395,202
Recoupment	12,265,069
Medicaid	
Commercial Insurance	
Family Fees	
Total	$24,660,271

Source: PCG Recoupment Report

First Steps supports children and families: Dallas' story

Dallas required major cranial surgery when he was 8 months old. His surgery was followed by unexplained health and developmental concerns. As the complexity of his needs grew, his parents looked to First Steps for the support they needed to help him thrive.

Developmental Model: First Steps therapists met Dallas and his family in their home where they listened, observed everyday routines, and focused on their family strengths and needs.

Caregiver coaching and education: Dallas's First Steps team partnered closely with his family, helping them use familiar daily activities to support his learning and participation. His parents learned practical strategies during routines like mealtime, playtime, and transitions, building their confidence and advocacy for Dallas and his needs.

- Everyday moments became opportunities for Dallas to practice with his family. These early experiences helped Dallas develop skills to express his needs, play, and interact with family and friends.
- His family gained confidence, clarity, strategies and tools to use throughout the day and week which they continue to use to this day.



At 3 years old, Dallas exited First Steps and continued to receive special education services. Today he is a kindergartener participating in his education in ways that work for him, finding moments of independence.

The foundation built in First Steps still supports Dallas and his family today, helping him communicate, engage, and navigate his childhood with strength and possibility.

Bureau of Child Development Services financial summary

Expenditures	Current Month Expenditures September 2026	Year To Date Expenditures September 2026 Actual	Budget	Variance	SFY 2027 Total Expenditures Forecast	Budget	Variance
.1 Personnel Services	$ 80,024	$ 304,993	$ 287,240	$ (17,753)	$ 1,176,402	$ 1,083,640	$ (92,762)
.2 Utilities Expenses			-	-			-
.3 External Services Expense	2,318,342	9,436,296	7,292,061	(2,144,235)	29,160,690	29,160,690	-
.4 Supplies Materials Parts	77	356	7,500	7,144	1,423	30,000	28,577
.5 Capital			-	-	-		-
.7 Grant Expense			-	-	-		-
.8 Social Service Payments	7,687,132	24,660,271	24,350,000	(310,271)	97,400,000	97,400,000	-
Recoupment	(3,460,240)	(12,265,069)	(13,525,000)	(1,259,931)	(54,100,000)	(54,100,000)	-
.9 Administrative Expense	3,580	5,865	32,912	27,047	23,462	131,649	108,187
ID Bills	2,095	6,584	6,461	(123)	26,336	25,843	(493)
Total Expenditures	$ 6,631,010	$ 22,149,297	$ 18,451,175	$ (3,698,122)	$ 73,688,313	$ 73,731,823	$ 43,510

Funding	Current Month Funding September 2026	Year to Date Funding September 2026 Actual	Budget	Variance	SFY 2027 Total Funding Forecast	Budget	Variance
State Funds	$ 1,782,238	$ 12,699,597	$ 9,477,751	$ (3,221,845)	$ 40,206,745	$ 40,206,745	$ -
Federal Funds	4,848,772	9,449,700	8,973,424	(476,276)	33,481,568	33,525,078	43,510
Dedicated Funds	-	-			-	-	-
Total Funding	$ 6,631,010	$ 22,149,297	$ 18,451,175	$ (3,698,122)	$ 73,688,313	73,731,823	$ 43,510

DDRS financial summary

Program	Current Month Expenditures September 2026	Year To Date Expenditures September 2026 Actual	Budget	Variance	SFY 2027 Total Expenditures Forecast	Budget	Variance
Bureau of Child Development Services	$ 6,631,010	$ 22,149,297	$ 18,451,175	$ (3,698,122)	$ 73,688,313	$ 73,731,823	$ 43,510
Bureau of Disability Services	2,561,796	10,749,307	8,625,600	(2,123,706)	33,998,204	33,239,136	(759,068)
Money Follows the Person (MFP)	1,003,776	2,940,778	3,940,811	1,000,033	16,731,321	18,926,046	2,194,724
Bureau of Rehabilitative Services	7,883,989	23,951,351	27,256,695	3,305,345	108,660,130	110,081,845	1,421,715
DDRS Administration	84,314	327,069	446,922	119,853	1,569,449	1,783,735	214,285
Total Expenditures	**$ 18,164,885**	**$ 60,117,801**	**$ 58,721,203**	**$ (1,396,598)**	**$ 234,647,418**	**$ 237,762,585**	**$ 3,115,167**

Sources of Funding	Current Month Funding September 2026	Year to Date Funding September 2026 Actual	Budget	Variance	SFY2027 Total Funding Forecast	Budget	Variance
State Funds	$ 3,684,926	$ 20,369,657	$ 19,012,911	$ (1,356,747)	$ 77,928,978	$ 78,142,372	$ 213,395
Federal Funds	14,302,442	38,949,976	38,256,371	(693,605)	150,910,754	153,812,526	2,901,773
Dedicated Funds	177,517	798,168	1,451,922	653,754	5,807,686.56	5,807,687	-
Total Funding	**$ 18,164,885**	**$ 60,117,801**	**$ 58,721,203**	**$ (1,396,598)**	**$ 234,647,418**	**$ 237,762,585**	**$ 3,115,167**

DDARS initiatives

Operational efficiencies: completed and ongoing

- RSM cost containment project—Completed.
- VR Services cost containment strategies to sustain services to all eligible.
- DDARS waiver and non-waiver system consolidation (CaMSS): Initial migration and sunset of CaMSS completed February 2026.
- Identified strategies and opportunities to increase leverage of federal match- State Plan Amendment for Specialized Services.
- Improved data analysis and collaboration across business units (part of waiver reset).
- Consolidation of Aging and DDRS: Completed and federal legislative approval.
- Consolidation of BDS YESLMS training platform with DSP training and registry platform.

Right people, right services, right time

- Waiver reset—Target 2028.
- Level of Care/eligibility modernization -- January 2026.
- Case management restructure: Completed August 2026.
- BDS Supervised Group Living modernization / Comprehensive Rehabilitative Management Needs Facility (CRMNF): RFP released September 2026.
- First Steps quality improvement toward 2030 model of care.
- Pre-ETS Reset.
- VR Employment Service Model Improvements.
- Support the redistricting/remapping AAA: Project timeline established January 2026.
- CHOICE: Restructuring of program deliverables (more dollars to services vs administrative overhead).
- RCAP rate review: ensure sustainability of program: Completed January 2026.
- Care Coordination Model Holistic LTSS—January 2027.
  - DSNP for I/DD population
- Improved Employment Outcomes for Individuals with Disabilities: System Transformation.
  - Supported Employment Plus underway.
- Youth Waiver—July 2027.


Thank
You!

Appendix

- DDARS contracts
- DDRS Admin financial summary
- Division of Aging Admin financial summary
- BBA Nutrition Services financial summary
- BBA Social Security Block Grant financial summary
- BBA Adult Guardianship financial summary
- Dementia Care Specialist financial summary
- Long Term Care Ombudsman Program financial summary
- Aging special projects financial summary – Close out
- BCDS: Foundation for 2030 model of care

DDARS contracts

	Contract Information		YTD Financial Information					
Contractor	Brief Description of Service	Contract Period	Total Contract Value	Annual Contact Amount	State Funding	Federal Funding	YTD Expenditures	Current Balance
SPOE Vendors (4)	Single Point of Entry for First Steps	7/1/23 - 6/30/27	$ 133,842,333	$ 25,113,329	$ 9,777,493	$ 15,335,836	$ 3,131,283	$ 21,982,047
AAA Grants	Grant funding for 16 Area Agencies on Aging	10/1/24 - 9/30/27	96,159,790	68,174,770	29,686,192	38,488,578	29,874,136	38,300,633
Maximus US Services Inc	Determination of LOC for Nursing facitility and HCBS waiver	4/1/24 - 3/31/28	85,380,557	18,904,593	-	18,904,593	1,610,168	17,294,425
PCG-Indiana Inc.	Statewide Adult Protective Services	7/1/25 - 6/30/28	19,499,159	6,499,815	6,499,815		559,476	5,940,338
Liberty of Indiana	Oversight of service delivery throughout the state.	7/1/26 - 6/30/30	19,395,864	4,601,513		4,601,513	383,291	4,218,222
Centers for Independent Living Vendors (10)	Centers for Independent Living to deliver core services and state plan	10/1/23-9/30/27	14,258,650	1,718,843	929,276	789,567	-	1,718,843
ADRC Contracts	Contracts for 15 Aged and Disabled Resource Centers	7/1/25 - 6/30/27	14,250,000	7,125,000	3,562,500	3,562,500	-	7,125,000
HSRI Human Services Research Institute	Waiver intergration and redevelopment, policy analysis and outcomes evaluation	2/1/23 - 6/30/27	13,489,281	1,200,000		1,200,000	-	1,200,000
Public Consulting Group	O&M of the State's First Steps Early Intervention Central Reimbursement Office	9/1/19 - 8/31/27	12,278,625	1,932,994	1,932,994	-	120,879	1,812,116
Roeing Corporation	Legacy Case Management System M&O	1/1/21 - 6/30/27	9,618,483	2,334,713		2,334,713	412,547	1,922,166
Total			**$ 418,172,743**	**$ 137,605,569**	**$ 52,388,270**	**$ 85,217,299**	**$ 36,091,780**	**$ 101,513,790**

DDRS administration financial summary

Expenditures	Current Month Expenditures September 2026	Year To Date Expenditures September 2026 Actual	Budget	Variance	SFY 2027 Total Expenditures Forecast	Budget	Variance
.1 Personnel Services	$ 47,585	$ 181,759	$ 241,240	$ 59,482	$ 961,007	$ 961,007	$ -
.2 Utilities Expenses			-	-	-		-
.3 External Services Expense	625	11,832	23,713	11,880	74,851	94,851	20,000
.4 Supplies Materials Parts	38	393	313	(80)	1,250	1,250	-
.5 Capital			-	-	-		-
.7 Grant Expense			-	-	-		-
.8 Social Service Payments			-	-	-		-
.9 Administrative Expense	644	3,092	9,082	5,990	12,368	36,327	23,960
ID Bills	35,422	129,993	172,575	42,581	519,973	690,299	170,326
Total Expenditures	$ 84,314	$ 327,069	$ 446,922	$ 119,853	$ 1,569,449	$ 1,783,735	$ 214,285

Funding	Current Month Funding September 2026	Year to Date Funding September 2026 Actual	Budget	Variance	SFY2027 Total Funding Forecast	Budget	Variance
State Funds	$ 84,314	$ (11,054)	$ 81,354	$ 92,408	$ 500,195	$ 520,195	$ 20,000
Federal Funds	-	338,123	365,568	27,445	1,069,254	1,263,540	194,285
Dedicated Funds	-	-	-	-	-	-	-
Total Funding	$ 84,314	$ 327,069	$ 446,922	$ 119,853	$ 1,569,449	$ 1,783,735	$ 214,285

DDRS admin total staff positions: 7 Vacant positions: 0

Division of Aging administration financial summary

Expenditures	Current Month Expenditures September 2026	Year To Date Expenditures September 2026 Actual	Budget	Variance	SFY 2027 Total Expenditures Forecast	Budget	Variance
.1 Personal Services	$ 111,533	$ 323,168	$ 390,387	$ 67,219	$ 1,175,075	$ 1,434,348	$ 259,272
.2 Utilities Expenses			-	-			-
.3 External Services Expense			18,344	18,344	73,376	73,376	-
.4 Supplies Materials Parts	579	1,510	1,412	(97)	1,649	1,649	-
.5 Capital			-	-			-
.7 Grant Expense			-	-			-
.8 Social Service Payments			-	-			-
.9 Administrative Expense	462	23,318	25,743	2,426	93,271	102,974	9,703
ID Bills	10,248	30,332	29,841	(490)	121,327	119,366	(1,961)
Total Expenditures	**$ 122,822**	**$ 378,327**	**$ 465,727**	**$ 87,401**	**$ 1,464,698**	**$ 1,731,712**	**$ 267,014**

Funding	Current Month Funding September 2026	Year to Date Funding September 2026 Actual	Budget	Variance	SFY 2027 Total Funding Forecast	Budget	Variance
State Funds	$ 122,822	$ 297,957	$ 269,785	$ (28,173)	$ 1,143,220	$ 865,856	$ (277,363)
Federal Funds	-	80,370	195,943	115,573	321,478	865,855	544,377
Dedicated Funds			-	-	-	-	-
Total Funding	**$ 122,822**	**$ 378,327**	**$ 465,727**	**$ 87,401**	**$ 1,464,698**	**$ 1,731,712**	**$ 267,014**

BBA Adult Guardianship financial summary

Expenditures	Current Month Expenditures September 2026	Year To Date Expenditures September 2026 Actual	Budget	Variance	SFY 2027 Total Expenditures Forecast	Budget	Variance
.1 Personal Services	$ -	$ -	$ -	$ -	$ 8,800	$ 8,800	$ -
.2 Utilities Expenses				-			-
.3 External Services Expense				-			-
.4 Supplies Materials Parts				-			-
.5 Capital				-			-
.7 Grant Expense	44,293	96,342	94,122	(2,221)	376,487	376,487	-
.8 Social Service Payments				-	-	-	-
.9 Administrative Expense			-	-	-	-	-
ID Bills			-	-	-	-	-
Total Expenditures	**$ 44,293**	**$ 96,342**	**$ 94,122**	**$ (2,221)**	**$ 385,287**	**$ 385,287**	**$ -**

Funding	Current Month Funding September 2026	Year to Date Funding September 2026 Actual	Budget	Variance	SFY 2027 Total Funding Forecast	Budget	Variance
State Funds	$ 44,293	$ 96,342	$ 94,122	$ (2,221)	$ 385,287	$ 385,287	$ -
Federal Funds							
Dedicated Funds							
Total Funding	**$ 44,293**	**$ 96,342**	**$ 94,122**	**$ (2,221)**	**$ 385,287**	**$ 385,287**	**$ -**

Dementia Care Specialist financial summary

Expenditures	Current Month Expenditures September 2026	Year To Date Expenditures September 2026 Actual	Budget	Variance	SFY 2027 Total Expenditures Forecast	Budget	Variance
.1 Personal Services	$ 6,839	$ 23,745	$ 26,482	$ 2,737	$ 84,446	$ 95,002	$ 10,556
.2 Utilities Expenses				-			-
.3 External Services Expense				-			-
.4 Supplies Materials Parts				-			-
.5 Capital				-			-
.7 Grant Expense	93,037	311,314	308,076	(3,238)	1,232,303	1,232,303	-
.8 Social Service Payments				-			-
.9 Administrative Expense			-	-	62,000	62,000	-
ID Bills	198	582	609	28	2,326	2,438	111
Total Expenditures	**$ 100,074**	**$ 335,641**	**$ 335,167**	**$ (473)**	**$ 1,381,076**	**$ 1,391,743**	**$ 10,667**

Funding	Current Month Funding September 2026	Year to Date Funding September 2026 Actual	Budget	Variance	SFY 2027 Total Funding Forecast	Budget	Variance
State Funds	$ 100,074	$ 335,641	$ 335,167	$ (473)	$ 1,381,076	$ 1,391,743	$ 10,667
Federal Funds	-	-	-	-	-	-	-
Dedicated Funds	-	-	-	-	-	-	-
Total Funding	**$ 100,074**	**$ 335,641**	**$ 335,167**	**$ (473)**	**$ 1,381,076**	**$ 1,391,743**	**$ 10,667**

BCDS: Foundation for 2030 model of care

- **All Individualized Family Service Plans list all services the child and family receive regardless of funding source**
  - Opportunity: Train service coordinators to analyze for gaps, overlaps and barriers
  - Opportunity: Emphasize importance of coordination across systems
- **Emphasis on holistic, family-centered, routines-based care using a caregiver coaching model**
  - Opportunity: Require all providers to be trained in caregiver coaching
  - Opportunity: Ensure services align with the family's priority outcomes
- **Support families in building self-determination and self-advocacy skills**
  - Opportunity: Build families' skills to support their child's development, ask questions, make informed choices and advocate for their child/family needs
- **Provide transition support, especially for children needing services beyond age 3**
  - Opportunity: Enhance the transition plan to include local school tour, private therapy options, community organizations and supports, connection with other parents
- **Insurance information is collected and stored within the data system**
  - Opportunity: Coordination with Medicaid around clinic therapies such as ABA
- **Track child and family outcomes**
  - Opportunity: Review data and use to inform continuous quality improvement

The FSSA Quarterly Financial Review will resume after a brief break.

Email questions to askthesecretary@fssa.in.gov

Schedule:

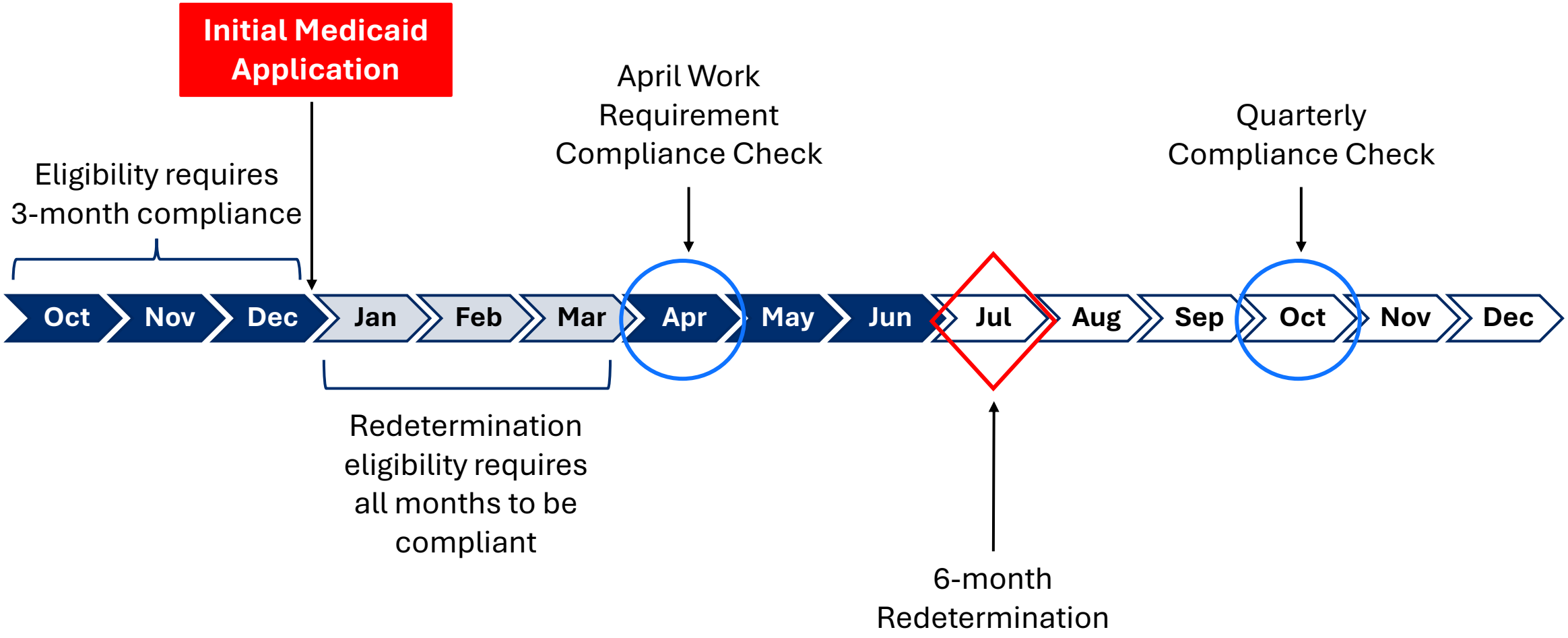
www.in.gov/fssa/Quarterly-Financial-Reporting

FSSA Quarterly Financial Review

Secretary Mitch Roob
Oct. 27, 2026

294 SFY27 Q1 QFR

HIP Work Requirement Checks



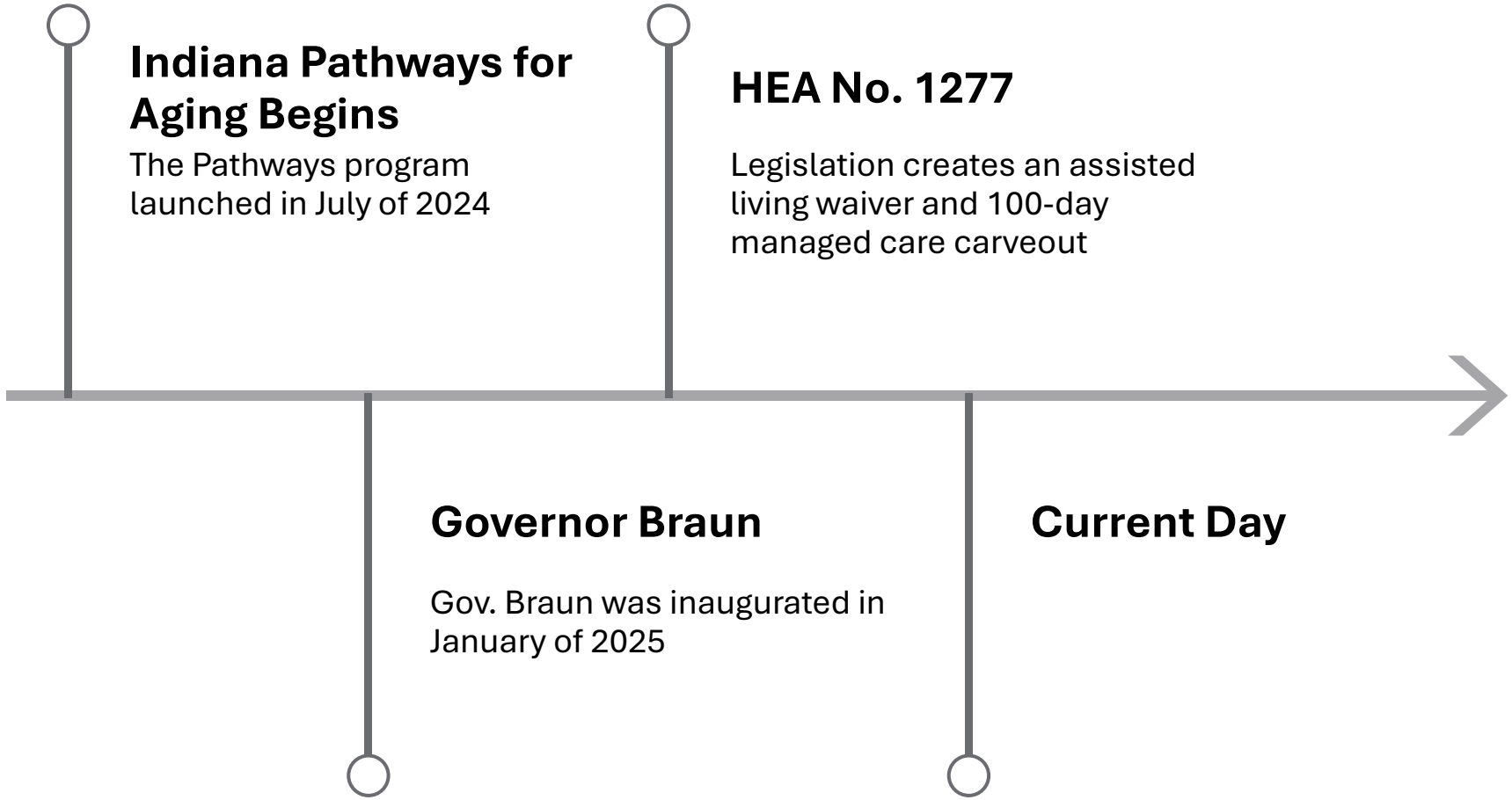
Work Requirement exemptions/exclusions

1. Under the age of 19
2. Over age 64
3. Entitled to or enrolled in Medicare Part A or enrolled in Medicare Part B
4. Inmates of a public institution
5. Former foster care children under age 26
6. American Indians and Alaska Natives
7. Parent, guardian of a dependent child under the age of 14
8. Medically frail
9. Complying with TANF work requirements
10. Receiving SNAP benefits and not exempt from SNAP work requirements
11. Participants in certain drug and alcohol treatment programs
12. Pregnant women
13. Women entitled to postpartum medical assistance
14. Veterans with a total disability rating

Medical Frailty

- Utilizing medical frailty for purposes of eligibility changes the HIP expansion program from a means-tested program to a needs-tested program.
- There is an exemption from work requirements for individuals identified as medically frail and for special medical needs, including:
  - Blind or disabled (as defined in the Social Security Act)
  - Substance use disorder
  - Disabling mental disorder
  - A physical, intellectual or developmental disability that significantly impairs their ability to perform 1 or more activities of daily living
  - Other serious or complex medical conditions
- Per CMS guidance, individuals identified as medically frail must also have a functional impairment to work.

PathWays program

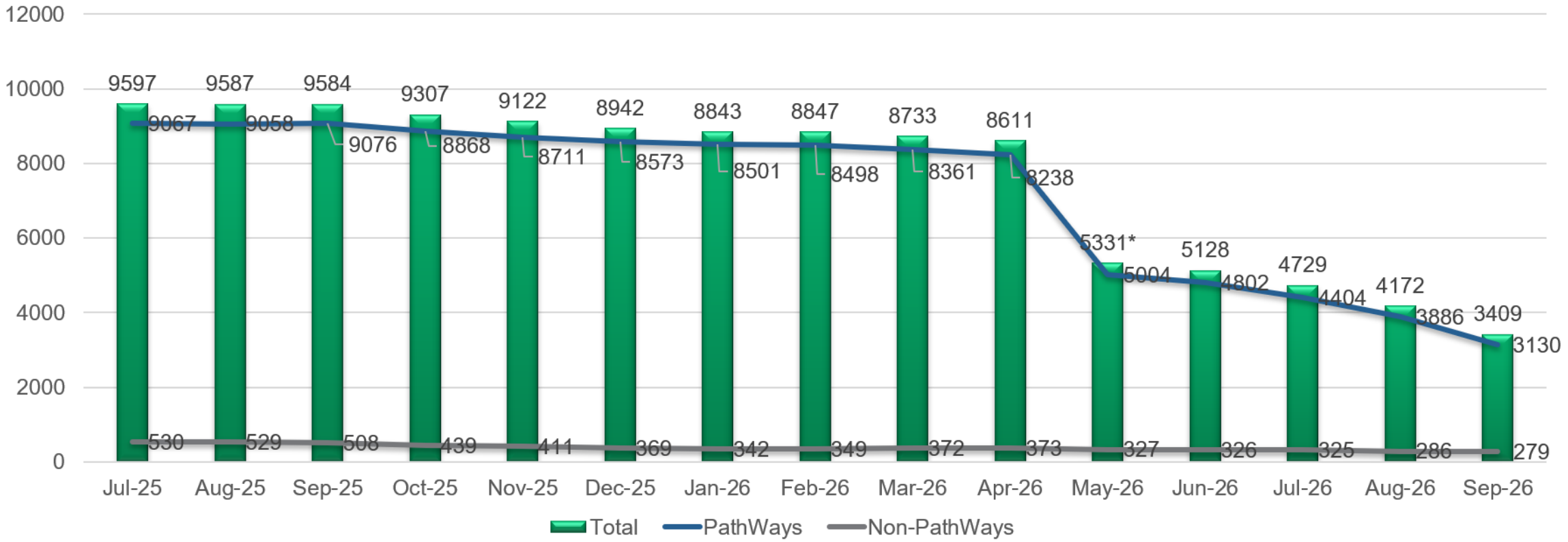

Indiana Pathways for Aging Begins
The Pathways program launched in July of 2024
HEA No. 1277
Legislation creates an assisted living waiver and 100-day managed care carveout
Governor Braun
Gov. Braun was inaugurated in January of 2025
Current Day

PathWays achievements

Non-Duals to Duals	• Transition Medicaid-only members to dual coverage in Medicaid and Medicare
FIDE Implementation	• Fully-Integrated Dual Eligible Special Needs Plan (D-SNP)
Facility Transitions to Home and Community-Based Care	• Individuals residing in Nursing Facilities wanting to and successfully transitioning home with appropriate supports

Non-Duals to Duals

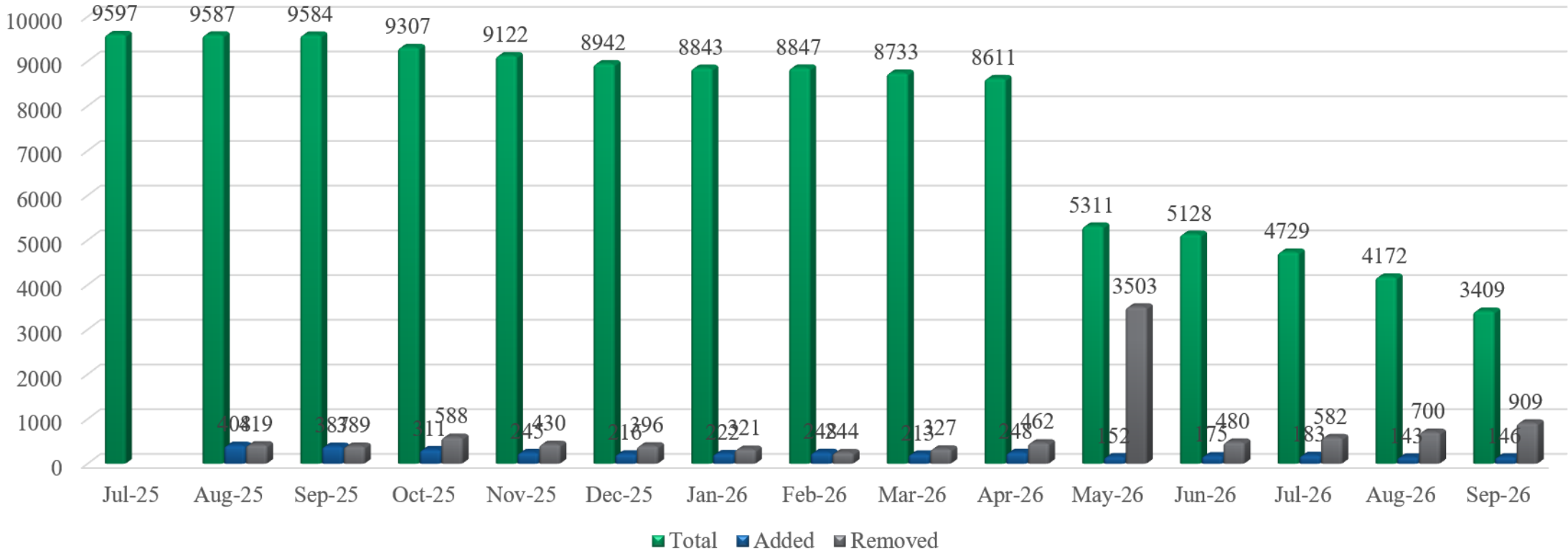
Individuals covered by Indiana Medicaid aged 65+ and not enrolled in Medicare



Converting a non-dual to a dual saves in state dollars a net $7,500 annually after the state pays their Medicare premiums. With roughly 6,200 converted here, there is a **General Revenue Fund savings of $46.5 million**.

Non-Duals to Duals

Individuals added (age in at 65) and removed to Non-Dual status monthly



As we continue working on transitioning members to Medicare coverage, additionally members age-in to Medicare and do not enroll in it monthly. In September, 146 aged-in without enrolling, while we transitioned 909 to dual status.

Fully Integrated Dual Eligible Special Needs Plan (FIDE SNP)

Indiana achieved a Fully Integrated Dual Eligible Special Needs Plan as of Jan. 1, 2026

A FIDE SNP is a type of Medicare Advantage plan that provides both Medicare and Medicaid benefits through a single managed care plan

FIDE SNPs must have CMS-approved Medicare contracts and state-approved Medicaid contracts, making them the most tightly integrated D-SNP model recognized by federal regulations

Benefits of FIDE-SNP

Members

- Combines Medicare and Medicaid into a single plan
- One care coordinator for both Medicare and Medicaid
- Access to supplemental benefits beyond standard Medicare and Medicaid
- Access to a broader network of providers

Providers

- Providers bill on payor source for most Medicare and Medicaid services
- Integrated prior authorization and claims processing across Medicare and Medicaid
- Integrated appeals process across Medicare and Medicaid
- A single member ID card to use for both Medicare and Medicaid

State

- Unifies Medicare and Medicaid under one MCO
- Integrates administration and financing
- Ensures costs are assigned appropriately to Medicare first
- Reduces duplication of services and costs across payers

Financial benefits of FIDE-SNP



Overcoming Fragmented Care

Reduction in duplication of services between Medicare and Medicaid

Ensures the responsible party is the primary payer



Administrative Savings

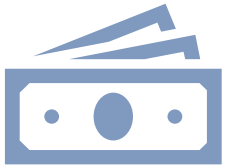
One person to coordinate care across Medicare and Medicaid

One prior-authorization process and staff

One insurance card and one handbook

One customer service center

Estimated Impact: $12M - $18M savings per year



Financial Alignment Opportunities

D-SNPs decrease member cost sharing, decreasing Medicaid liability

D-SNPS offer supplemental benefits that overlap with Medicaid covered benefits

Medicaid plans can structure value-added services to reduce Medicare prescription drug costs.

Savings Potential: $10M - $15M per year

Milestone – Nursing facility transitions to community



Designed to improve member options to age at home in their community



MCOs identify members to assist with safe transitions

Projected Fiscal for Completed Transitions:
$32.9M Total Savings
$11.4M State Savings

MCE	SFY 2025	SFY 2026	SFY 2027
Anthem	220	220	24
Humana	257	282	34
UHC	265	280	19
Total	**742**	**782**	**77**

Total Transitions: 1,601

The future of the Hospital Assessment Fee (HAF)

H.R. 1 HAF Impact

H.R. 1 reduces the hold harmless threshold

NOT ENACTED OR NOT IMPOSED

0%

Provider taxes not enacted or not imposed by July 4, 2025.

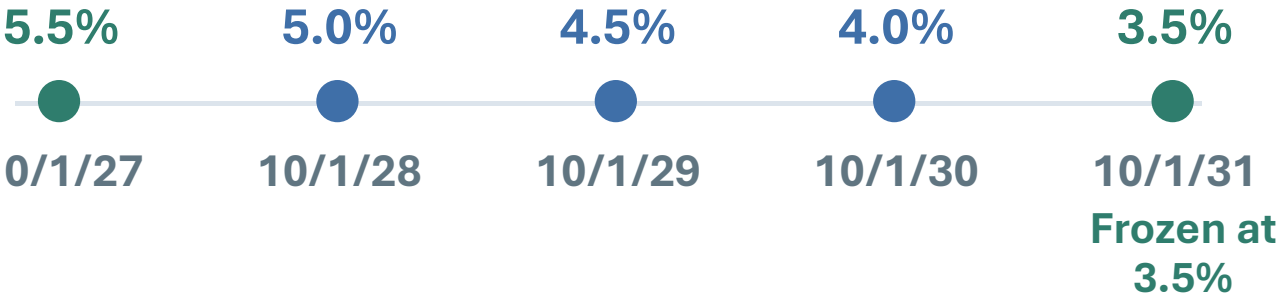
No new provider taxes are allowed.

ENACTED AND IMPOSED

NON-EXPANSION STATES

Threshold remains fixed **6%**

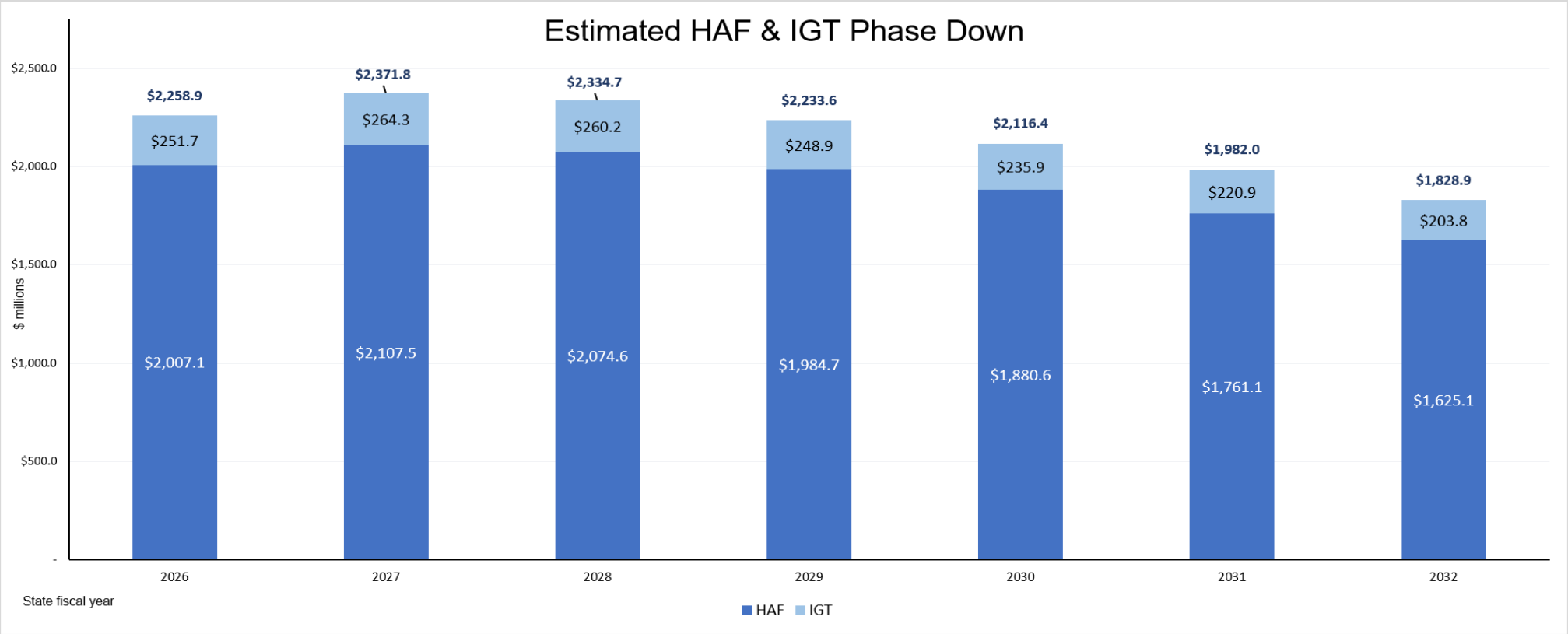
EXPANSION STATES | 0.5% REDUCTION OCTOBER 1 OF EACH YEAR



HAF Impact — **The HAF will be reduced each federal fiscal year from the current 6% hold harmless limit to 3.5% by October 1, 2031. First reduction will impact SFY 2028 fees.**

H.R. 1 implications

Required HAF phase down

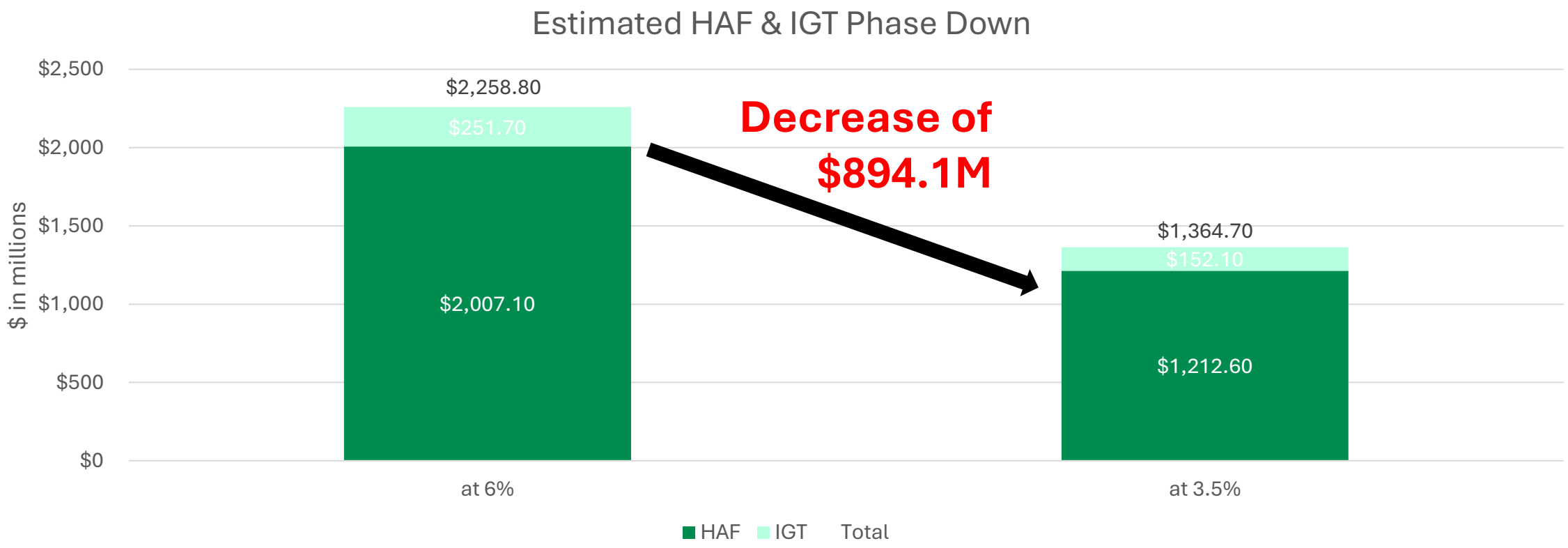


Note: NPR is trended at 5%; IGT is assumed to change proportionally with HAF. Figures may not sum due to rounding. Note: These numbers are illustrative.

The HAF is required to phase down per H.R. 1, but funding needs may not decline proportionally. Decisions remain outstanding on how the decreased HAF will be allocated across funding needs in future years, including how the phase down will reduce the 28.5% state take.

Purchasing power decline

2032 purchasing power in 2026 dollars



December 2025 Medicaid Assistance Forecast Through FY 2029

Expenditures and funding, estimated with data through September 2025

EXPENDITURES, in $millions	FY 2023	Growth	FY 2024	Growth	FY 2025	Growth	FY 2026	Growth	FY 2027	Growth	FY 2028	Growth	FY 2029
Healthy Indiana Plan	$6,310.7	(6.8%)	$5,882.3	(3.8%)	$5,661.6	9.3%	$6,189.2	7.1%	$6,628.3	1.5%	$6,730.5	4.7%	$7,045.4
Hoosier Care Connect	1,505.0	14.7%	1,725.6	(13.5%)	1,492.6	(7.5%)	1,380.3	18.5%	1,635.7	4.4%	1,707.0	6.3%	1,815.0
Hoosier Healthwise	2,206.1	24.6%	2,749.5	4.9%	2,884.4	(10.0%)	2,595.1	6.3%	2,757.8	5.3%	2,904.9	6.4%	3,090.5
Pathways (MLTSS)			0.0	0.0%	4,071.7	16.5%	4,742.0	9.9%	5,212.9	4.1%	5,429.2	7.1%	5,816.8
Fee for Service - non-LTSS	2,200.3	13.9%	2,505.6	(11.7%)	2,212.4	(0.9%)	2,191.5	10.1%	2,412.5	10.7%	2,671.3	10.0%	2,939.1
Fee for Service LTSS - Institutional	2,413.5	8.8%	2,625.9	(64.2%)	938.8	(13.9%)	808.7	5.7%	855.1	3.0%	880.8	2.7%	904.8
Fee for Service LTSS - Community	2,146.6	66.4%	3,572.8	(35.2%)	2,314.1	(1.8%)	2,272.1	2.6%	2,331.2	1.1%	2,356.7	0.8%	2,375.4
Medicare Buy-In, Clawback	774.3	3.4%	800.9	3.5%	829.3	11.0%	920.3	9.5%	1,008.0	8.5%	1,093.3	9.9%	1,201.1
Rebates and Collections	(1,396.1)	2.9%	(1,436.2)	26.2%	(1,811.9)	(3.3%)	(1,752.6)	2.0%	(1,786.9)	9.7%	(1,960.1)	6.5%	(2,087.3)
Remove CHIP and MFP	(320.7)	31.2%	(420.7)	27.7%	(537.3)	(10.8%)	(479.3)	0.6%	(482.2)	7.5%	(518.4)	6.6%	(552.5)
Other Expenditures (DSH, UPL, etc.)	2,060.0	(32.6%)	1,387.6	49.7%	2,076.6	(18.5%)	1,693.0	(2.4%)	1,652.9	3.5%	1,711.0	4.2%	1,782.2
Medicaid Expenditures (State and Federal)	**$17,899.8**	**8.3%**	**$19,393.3**	**3.8%**	**$20,132.3**	**2.1%**	**$20,560.3**	**8.1%**	**$22,225.3**	**3.5%**	**$23,006.2**	**5.8%**	**$24,330.4**
FUNDING, in $millions	**FY 2023**	**Growth**	**FY 2024**		**FY 2025**	**Growth**	**FY 2026**	**Growth**	**FY 2027**	**Growth**	**FY 2028**	**Growth**	**FY 2029**
Federal Funds	$13,416.5	0.6%	$13,497.9	1.3%	$13,677.4	2.7%	$14,050.7	9.3%	$15,358.6	3.9%	$15,952.2	5.6%	$16,851.1
IGTs	422.6	2.5%	433.1	16.0%	502.5	7.6%	540.8	2.4%	554.0	2.4%	567.5	2.8%	583.3
Provider Tax Receipts	181.7	(8.4%)	166.5	55.2%	258.4	(24.0%)	196.3	4.6%	205.3	2.3%	210.1	2.9%	216.1
HAF Funding	676.6	7.9%	729.8	21.5%	886.5	(11.7%)	782.6	1.0%	790.1	1.3%	800.6	1.6%	813.7
HIP Funding	566.1	(13.3%)	490.9	(4.8%)	467.3	9.7%	512.6	7.8%	552.7	0.4%	554.8	4.1%	577.6
QAF Transfer to SBA	(41.8)	(2.0%)	(40.9)	7.0%	(43.8)	3.0%	(45.1)	3.0%	(46.5)	3.0%	(47.9)	3.0%	(49.3)
Non-Medicaid Assistance Funds	**$15,221.7**	**0.4%**	**$15,277.2**	**3.1%**	**$15,748.2**	**1.8%**	**$16,037.9**	**8.6%**	**$17,414.2**	**3.6%**	**$18,037.4**	**5.3%**	**$18,992.5**
Forecasted Medicaid GF Assistance Need	**$2,678.1**	**53.7%**	**$4,116.1**	**6.5%**	**$4,384.0**	**3.2%**	**$4,522.4**	**6.4%**	**$4,811.1**	**3.3%**	**$4,968.9**	**7.4%**	**$5,337.8**
General Fund Medicaid Assistance Appropriation	**$2,931.9**	**26.9%**	**$3,721.5**	**12.8%**	**$4,196.6**		**$4,836.5**		**$4,962.9**				
Sub-total (Shortfall)/Surplus	**$253.8**		**($394.6)**		**($187.4)**		**$314.1**		**$151.8**				
Augmentation/(Reversion) amount	**($525.0)**		**$255.2**		**$220.6**								
Balance After Augmentation/(Reversion)	**($271.2)**		**($139.4)**		**$33.2**								

STATE OF INDIANA
Family and Social Services Administration

Draft

APPROPRIATION ANALYSIS: SFY 2023 - SFY 2027
Medicaid Assistance
December 2025 Medicaid Forecast Update - Submitted with Data through September 30, 2025
(Values in Millions)

EXPENDITURES, in $millions	FY 2026 (at 6%)	FY 2026 (at 3.5%)
Healthy Indiana Plan	$6,189.2	$6,189.2
Hoosier Care Connect	1,380.3	$1,380.3
Hoosier Healthwise	2,595.1	$2,595.1
Pathways (MLTSS)	4,742.0	$4,742.0
Fee for Service - non-LTSS	2,191.5	$2,191.5
Fee for Service LTSS - Institutional	808.7	$808.7
Fee for Service LTSS - Community	2,272.1	$2,272.1
Medicare Buy-In, Clawback	920.3	$920.3
Rebates and Collections	(1,752.6)	($1,752.6)
Remove CHIP and MFP	(479.3)	($479.3)
Other Expenditures (DSH, UPL, etc.)	1,693.0	$1,693.0
Medicaid Expenditures (State and Federal)	**$20,560.3**	**$20,560.3**

FUNDING, in $millions	FY 2026 (at 6%)	FY 2026 (at 3.5%)
Federal Funds	$14,050.7	$14,050.7
IGTs	540.8	540.8
Provider Tax Receipts	196.3	196.3
HAF Funding	782.6	782.6
HIP Funding	512.6	219.0
QAF Transfer to SBA	(45.1)	(45.1)
Non-Medicaid Assistance Funds	**$16,037.9**	**$15,744.3**
Forecasted Medicaid GF Assistance Need	**$4,522.4**	**$4,816.0**
General Fund Medicaid Assistance Appropriation	**$4,836.5**	**$4,836.5**
Sub-total (Shortfall)/Surplus	**$314.1**	**$20.5**
Augmentation/(Reversion) amount		
Balance After Augmentation/(Reversion)		

H.R. 1 implications

Impact to SFY2026

surplus at 3.5% tax maximation

At 6% Tax Maximization
Surplus $314.1M

At 3.5% Tax Maximization
Surplus $20.5M

$293.6M
Estimated decrease in surplus for SFY2026

Current funding utilized to cover state share of the cost for hospital enhanced reimbursement, HIP program to include physician reimbursement to 75% of Medicare, state 28.5% and hospital state direct payments.

Note: These numbers are illustrative and should not be relied upon for any purpose.