

IHCP *bulletin*

INDIANA HEALTH COVERAGE PROGRAMS BT202341 MAY 2, 2023

Indiana nursing facility MDS assessment to require Optional State Assessment beginning Oct. 1

Beginning Oct. 1, 2023, the Optional State Assessment (OSA) will be the only assessment type that will include all Minimum Data Set (MDS) data elements required for Resource Utilization Group (RUG) classification. States wishing to maintain a RUG-based case mix reimbursement system must require Medicaid-certified nursing facilities to complete the OSA with each federally required MDS assessment.

As of Oct. 1, 2023, the Indiana Office of Medicaid Policy and Planning (OMPP) is requiring that a concurrent OSA be completed, with the same assessment reference date (ARD), as each federally required assessment submitted. This will allow for a RUG-based case mix score to be calculated and the current RUG-based reimbursement methodology to continue beyond Oct. 1, 2023.



The incorporation of the OSA will result in additional consideration around the determination of delinquent records. Effective for MDS assessments with target dates of Oct. 1, 2023 and after, the determination of delinquent MDS assessments will be as follows:

- Any assessment record with an ARD A2300 greater than 113 calendar days from the previous ARD A2300 is deemed delinquent.
- Federally required MDS assessment records without a concurrent OSA will be deemed delinquent for all days assigned to the assessment record (beginning on the ARD, entry date, quarter start date and so on).
- Delinquent assessment records with a Medicare or Other payer source determination will be assigned a case mix index (CMI) value equal to the highest CMI, which is **ES3**.
- Delinquent assessment records with a Medicaid payer source determination will be assigned a RUG code and the associated CMI of **BC1** or **BC1 low needs** as occurs today.

OSA record submissions with an ARD A2300 that does not match a federally required assessment will be excluded from MDS processing and CMI calculation, which may result in delinquent record determinations.

The OMPP recommends that nursing facilities start reviewing their internal software systems for OSA compatibility prior to Oct. 1, 2023, in preparation for the implementation of the OSA requirement. The OMPP is sympathetic to nursing facility concerns regarding the duplication of information in the OSA, which may increase the administrative burden of completing MDS assessment submissions. As such, it is encouraged that providers work with their respective association representatives and MDS software vendors to streamline data input for fields that are duplicated on federally required assessments and the OSA, in the hopes of reducing the administrative burden for all nursing facility providers.

If you have any questions or comments, please contact the Indiana help desk at: 317-816-4122 or INHelpDesk@mslc.com.

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