



Medicaid Advisory Committee

June 17, 2025

Attendance

MAC Members should type their name in the comments of the meeting so their attendance can be recorded.



Agenda

- | | |
|---|-----------------|
| 1. Welcome & Call to Order | Lindsey Lux |
| 2. Attendance | Lindsey Lux |
| 3. MAC Updates &
Formation of the Benefit Advisory Council | Charity Lumpkin |
| 4. HIP 3.0 | Secretary Roob |
| 5. Medicaid Challenge | Secretary Roob |
| 6. Adjournment | Secretary Roob |





Medicaid Advisory Committee Update & Introduction of the Beneficiary Advisory Council

June 17, 2025

GOAL

High level overview of Medicaid Advisory Committee (MAC) changes and formation of the Beneficiary Advisory Committee (BAC).



Medicaid Advisory Committee and Beneficiary Advisory Council (BAC)

The Access Final Rule, finalized by CMS in April 2024, established new requirements that states create a BAC and requires changes to our existing MAC. The goal of the Rule is to ensure Medicaid programs reflect persons with lived experiences and to increase transparency and accountability through bi-directional feedback.



Medicaid Advisory Committee Changes

- Requirements take effect **July 9, 2025**
- Requires two MAC meetings a year open to the public and include time for public comments
- Post on the state website MAC/BAC meeting minutes, attendees and agendas
- Collaborate with BAC to determine topics to discuss
- MAC develops an annual report for CMS, first report due by July 9, 2026
- Increase MAC/BAC crossover membership between 10% as of July 2025 to a final 25% starting July 2027.



Preparing for Indiana MAC changes

SENATE ENROLLED ACT No. 486

- Indiana code was amended to support MAC changes based on the Access Final Rule
- **Sixteen (16)** members appointed by the Medicaid Director.
 - (A) **Six (6)** members representing Medicaid providers, with no more than one (1) representative of each Medicaid type.
 - (B) **Two (2)** members representing managed care entities.
 - (C) **Two (2)** members representing:(i) state or local consumer advocacy groups; or (ii) other community-based organizations that represent the interests of, or provide direct service to Medicaid beneficiaries.
 - (D) **Six (6)** members of the Medicaid beneficiary advisory commission

Eight (8) Legislative Members approved by the Medicaid Director:

- **Two (2)** members of the senate appointed by the president pro tempore of the senate.
- **Two (2)** members of the senate appointed by the president pro tempore of the senate after consultation with the minority leader of the senate.
- **Two (2)** members of the house of representatives appointed by the speaker of the house.
- **Two (2)** members of the house of representatives appointed by the speaker of the house after consultation with the minority leader of the house.



MAC Membership

- **Ten Members (non-BAC and non-legislator members) will be appointed by the Medicaid Director. Interested individuals must complete the MAC Member Application**
 - Application can be found at [FSSA: Medicaid Policy: Advisory Committees](#)
 - Applications accepted until June 27, 2025
 - Applications should be emailed to MAC@fssa.in.gov with the subject “MAC Application”
- **Six Members will be appointed by the Medicaid Director based on their appointment to the Beneficiary Advisory Council**
- **Eight Members will be appointed by the Indiana General Assembly and approved by the Medicaid Director. These individuals do not need to complete the MAC application.**



MAC Membership Additional information

- Applicants for the ten positions will be notified during the summer, if they are selected to serve.
 - (A) **Six (6)** members representing Medicaid providers, with no more than one (1) representative of each Medicaid type.
 - (B) **Two (2)** members representing managed care entities.
 - (C) **Two (2)** members representing:(i) state or local consumer advocacy groups; or (ii) other community-based organizations that represent the interests of, or provide direct service to Medicaid beneficiaries.



Current MAC Members:

Thank you for your service. This will be your last meeting as a MAC member, unless you become re-appointed.



MAC Contact Information

MAC@fssa.in.gov

Office of Medicaid Policy and Planning

Medicaid Advisory Committee

402 W. Washington St., Room W374 MS07

Indianapolis, IN 46204



Beneficiary Advisory Council

Advisory group comprised exclusively of Medicaid enrollees and their family members or caregivers—will provide a dedicated forum for people with lived experience of the Medicaid program

- (1) identify key issues to bring to the MAC, and
- (2) advise the state directly on Medicaid policy and administration
- (3) Requirements take effect July 9, 2025, with some requirements phased in over a longer period
- (4) Final 25% MAC/BAC crossover date: July 11, 2027



BAC Member Make-up

BAC members may represent more than one “type” or area of Medicaid. The application seeks to learn as much about the beneficiary as possible. A spreadsheet has been developed and will be used to organize member answers to varied questions and try to have members from each area represented. OMPP staff will screen applicants, interview potential members and the Medicaid director will appoint participants to the BAC.



BAC Membership Make-up Cont....

SENATE ENROLLED ACT No. 486

- Indiana code amended to create the BAC and discusses its membership makeup, meeting requirements, and compensation.
- **Eight (8)** member council composed of current and former Medicaid beneficiaries or family member/caretaker
 - (A) **Four (4)** members appointed by the administrator of the office.
 - (B) **One (1)** member who is not a member of the general assembly, appointed by the president pro tempore of the senate.
 - (C) **One (1)** member who is not a member of the general assembly, appointed by the minority leader of the senate.
 - (D) **One (1)** member who is not a member of the general assembly, appointed by the speaker of the house.
 - (E) **One (1)** member who is not a member of the general assembly, appointed by the minority leader of the house

FSSA Secretary appoints the Chair.



Recruitment Strategy for BAC

- The application link will be posted on the FSSA Website and be live by COB June 17, 2025
- Applications can be completed online or can be mailed to OMPP
- Applications will be accepted through **July 15, 2025**
- MCEs will make the application accessible from their program sites.
 - MCEs will send printed applications to their current MAC attendees as well as discuss at ALL MAC meetings in the next 12 months.
 - Each MCE has quarterly ‘MAC’ meetings



Recruitment Strategy cont...

- Flyers posted at all DFR locations with the website and printed applications that can be scanned to BAC email.
- Email address: BAC@fssa.in.gov
 - Applications emailed with the subject “BAC Application”
- Four Members will be appointed by the Indiana General Assembly and approved by the Medicaid Director. These individuals do not need to complete the BAC application.
- We expect the BAC to be in place by the end of September 2025.



BAC Application Process

Applications can be submitted via mail or electronically

OMPP staff will screen all applicants to try and mirror the varied Hoosier Medicaid Population with BAC representatives

Demographics from applicants uploaded to BAC Member Composition Tracker and interviews conducted with potential representatives

Recommended representatives shared with Medicaid Director for appointment



BAC Contact Information

BAC@fssa.in.gov

Office of Medicaid Policy and Planning
Beneficiary Advisory Council

Attn: Charity Lumpkin

402 W. Washington St., Room W374 MS07

Indianapolis, IN 46204





HIP 3.0

June 17, 2025

Healthy Indiana Plan History

2008

HIP Established
as Pilot Program

- Cost-sharing
- Preventative
Care Incentives

2015

HIP 2.0 Medicaid Expansion

- Standard Medicaid Expansion

2025

Rose Decision
SEA 2 Passes

- Introduced Work
Requirements
- Cost-Sharing

Future
HIP 3.0



HIP 3.0 Design

“Indiana needs a HIP replacement” – Sandy Roob



Work Requirements

Eligibility criteria and mandatory participation in workforce development programs



Revised Benefit Package Design

Incentives for healthy behaviors like regular check-ups and preventive care



Member Engagement and “Skin in the Game”

Increased personal responsibility through cost-sharing and wellness initiatives



Cost-Sharing Requirements

Deductibles, copays, and other out-of-pocket expenses to encourage prudent utilization

The HIP 3.0 design aims to promote personal responsibility, preventive care, and cost-effective utilization of healthcare services.

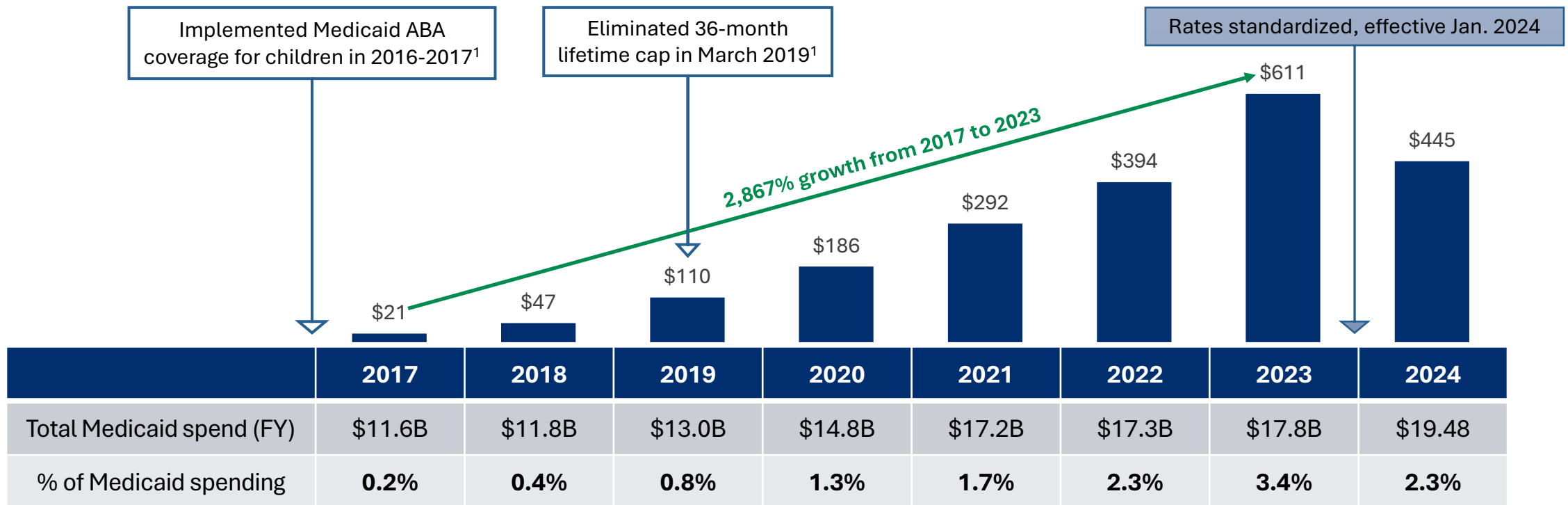


Medicaid Challenge

June 17, 2025

Growth of ABA Therapy

From 2017 to 2023, spending on ABA increased from ~\$20M to ~\$611M, from 0.2% to 3.4% of the Medicaid budget, but was reduced to 2.3% (-\$445M) in 2024.



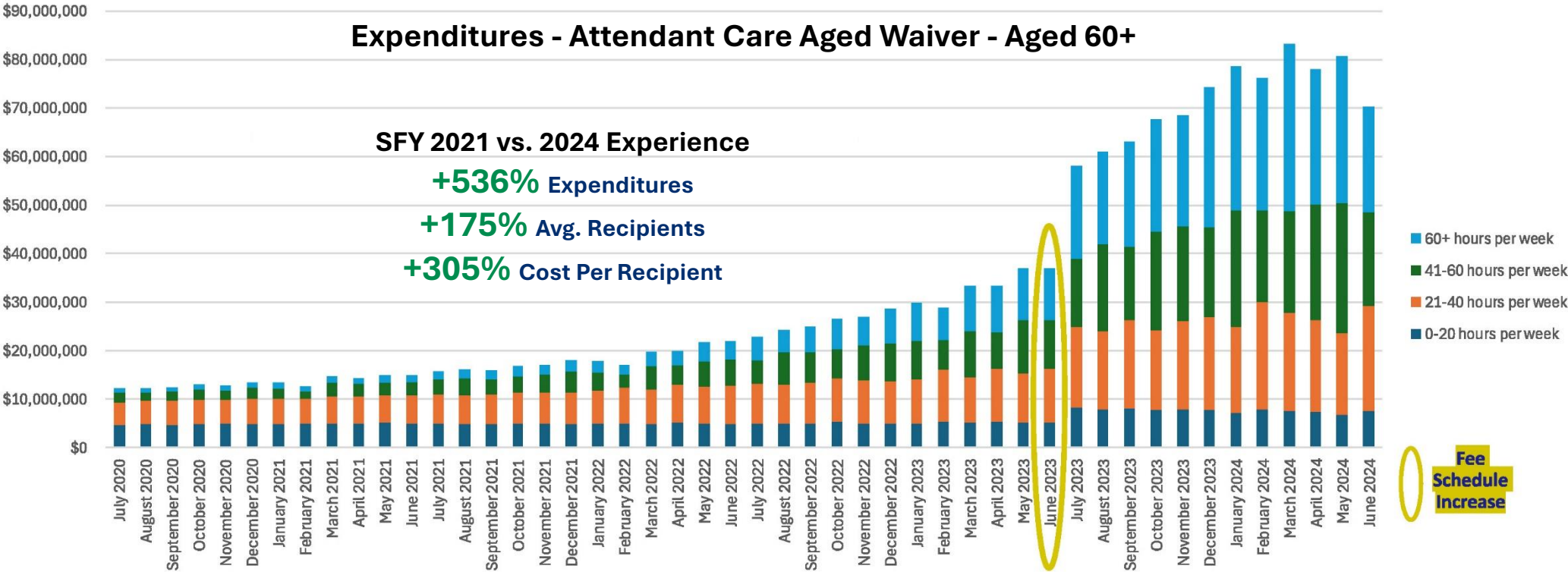
Note: Total spend includes claims under CPT codes 97151, 97152, 97153, 97154, 97155, 97156, 97157, 97158, 0362T, 0373T, 96150, 96151, 96152, 96153, 96154, 96155; methodology likely accounts for the difference from numbers according to ABA expenditure report.

1. Unlikely to have had an impact due to early elimination.

Source: Medicaid and CHIP Expenditures by Service: IN FSSA Medicaid Financial Reports: MAC Medicaid and CHIP Data: FSSA Executive Expenditure Report on ABA; IN Medicaid Claims Data from the Enterprise Data Warehouse on 04/18.

PathWays Attendant Care Acceleration

	Expenditures	Average Recipients	Cost Per Recipient
SFY 2021	\$160,508,347	8,066	\$1,658
SFY 2022	\$217,003,063	9,053	\$1,998
SFY 2023	\$353,045,740	11,182	\$2,631
SFY 2024	\$859,567,546	14,152	\$5,061



*Note: This reflects current PathWays members prior to the go-live of PathWays in July 2024



December 2019

Medicaid Assistance Forecast

SFY 2017 through SFY 2021

EXPENDITURES	FY 2017	<u>Growth</u>	FY 2018	<u>Growth</u>	FY 2019	<u>Growth</u>	FY 2020	<u>Growth</u>	FY 2021
Healthy Indiana Plan	\$3,081.2	2.1%	\$3,147.0	22.5%	\$3,854.1	13.8%	\$4,385.6	(7.3%)	\$4,067.6
Hoosier Care Connect	1,343.9	10.7%	1,487.4	(9.3%)	1,349.4	17.2%	1,581.8	(4.9%)	1,504.5
Hoosier Healthwise	1,716.6	3.8%	1,781.5	(10.7%)	1,591.6	16.4%	1,853.1	(16.3%)	1,551.1
Healthy Indiana Plan 1.0	(85.1)								
Fee for Service	1,445.5	10.1%	1,591.6	10.5%	1,759.4	9.1%	1,918.8	5.1%	2,016.5
Long Term Care Institutional Care	1,810.6	(2.3%)	1,768.9	8.3%	1,914.9	5.9%	2,027.9	4.7%	2,122.6
Long Term Care Community Care	1,005.7	9.9%	1,105.5	11.2%	1,229.3	10.9%	1,363.9	7.9%	1,472.2
Medicare Buy-In, Clawback	469.5	(1.2%)	463.7	19.5%	554.1	3.4%	572.6	8.4%	621.0
Rebates and Collections	(807.0)	11.7%	(901.6)	16.6%	(1,050.9)	1.9%	(1,070.9)	0.3%	(1,073.6)
Remove CHIP, HIP 1.0, MFP, Admin	(187.4)	25.9%	(236.0)	(10.8%)	(210.6)	9.5%	(230.6)	(6.0%)	(216.7)
Other Expenditures (DSH, UPL, etc.)	1,692.6	(28.4%)	1,211.4	16.3%	1,408.6	25.5%	1,768.1	(5.9%)	1,663.7
Medicaid Expenditures (State and Federal)	\$11,485.9	(0.6%)	\$11,419.3	8.6%	\$12,399.8	14.3%	\$14,170.3	(3.1%)	\$13,728.9
FUNDING	FY 2017	<u>Growth</u>	FY 2018	<u>Growth</u>	FY 2019	<u>Growth</u>	FY 2020	<u>Growth</u>	FY 2021
Federal Funds	\$8,155.6	(0.8%)	\$8,087.9	5.4%	\$8,523.4	16.0%	\$9,889.2	(4.1%)	\$9,478.9
IGTs	641.9	(6.6%)	599.4	5.4%	631.6	(20.5%)	502.3	1.6%	510.6
Provider Tax Receipts	196.7	(4.0%)	188.8	(3.6%)	182.0	39.9%	254.7	(14.5%)	217.9
HAF Funding	422.3	(5.9%)	397.4	37.0%	544.2	33.3%	725.2	(25.2%)	542.3
HIP 2.0 Funding	151.3	71.1%	258.9	30.6%	338.1	10.5%	373.6	2.2%	381.8
QAF Transfer to SBA	(49.4)	(0.2%)	(49.3)	(2.0%)	(48.3)	10.1%	(53.2)	(3.1%)	(51.6)
Non-Medicaid Assistance Funds	\$9,518.4	(0.4%)	\$9,483.1	7.3%	\$10,170.9	15.0%	\$11,691.8	(5.2%)	\$11,079.9
IGT Base Shift							135.5	0.0%	135.5
Forecasted Medicaid GF Assistance Need	\$1,967.5	(1.6%)	\$1,936.3	15.1%	\$2,228.8	11.2%	\$2,478.4	6.9%	\$2,649.1
General Fund Medicaid Assistance Appropriation	\$2,117.0	(6.4%)	\$1,980.6	13.0%	\$2,238.5	11.0%	\$2,485.1	5.4%	\$2,618.6
Dedicated funding/ Carry forward			\$6.0		\$6.0		\$25.0		\$15.0
Sub-total (Shortfall)/Surplus	\$149.5		\$50.3		\$15.7		\$31.7		(\$15.5)
Carry forward of unexpended appropriations			\$127.7						

April 2025

Medicaid Assistance Forecast

Data through January 2025

Note: Forecasted amounts do not reflect future federal and state policy changes

EXPENDITURES, in \$millions	FY 2023	Growth	FY 2024	Growth	FY 2025	Growth	FY 2026	Growth	FY 2027
Healthy Indiana Plan	\$6,310.7	(6.8%)	\$5,882.3	0.0%	\$5,882.7	17.2%	\$6,893.4	8.5%	\$7,479.6
Hoosier Care Connect	1,505.0	14.7%	1,725.6	(11.2%)	1,532.0	(8.3%)	1,404.7	20.1%	1,687.6
Hoosier Healthwise	2,206.1	24.6%	2,749.5	8.1%	2,972.7	(2.8%)	2,890.7	6.9%	3,089.6
Pathways (MLTSS)					4,146.2	17.4%	4,866.1	5.0%	5,110.5
Fee for Service - non-LTSS	2,200.3	13.9%	2,505.6	(11.1%)	2,228.7	11.9%	2,494.0	11.4%	2,779.2
Fee for Service LTSS - Institutional	2,413.5	8.8%	2,625.9	(63.7%)	952.4	(17.6%)	785.2	4.1%	817.5
Fee for Service LTSS - Community	2,146.6	66.4%	3,572.8	(34.4%)	2,343.7	0.9%	2,364.0	1.7%	2,403.8
Medicare Buy-In, Clawback	774.3	3.4%	800.9	4.8%	839.7	7.7%	904.5	4.7%	947.0
Rebates and Collections	(1,396.1)	2.9%	(1,436.2)	23.2%	(1,768.8)	(7.0%)	(1,645.2)	6.2%	(1,746.5)
Remove CHIP and MFP	(320.7)	31.2%	(420.7)	3.2%	(434.2)	1.1%	(438.8)	7.8%	(472.9)
Other Expenditures (DSH, UPL, etc.)	2,060.0	(32.6%)	1,387.6	27.2%	1,764.7	(18.9%)	1,430.4	35.5%	1,937.8
Medicaid Expenditures (State and Federal)	\$17,899.8	8.3%	\$19,393.3	5.5%	\$20,460.0	7.3%	\$21,949.0	9.5%	\$24,033.3
FUNDING, in \$millions	FY 2023	Growth	FY 2024	Growth	FY 2025	Growth	FY 2026	Growth	FY 2027
Federal Funds	\$13,416.5	0.6%	\$13,497.9	3.7%	\$13,999.6	8.1%	\$15,130.2	9.7%	\$16,602.9
IGTs	422.6	2.5%	433.1	4.0%	450.3	21.8%	548.5	5.8%	580.1
Provider Tax Receipts	181.7	(8.4%)	166.5	52.4%	253.7	(25.6%)	188.8	3.3%	195.1
HAF Funding	676.6	7.9%	729.8	24.0%	904.7	(20.7%)	717.7	21.3%	870.8
HIP Funding	566.1	(13.3%)	490.9	(2.9%)	476.7	19.8%	570.9	8.3%	618.3
QAF Transfer to SBA	(41.8)	(2.0%)	(40.9)	3.0%	(42.2)	3.0%	(43.4)	3.0%	(44.7)
Non-Medicaid Assistance Funds	\$15,221.7	0.4%	\$15,277.2	5.0%	\$16,042.8	6.7%	\$17,112.5	10.0%	\$18,822.5
Forecasted Medicaid GF Assistance Need	\$2,678.1	53.7%	\$4,116.1	7.3%	\$4,417.2	9.5%	\$4,836.5	7.7%	\$5,210.8
General Fund Medicaid Assistance Appropriation	\$2,931.9	26.9%	\$3,721.5	12.8%	\$4,196.6				
Sub-total (Shortfall)/Surplus	\$253.8		(\$394.6)		(\$220.6)				
Augmentation/(Reversion) amount	(\$525.0)		\$255.2						
Balance After Augmentation/(Reversion)	(\$271.2)		(\$139.4)						

The Last Buffalo Hunt



One-time Federal Funding Opportunity

The Governor of Indiana and Secretary of FSSA will travel to Washington, DC to secure a significant amount of federal money for Medicaid, but this chance will not come again.



Subsequent Administrations May Struggle

Future Governors will not be able to replicate this successful federal funding acquisition, making it crucial to maximize the current opportunity.



Ensuring Medicaid Sustainability

With this one-time federal funding, Indiana must focus on making Medicaid a sustainable program in the long run, rather than relying on temporary solutions.



By capitalizing on the current one-time federal funding opportunity and implementing long-term strategies, Indiana can secure the future of its Medicaid program and ensure its viability for years to come.

Why?

- Every dollar we send to a hospital, is a dollar we don't send to a school.
- Every dollar we give a doctor is a dollar we don't give to a teacher.





Current Developments

- As of today, the US Senate version of the “Big Beautiful Bill” cap’s provider taxes at 3.5%
- If signed into law, this will require the State of Indiana to significantly roll-back eligibility for HIP.
- Need explicit language in the bill to allow.

Future MAC Meeting

- The next MAC meeting will be scheduled after MAC members are appointed.





Meeting Adjourned
Thank you for joining us today.

June 17, 2025