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State/Territory Name: IN

State Plan Amendment (SPA) #: 22-0014

This file contains the following documents in the order listed:

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Center for Medicaid & CHIP Services
233 North Michigan Ave., Suite 600
Chicago, Illinois 60601

Financial Management Group/ Division of Reimbursement Review

February 28, 2023

Allison Taylor
Medicaid Director
Indiana Office of Medicaid Policy and Planning
402 West Washington Street, Room W374
Indianapolis, IN 46204

RE: TN: 22-0014

Dear Director Taylor,

We have reviewed the proposed Indiana State Plan Amendment, TN 22-0014 which was submitted to the Centers for Medicare & Medicaid Services (CMS) on December 7, 2022. This State Plan Amendment (SPA) revises the reimbursement for FQHC and RHC providers to pay for long-acting reversible contraception devices separately from the prospective payment system.

Based upon the information provided by the State, we have approved the amendment with an effective date of November 1, 2022. We are enclosing the approved CMS-179 and a copy of the new state plan pages.

If you have any additional questions or need further assistance, please contact Matthew Klein at 214-767-4625 or matthew.klein@cms.hhs.gov

Sincerely,

[redacted]

Todd McMillion
Division of Reimbursement Review Director

Enclosures

DEPARTMENT OF HEALTH AND HUMAN SERVICES
CENTERS FOR MEDICARE & MEDICAID SERVICES

FORM APPROVED
OMB No. 0938-0193

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL

FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES

1. TRANSMITTAL NUMBER: 22-0014

2. STATE: IN

3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT: (●) XIX ( ) XXI

TO: CENTER DIRECTOR
CENTERS FOR MEDICAID & CHIP SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE
November 1st, 2022

5. FEDERAL STATUTE/REGULATION CITATION
42 CFR 447 Subpart B

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)
a. FFY 2023 $ 90,000
b. FFY 2024 $ 120,000

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT
Attachment 4.19-B page 3d.1
Attachment 4.19-B page 2a.1

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT *(If Applicable)*
Attachment 4.19-B page 3d.1
Attachment 4.19-B page 2a.1

9. SUBJECT OF AMENDMENT

10. GOVERNOR'S REVIEW *(Check One)*
( ) GOVERNOR'S OFFICE REPORTED NO COMMENT
( ) COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
( ) NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL
(●) OTHER, AS SPECIFIED:

11. SIGNATURE OF STATE AGENCY OFFICIAL
[redacted]

12. TYPED NAME
Allison Taylor

13. TITLE
Medicaid Director

14. DATE SUBMITTED
12/7/2022

15. RETURN TO
Allison Taylor
Medicaid Director
Indiana Office of Medicaid Policy and Planning
402 West Washington Street, Room W374
Indianapolis, IN 46204
ATTN: Madison May-Gruthusen, Federal Relations Lead

FOR CMS USE ONLY

16. DATE RECEIVED
12/07/2022

17. DATE APPROVED
February 28, 2023

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL
11/01/2022

19. SIGNATURE OF APPROVING OFFICIAL
[redacted]

20. TYPED NAME OF APPROVING OFFICIAL
Todd, McMillion

21. TITLE OF APPROVING OFFICIAL
Director, Division of Reimbursement and Review

22. REMARKS

Instructions on Back

into account any increase or decrease in the scope of such services furnished by the center or clinic during the provider's fiscal year 2000, and increased by the percentage increase in the most current quarterly historical MEI (as defined in section 1842(I)(3)) applicable to primary care services (as defined in section 1842(I)(4)) for that fiscal year. This Prospective Payment System rate will be increased annually beginning January 1, 2002 by the percentage increase in the MEI and adjusted to take into account any increase or decrease in the scope of such services furnished by the RHC.

Until 1999 and 2000 cost reports are finalized and received by the office, Indiana Medicaid will provide for payment using an interim prospective payment rate to Rural Health Clinics in the following manner:

> The interim PPS rate will be established from rates paid during years 1999 and 2000. These amounts will be indexed (inflated) for MEI for each year and then a simple average of these two inflated amounts will be the rate paid.

In compliance with Section 702(b)(aa)(6)(B), a reconciliation back to January 1, 2001 will be performed to reconcile the interim PPS rate to the final PPS rate.

The establishment of an initial year rate for new providers certified after January 1, 2001, shall be determined in accordance with Section 702(b)(aa)(4) of BIPA 2000, taking into consideration geographic location, Medicaid utilization and similarity of services. In the absence of comparable data, the new clinic may be required to submit historical data in order to arrive at an initial rate. The rates for the fiscal years following the initial year will be determined as described in the paragraph above. Rural Health Clinics will receive supplemental payments under the APM for all COVID vaccine administration services. The payment to Rural Health Clinics for standalone COVID-19 vaccine-only visits will be equivalent to the Medicare COVID-19 vaccine administration rate. Rural Health Clinics will receive their provider-specific PPS rate plus the Medicare COVID-19 vaccine administration rate when a COVID-19 vaccine is administered as part of a billable encounter visit. Effective November 1, 2022, long-acting reversible contraception (LARC) will be reimbursed according to the Medicaid professional fee schedule. All rates are published on the agency's website at www.in.gov/medicaid/.

The office will provide for a supplemental payment for Rural Health Clinics furnishing services pursuant to a contract between the clinic and a managed care entity (as defined in section 1932(a)(1)(B)), in accordance with Section 702(b)(aa)(5), effective for services provided on or after January 1, 2001. The supplemental payments will be calculated based on the provider's base rate, as adjusted for MEI and any change in the scope of service, multiplied by the number of valid RHC encounters, deducting any payments made by the managed care entity for those encounters. Supplemental payments will be made no less frequently than every four months. The provider is responsible for submitting the managed care claims to the office or its contractor for calculation of the supplemental payment.

> Field audits may be conducted annually on a selected number of Rural Health Clinics.

rate will take into account productions screens and applicable limits, (based on the provider's fiscal years ending 1999 and 2000) which are reasonable and related to the cost of furnishing such services, or based on such other tests of reasonableness as the Secretary prescribes in regulations under section 1833(a)(3), or, in the case of services to which such regulations do not apply, the same methodology used under section 1833(a)(3), adjusted to take into account any increase or decrease in the scope of such services furnished by the center or clinic during the provider's fiscal year 2001, and increased by the percentage increase in the most current quarterly historical MEI (as defined in section 1842(I)(3)) applicable to primary care services (as defined in section 1842(i)(4)) for that fiscal year. This Prospective Payment System rate will be increased annually beginning January 1, 2002 by the percentage increase in the MEI and adjusted to take into account any increase or decrease in the scope of such services furnished by the FQHC.

In the event a final settlement has not been reached on the provider's 1999 and 2000 FQHC cost reports by December 31, 2001, the alternative methodology may be extended for a period of not more than 180 days. If cost reports have not been finalized after a period of not more than 180 days, an interim prospective payment system rate equal to the most recent rate on file will be used to reimburse FQHC services until such time that the cost reports are final. This interim PPS rate will be adjusted annually beginning January 1, 2003 by the MEI.

In conformance with Section 702(b)(aa)(6)(B) of BIPA, a reconciliation will be performed to ensure that each center or clinic received reimbursement for such services in an amount that is at least equal to the amount that would have been paid under the Prospective Payment System described in Section 702(b)(aa) of BIPA.

The establishment of an initial year rate for new providers certified after January 1, 2001, shall be determined in accordance with Section 702(b)(aa)(4) of BIPA 2000, taking into consideration geographic location, Medicaid utilization and similarity of services. In the absence of comparable data, the new clinic may be required to submit historical cost data in order to arrive at an initial rate. The rates for the fiscal years following the initial year will be determined as described above. Federally Qualified Health Centers will receive supplemental payments under the APM for all COVID vaccine administration services. The payment to FQHCs for standalone COVID-19 vaccine-only visits will be equivalent to the Medicare COVID-19 vaccine administration rate. FQHCs will receive their provider-specific PPS rate plus the Medicare COVID-19 vaccine administration rate when a COVID-19 vaccine is administered as part of a billable encounter visit. Effective November 1, 2022, long-acting reversible contraception (LARC) will be reimbursed according to the Medicaid professional fee schedule. All rates are published on the agency's website at www.in.gov/medicaid/.
The office will provide for a supplemental payment for FQHCs furnishing services pursuant to a contract between the clinic and a managed care entity (as defined in section 1932(a)(1)(B)), in accordance with Section 702(b)(aa)(5), effective for services provided on or after January 1, 2002. The supplemental payments will be calculated based on the provider's base rate, as adjusted for MEI and any change in scope of service, multiplied by the number of valid FQHC encounters, deducting any payments made by the managed care entity for those encounters. Supplemental payments will be made no less frequently than every four months. The provider is responsible for submitting the managed care claims to the Office or its contractor for calculation of the supplemental payment.

Field audits may be conducted annually on a selected number of Federally Qualified Health Centers.