# Table of Contents

**State/Territory Name Indiana**

**State Plan Amendment (SPA) #: 25-0004**

This file contains the following documents in the order listed:

**DEPARTMENT OF HEALTH & HUMAN SERVICES**
Centers for Medicare & Medicaid Services
601 E. 12th St., Room 355
Kansas City, Missouri 64106

CENTERS FOR MEDICARE & MEDICAID SERVICES
CENTER FOR MEDICAID & CHIP SERVICES

Medicaid and CHIP Operations Group

September 19, 2025

E. Mitchell Roob Jr.
Interim Medicaid Director
Indiana Office of Medicaid Policy and Planning
402 West Washington Street, Room W374
Indianapolis, IN 46204

Re: Indiana State Plan Amendment IN-25-0004

Dear Director Roob:

The Centers for Medicare & Medicaid Services (CMS) reviewed your Medicaid State Plan Amendment (SPA) submitted under transmittal number IN-25-0004. This State Plan Amendment attests to the state's compliance with the third-party liability requirements in Section 1902(a)(25)(1) of the Social Security Act.

We conducted our review of your submittal according to statutory requirements in Title XIX of the Social Security Act and implementing regulation 42 CFR 433 and 431.

This letter is to inform you that Indiana Medicaid SPA IN-25-0004 was approved on September 19, 2025, with an effective date of July 1, 2025.

If you have any questions, please contact Rhonda Gray at 410-786-6140 or via email at Rhonda.Gray@cms.hhs.gov.

Sincerely,

Shantrina Roberts, Acting Director
Division of Program Operations

Enclosures

cc: Lindsey Lux

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: 25-0004

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
July 1, 2025

5. FEDERAL STATUTE/REGULATION CITATION
42 CFR 433.138; 42 CFR 431.625; Section 1902a, 1905a, 1906 of th

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)
a. FFY 2025 $ 0
b. FFY 2026 $ 0

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT
Pages 69-70
Attachment 4.22-B, pages 1-2

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT *(If applicable)*
Pages 69-70
Attachment 4.22-B, pages 1-2

9. SUBJECT OF AMENDMENT

This State Plan Amendment attests to the state's compliance with the third party liability requirements in Section 1902(a)(25)(1) of

*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

12. TYPED NAME
E. Mitchell Roob Jr.

13. TITLE
Acting Medicaid Director and Secretary of FSSA

14. DATE SUBMITTED
June 30, 2025

15. RETURN TO
E. Mitchell Roob Jr.
Interim Medicaid Director
Indiana Office of Medicaid Policy and Planning
402 West Washington Street, Room W374
Indianapolis, IN 46204
Attn: Conner Ortman, Government Affairs Analyst

***FOR CMS USE ONLY***

16. DATE RECEIVED
June 30, 2025

17. DATE APPROVED
September 19, 2025

***PLAN APPROVED - ONE COPY ATTACHED***

18. EFFECTIVE DATE OF APPROVED MATERIAL
July 1, 2025

19. SIGNATURE OF APPROVING OFFICIAL

20. TYPED NAME OF APPROVING OFFICIAL
Shantrina Roberts

21. TITLE OF APPROVING OFFICIAL
Acting Director, Division of Program Operations

22. REMARKS
Box 7 and 8: State authorized pen and ink change on 9/18/25



***Instructions on Back***

Requirements for Third Party Liability - Payment of Claims

1) The Indiana Medicaid Third Party Liability (TPL) program establishes coordination of benefit rules designed to ensure that Medicaid is the payer of last resort, unless otherwise required. The claims payment system will apply edits that facilitate appropriate cost avoidance/coordination of benefit activities.

   When a third party payor fails to respond within 90 days of the date of the provider's attempt to bill, one of following attachments must accompany the Medicaid claim:

   a.) copies of unpaid bills sent to the third party (whether an individual or an insurance company);

   b.) written notification from the provider giving the date of attempts to bill and explaining that the third party failed to respond within 90 days from the billing date.

   c.) When the third party payor is an absent parent who has been billed at the address supplied by the recipient of local welfare office, but the billing is returned "address unknown" the returned envelope may be filed with the claim.

   Effective December 31st, 2021 system edits will be updated to require TPL resource validation prior to making payment determinations for claims that contain services for prenatal care including labor and delivery and postpartum care. Applicable claims will be cost avoided accordingly.

   Claims for services relating to pediatric preventative care are excluded from cost avoidance and will follow the pay and chase methodology, unless the state has made a determination related to cost-effectiveness and access to care that warrants cost avoidance for up to 90 days.

   When coordination of benefits decisions are the result of child support enforcement, claims will not be subject to cost avoidance for up to 100 days following the date the claim has been submitted in accordance with the flexibilities outlined in 1902(a)(25)(F).

2) Health recovery cases are established whenever Medicaid has paid claims in instances where:

   a.) the TPL unit learns of previously unidentified insurance benefits which were available for a period of at least two months prior to the date the benefits are coded on the recipient resource file, and/or

   b.) the TPL Unit is notified that a recipient has insurance coverage for a service for which a paid claim appears on the Medicaid monthly Explanation of Benefits.

      The following threshold applies:

      There is no threshold.

3) Casualty or liability recovery cases are established whenever Medicaid has paid related claims in instances where:

   a.) The TPL Unit is notified that a recipient was a victim of a violent crime or was involved in an accident; and/or

b.) the TPL Unit is notified that a recipient is the plaintiff in a malpractice, product liability, or class action lawsuit involving injury or impairment.

The following threshold applies:

Recovery will be sought in all cases where total Medicaid expenditures exceed $500.00, if it appears it will be cost effective to pursue the case.

Revision: HCFA-PM-94-1 (MB)
FEBRUARY 1994
State/Territory: Indiana

Citation

## 4.22 Third Party Liability

42 CFR 433.137

(a) The Medicaid agency meets all requirements of:

(1) 42 CFR 433.138 and 433,139,
(2) 42 CFR 433.145 through 433.148.
(3) 42 CFR 433,151 through 433.154.
(4) Sections 1902(a)(25)(H) and (I) of the Act,

1902(a)(25)(H) and (I) of the Act

42 CFR 433.138(f)

(b) ATTACHMENT 4.22-A --

(1) Specifies the frequency with which the data exchanges required in S433.138(d)(1), (d)(3) and (d) (4) and the diagnosis and trauma code edits required in §433.138(e) are conducted;

42 CFR 433.138(g)(1)(ii) and (2)(ii)

(2) Describes the methods the agency uses for meeting the follow up requirements contained in S433.138(g)(1)(i) and (g)(2)(i);

42 CFR 433.138(g)(3)(i) and (iii)

(3) Describes the methods the agency uses for following up on information obtained through the State motor vehicle accident report file data exchange required under S433.138(d)(4)(ii) and specifies the time frames for incorporation into the eligibility case file and into its third party data base and third party recovery unit of all information obtained through the follow up that identifies legally liable third party resources; and

42 CFR 433.138 (g)(4)(i) through (iii)

(4) Describes the methods the agency uses for following up on paid claims identified under §433.138(e) (methods include a procedure for periodically identifying those trauma codes that yield the highest third party collections and giving priority to following up on those codes) and specifies the time frames for incorporation into the eligibility case file and into its third party data base and third party recovery unit of all information obtained through the follow up that identifies legally liable third party resources.

Revision: HCFA-PM-94-1 (MB)
FEBRUARY 1994

State/Territory: Indiana

Citation

42 CFR 433.139(b)(3) x (c)

Providers are required to bill liable third parties when services covered under the plan are furnished to an individual on whose behalf child support enforcement is being carried out by the State IV-D agency.

Effective December 31, 2021, system edits will be updated to require TPL resource validation prior to making payment determinations for claims that contain services for prenatal care including labor and delivery and postpartum care.

Claims for services relating to pediatric preventative care are excluded from cost avoidance and will follow the pay and chase methodology, unless the state has made a determination related to cost-effectiveness and access to care that warrants cost avoidance for up to 90 days.

When coordination of benefits decisions are the result of child support enforcement, claims will not be subject to cost avoidance for up to 100 days following the date the claim has been submitted.

(d) ATTACHMENT 4.22-B specifies the following:

42 CFR 433.139(b)(3)(ii)(C) (1) The method used in determining a provider's compliance with the third party billing requirements at S433.139(b)(3)(ii)(C).

42 CFR 433.139(f)(2) (2) The threshold amount or other guideline used in determining whether to seek recovery of reimbursement from a liable third party, or the process by which the agency determines that seeking recovery of reimbursement would not be cost effective.

42 CFR 433.139(f)(3) (3) The dollar amount or time period the state uses to accumulate billings from a particular liable third party in making the decision to seek recovery of reimbursement.

42 CFR 447.20 (e) The Medicaid agency ensures that the provider furnishing a service for which a third party is liable follows the restrictions specified in 42 CFR 447.20.

Citation

4.22 (continued)

42 CFR 433.151(a)

The Medicaid agency has written cooperative agreements for the enforcement of rights to andcollection of third party benefits assigned to the State as a condition of eligibility for medical assistance with the following: (Check as appropriate.)

_X_ State title IV-D agency. The requirements of 42 CFR 433.152(b) are met.

_,X_ Other appropriate State agency(s)--
State Police, Worker's Compensation, Division of Employment and Training

Other appropriate agency(s} of another State--
_____
_____

Courts and law enforcement officials.

1902(a)(60) of the Act

(f) The Medicaid agency assures that the State has in effect the laws relating to medical child support under section 1908 of the Act.

1906 of the Act

(g) The Medicaid agency specifies the guidelines used in determining the cost effectiveness of an employer-based group health plan by selecting one of the following.

The Secretary's method as provided in the State Medicaid Manual, Section 3910.

(h) The State provides methods for determining cost effectiveness on ATTACHMENT 4.22-C.

1902(a)(25)(I) of the Act

(i) The Medicaid agency assures that the state has in effect the laws that require third parties to comply with the provisions, including those which require third parties to provide the state with coverage, eligibility, and claims data under section 1902(a)(25)(I) of the Social Security Act, and specifies the compliance with 1902(a)(25)(E) and 1902(a)(25)(F).