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**State/Territory Name: Indiana**

**State Plan Amendment (SPA) #: 17-0020**

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form (with 179-like data)
- 3) Approved SPA Pages

Department of Health & Human Services  
Centers for Medicare & Medicaid Services  
233 North Michigan Avenue, Suite 600  
Chicago, Illinois 60601-5519



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January 2, 2018

Allison Taylor, Medicaid Director  
Family and Social Services Administration  
402 West Washington, Room W461  
Indianapolis, IN 46204

ATTN: Tim Hawkins

RE: Transmittal Number (TN) 17-0020

Dear Ms. Taylor:

Enclosed for your records is an approved copy of the following state plan amendment.

TN 17-0020:

- This state plan amendment makes changes to definitions and terminology in compliance with state law, removes the 20-mile restriction between patient and provider, and revises the permissible telemedicine provider and service types.
- Effective Date: October 1, 2017
- Approval Date: January 2, 2018

If you have any questions, please have a member of your staff contact Jennifer Maslowski at (217) 492-4120 or by email at [jennifer.maslowski@cms.hhs.gov](mailto:jennifer.maslowski@cms.hhs.gov).

Sincerely,


/s/

Tannisse Joyce  
Acting Associate Regional Administrator  
Division of Medicaid and Children's Health Operations

Enclosure

cc: Tim Hawkins, OMPP  
Kelly Flynn, OMPP

Updated 12.7.17 TBHII

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL	
FOR: HEALTH CARE FINANCING ADMINISTRATION	1. TRANSMITTAL NUMBER: 17-020
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES	2. STATE Indiana
5. TYPE OF PLAN MATERIAL (Check One):	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)
<input type="checkbox"/> NEW STATE PLAN	4. PROPOSED EFFECTIVE DATE October 1, 2017
<input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN	
<input checked="" type="checkbox"/> AMENDMENT	
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)	
6. FEDERAL STATUTE/REGULATION CITATION: 42 CFR 440.130	7. FEDERAL BUDGET IMPACT: (in thousands) a. FFY 2017 \$7.00 2018 \$86.00 b. FFY 2018 \$90.00 2019 \$130.00
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:  Attachment 3.1-A, Addendum Page 3.2 Attachment 4.19-B, Page 1a.1	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):  Attachment 3.1-A, Addendum Page 3.2 Attachment 4.19-B, Page 1a.1
10. SUBJECT OF AMENDMENT: This State Plan amendment makes conforming changes to the State Plan to make changes to definitions and terminology in compliance with state law, remove the 20-mile restriction between patient and provider, and revise the permissible telemedicine provider and service types, effective October 1, 2017. These changes are necessary in order to comply with state law and to provide increased access to telemedicine services for Medicaid members.	
11. GOVERNOR'S REVIEW (Check One): <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL <input checked="" type="checkbox"/> OTHER, AS SPECIFIED:  Indiana's Medicaid State Plan does not require the Governor's review. See Section 7.4 of the State Plan	
12. SIGNATURE OF STATE AGENCY OFFICIAL: 	16. RETURN TO: Allison Taylor Medicaid Director Indiana Office of Medicaid Policy and Planning 402 West Washington Street, Room W374 Indianapolis, IN 46204 ATTN: Tim Hawkins, Federal Relations Lead
13. TYPED NAME: Allison Taylor	
14. TITLE: Medicaid Director	
15. DATE SUBMITTED: 11.20.17	
FOR REGIONAL OFFICE USE ONLY	
17. DATE RECEIVED: November 20, 2017	18. DATE APPROVED: January 2, 2018
PLAN APPROVED - ONE COPY ATTACHED	
19. EFFECTIVE DATE OF APPROVED MATERIAL: October 1, 2017	20. SIGNATURE OF REGIONAL OFFICIAL: /s/
21. TYPED NAME: Tannisse Joyce	22. TITLE: Acting Associate Regional Administrator
23. REMARKS:	

Telemedicine services      Reimbursement is available only for IATV telemedicine services, allowing real-time, interactive, face-to-face (via technology) consultation, between the distant site (where the provider is located while providing health care services through telemedicine) and originating site (where the patient is located at the time health care services through telemedicine are provided to the individual).

The following provider types and services may not be reimbursed for telemedicine:

- (A) Ambulatory surgical centers.
- (B) Outpatient surgical services.
- (C) Home health agencies or services.
- (D) Radiological services.
- (E) Laboratory services.
- (F) Long term care facilities, including nursing facilities, intermediate care facilities or community residential facilities for the developmentally disabled.
- (G) Anesthesia services or nurse anesthetist services.
- (H) Audiological services.
- (I) Chiropractic services.
- (J) Care coordination services with the member not present.
- (K) DME and HME providers.
- (L) Optical or optometric services.
- (M) Podiatric services.
- (N) Physical therapy services.
- (O) Transportation services.
- (P) Services provided under a Medicaid Home and Community-Based waiver.
- (Q) Provider to provider consultations.

Store and forward technology is not separately reimbursable by Medicaid.

TN: 17-020

Supersedes

TN: 13-011

Approval Date: January 2, 2018      Effective Date: October 1, 2017

units are converted from the actual time reported on the claim at the rate of one unit for each 15 minute period or fraction thereof. Anesthesia time begins when the anesthesiologist begins preparing the patient for anesthesia care and ends when the anesthesiologist is no longer in personal attendance.

Medical direction of two, three, or four anesthesia procedures is reported using modifier QK and is reimbursed at 30% of the allowable physician rate. Separate reimbursement is not available for anesthesia administered by the same provider performing the surgical procedure.

4. The fee schedule amounts for services of dentists in calendar year 1994 were developed based on fiscal year 1992 charges and the percentage difference between physician and LLP submitted charges for fiscal year 1992 and RBRVS fee schedule amounts. Effective August 1, 1995, to determine the Medicaid allowable amount for which the 1992 charges are not available, Medicaid sets reimbursement rates for most dental procedures equal to 100% of the 75<sup>th</sup> percentile of the rates reported by the American Dental Association for the East North Central Region (ADA-ENC). The ADA-ENC-based rates may be adjusted annually for inflation, using the Consumer Price Index – Urban, Dental (CPI-UD). The Medicaid agency may set reimbursement for specific dental procedures using a different methodology in order to preserve access to the service. The current fee schedule, located at the State's website, [www.indianamedicaid.com](http://www.indianamedicaid.com), is effective as of July 1, 1998.

The five percent (5%) reduction in rates paid to providers in accordance with the methods described in Attachment 4.19-B for dental services provided on or after April 1, 2010 is extended through December 31, 2013. These rates are published at the State's website, [www.indianamedicaid.com](http://www.indianamedicaid.com).

5. Effective for services provided on or after February 1, 2015, the Indiana Medicaid conversion factor for behavioral health procedures will be 28.6582, which equals 80% of the 2014 MPFS conversion factor of \$35.8228. This methodology applies to the following HCPCS codes: 90785 – 90870, 96150 – 96155, and 99407 – 99408.
6. For telemedicine services provided through IATV technology, a facility fee for the originating site (where the patient is located at the time health care services through telemedicine are provided to the individual) is reimbursed at the lesser of the provider's billed charge or the maximum allowance established by the Office of Medicaid Policy and Planning. The reimbursement rate is paid for one unit per encounter, and the maximum allowance is a state-wide rate based on Medicare's 2005 allowance for the originating site service, which is \$21.86.

If a health care provider's presence at the originating site is determined to be medically necessary by the provider at the distant site, separate reimbursement is available for the appropriate evaluation and management code for the service provided.

The maximum allowance for reimbursement to the distant site (where the provider is located while providing health care services through telemedicine) is based on specific Evaluation and Management (E&M) and End Stage Renal Disease codes and paid as if a traditional encounter were performed.

Except as otherwise noted in the plan, state-developed fee schedule rates for telemedicine services are the same for both governmental and private providers. The agency's fee schedule rate was set as of July 1, 2007 and is effective for services provided on or after that date. All rates are published at the State's website, [www.indianamedicaid.com](http://www.indianamedicaid.com).