



Mike Braun, Governor
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FOR IMMEDIATE RELEASE

December 18, 2025

Indiana Medicaid Forecast Projects Over \$465 Million in State Savings

INDIANAPOLIS – The Indiana Family and Social Services Administration (FSSA) has released its updated December 2025 Medicaid forecast, showing a reduction in the state’s General Fund appropriation need for the upcoming biennium. Compared to the April 2025 forecast, the state is projected to save **\$314.1 million in SFY 2026** and **\$151.8 million in SFY 2027**, totaling **\$465.9 million in state savings** over the biennium.

These savings are driven by enrollment declines in key Medicaid programs, including the Healthy Indiana Plan (HIP) and Hoosier Healthwise (HHW), following strategic changes to eligibility redetermination procedures, which included a ban on Medicaid advertising. The updated forecast reflects more accurate assumptions about program utilization and payment timing.

“This reflects the strong fiscal stewardship demonstrated under Governor Braun’s leadership,” said Secretary Mitch Roob. “By carefully managing Medicaid expenditures, Indiana is strengthening the program’s long-term sustainability and ensuring responsible use of public funds.”

While the forecast offers encouraging signs, state officials caution that significant challenges remain. Economic uncertainty, high-cost service areas, and potential policy shifts continue to pose risks to Medicaid’s long-term sustainability. These savings are a strategic buffer—essential for managing future Medicaid expenditures and mitigating the steepness of anticipated cost increases.

“These savings are a milestone, but not a finish line,” Roob added. “We must continue working to ensure the program remains sustainable and responsive to the needs of Hoosiers who need it.”

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