

## **Table of Contents**

**State/Territory Name: Indiana**

**State Plan Amendment (SPA) #: 23-0006**

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS Form 179
- 3) Approved SPA Pages

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



Medicaid and CHIP Operations Group

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September 13, 2023

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

Re: Indiana State Plan Amendment IN-23-0006

Dear Director Steinmetz:

The Centers for Medicare & Medicaid Services (CMS) reviewed your Medicaid State Plan Amendment (SPA) submitted under transmittal number IN-23-0006. This amendment (1) allows Indiana Medicaid to reimburse for medically necessary nursing services in school-based services pursuant to a Medicaid enrolled student's educational program or plan as required by the Individuals with Disabilities Education Act (IDEA) or Section 504 of the federal Rehabilitation Act of 1973, 29 U.S.C. 794 and (2) includes coverage for school psychologist testing services if done by a licensed individual and school-based transportation for children under IDEA.

We conducted our review of your submittal according to statutory requirements in Section 1905(a) of the Social Security Act. This letter is to inform you that Indiana Medicaid SPA IN-23-0006 was approved on September 13, 2023, with an effective date of July 1, 2023.

If you have any questions, please contact Rhonda Gray at 410-786-6140 or via email at [Rhonda.Gray@cms.hhs.gov](mailto:Rhonda.Gray@cms.hhs.gov).

Sincerely,

 Digitally signed by  
James G. Scott -S  
Date: 2023.09.13  
10:03:43 -05'00'

James G. Scott, Director  
Division of Program Operations

Enclosures

cc: Madison May-Gruthusen

**TRANSMITTAL AND NOTICE OF APPROVAL OF  
STATE PLAN MATERIAL  
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER

2 3 — 0 0 0 6

2. STATE

I N

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, 2023

5. FEDERAL STATUTE/REGULATION CITATION

Section 1905(a) of the Social Security Act

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 2023 \$ 2,590,000  
b. FFY 2024 \$ 10,120,000

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 3.1-A Addendum pg 2  
Attachment 3.1-A Addendum pg 3.1  
Attachment 3.1-A Addendum pg 13  
Attachment 3.1-A Addendum pg 13a (New)  
Attachment 4.19-B pg 1c5

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)

Attachment 3.1-A Addendum pg 2  
Attachment 3.1-A Addendum pg 3.1  
Attachment 3.1-A Addendum pg 13  
Attachment 4.19-B pg 1c5

9. SUBJECT OF AMENDMENT

This SPA proposes to expand the type of educational programs or plans that may authorize Medicaid eligible services. Currently, Indiana Medicaid only reimburses schools through an approved individualized education program. This amendment will allow Indiana Medicaid to reimburse for mandated school-based services pursuant to a Medicaid enrolled student's educational program or plan as required by the Individuals with Disabilities Education Act (IDEA) or Section 504 of the federal Rehabilitation Act of 1973. 29 U.S.C. 794

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



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

12. TYPED NAME  
Allison Taylor

13. TITLE  
Medicaid Director

14. DATE SUBMITTED  
06/21/2023

**FOR CMS USE ONLY**

16. DATE RECEIVED

June 21, 2023

17. DATE APPROVED

September 13, 2023

**PLAN APPROVED - ONE COPY ATTACHED**

18. EFFECTIVE DATE OF APPROVED MATERIAL

July 1, 2023

19. SIGNATURE OF APPROVING OFFICIAL

Digitally signed by James G. Scott -S  
Date: 2023.09.13 10:04:10 -05'00'

20. TYPED NAME OF APPROVING OFFICIAL

James G. Scott

21. TITLE OF APPROVING OFFICIAL

Director, Division of Program Operations

22. REMARKS Box 7: State authorized pen and ink change 09/08/2023

3. a. Nursing Facility services Provided with limitations.
- for individuals 21 years of age or older
- Reimbursement is available for nursing facility services provided by a licensed and certified nursing facility in accordance with Attachment 4.19-D, when rendered to a recipient whose level of care has been approved by the Office of Medicaid Policy and Planning.
- Those services and products furnished by the nursing facility for the usual care and treatment of patients are reimbursed in the per diem rate in accordance with State law.
- The per diem rate for nursing facilities includes the following services: room and board, room accommodations, all dietary services, and laundry services; nursing care provided by a registered nurse, licensed practical nurse, or nurse's aide; all medical and nonmedical supplies and equipment; durable medical equipment (DME), and associated repair costs routinely required for the care of patients; medically necessary therapy services which include physical, occupational, respiratory, and speech pathology services; transportation to vocational/habilitation service programs; the cost of both legend and non-legend water products in all forms and for all uses.
- 4.b Early **and** Periodic Screening, Diagnosis Treatment Provided in excess of federal requirements, Treatment services are covered subject to prior authorization requirements and reimbursement limitations.
- Any treatment found necessary as a result of a diagnosis pursuant to an initial or periodic screening may be provided subject to any prior authorization requirements for the services. However, if a service is not covered under the state plan, it is still available to EPSDT eligible recipients subject to prior authorization requirements in accordance with State law if it is necessary to correct or ameliorate defects and physical and mental illnesses and conditions discovered by the screening services.
- Medicaid reimbursement is available for medically necessary school nursing services rendered by a nurse who is employed by or under contract with a Medicaid participating school corporation provider when the services are: medically necessary; provided pursuant to a Medicaid enrolled student's educational program or plan as required by the Individuals with Disabilities Education Act (IDEA) or Section 504 of the Federal Rehabilitation Act of 1973. 29 U.S.C. 794.
- 4.c. Family Planning services Provided with limitations.
- Family planning services are those services provided to individuals of childbearing age, who are not pregnant, to temporarily or permanently prevent or delay pregnancy. Family planning services includes: diagnosis and treatment of sexually transmitted diseases, if medically indicated; follow-up care for complications associated with contraceptive methods issued by the family planning provider; health education and counseling necessary to make informed choices and understand contraceptive methods; laboratory tests, if medically indicated as part of the decision making process for choice of contraceptive methods; limited history and physical examination; pregnancy testing and counseling; provision of contraceptive pills, devices, and supplies; screening, testing, and counseling of members at risk for HIV and referral and treatment; tubal ligation or Essure device; and vasectomy.

Psychologists' services Psychologists' services include only services that are provided by licensed psychologists within the scope of practice as defined under state law.

Coverage is available for outpatient mental health and substance abuse treatment services provided by a licensed psychologist endorsed as a health services provider in psychology (HSPP), subject to the following limitations:

- (1) Subject to prior authorization by the office or its designee, Medicaid will reimburse HSPP supervised outpatient mental health services for group, family, and individual outpatient psychotherapy when the services are provided by one (1) of the following practitioners:
  - (A) A licensed psychologist.
  - (B) A licensed independent practice school psychologist.
  - (C) A licensed clinical social worker (LCSW).
  - (D) A licensed marital and family therapist (LMFT).
  - (E) A licensed mental health counselor (LMHC).
  - (F) A licensed clinical addiction counselor (LCAC).
  - (F) A person holding a master's degree in social work, marital and family therapy, or mental health counseling, except that partial hospitalization services provided by such person shall not be reimbursed by Medicaid.
  - (G) An advanced practice nurse who is a licensed, registered nurse with a master's degree in nursing with a major in psychiatric or mental health nursing from an accredited school of nursing.
- (2) A HSPP is responsible for certifying the diagnosis for the purpose of developing the plan of treatment and providing continuous supervision as follows:
  - (A) The supervising practitioner is responsible for seeing the patient during the intake process or reviewing information submitted by the other licensed professionals, qualified behavioral health provider (QBHP), or other behavioral health provider (OBHP) and approving the plan of treatment within seven (7) days.
  - (B) The supervising practitioner must provide face to face visits with the patient or review the plan of treatment submitted by the QBHP at intervals not to exceed ninety (90) days. These reviews must be documented and signed by the supervising practitioner assuming responsibility for the plan of treatment.
- (3) Medicaid will reimburse for evaluation, psychological testing and group, family, and individual psychotherapy when provided by a licensed psychologist, licensed independent practice school psychologist, and a licensed psychologist endorsed as an HSPP.
- (4) Medicaid will cover for school psychologist testing services provided by a licensed independent practice school psychologist or school psychologist who holds the national school psychologist certification or the Indiana Accomplished Practitioner license who is employed or contracted with a school corporation that participates in Medicaid when such services are medically necessary and required to determine the health related services a public school corporation shall provide per a Medicaid enrolled student's educational program or plan as required by the Individuals with Disabilities Education Act (IDEA) or Section 504 of the federal Rehabilitation Act of 1973. 29 U.S.C. 794.
- (5) Subject to prior authorization by the office or its designee, Medicaid will reimburse for neuropsychological and psychological testing when the services are provided by an HSPP.
- (6) Prior authorization is required for mental health service provided in an outpatient or office setting that exceed twenty (20) units per recipient, per provider, per rolling twelve (12) month period of time, except neuropsychological and psychological testing, which is subject to prior authorization.
- (7) The following are services that are not coverable by the Medicaid program:
  - (A) Daycare.
  - (B) Hypnosis.
  - (C) Biofeedback.
  - (D) Missed appointments.

23. Pediatric or Family Nurse Practitioners' services Provided with limitations. Reimbursement is available for medically necessary and preventive health care services provided by a licensed, certified nurse practitioner within the scope of practice of the applicable license and certification.
24. Any other medical or remedial care recognized by state law Provided as described in 24a – 24d.
- 24.a. Transportation services Reimbursement is available for emergency and nonemergency transportation to or from a Medicaid covered service. Providers located within Indiana or in a designated out of state area may be reimbursed for up to twenty (20) one-way trips of less than fifty (50) miles each, per recipient, per twelve (12) month period, without prior authorization. Designated out-of-state areas are the following:
- |                          |                         |
|--------------------------|-------------------------|
| (A) Louisville, Kentucky | (F) Sturgis, Michigan   |
| (B) Cincinnati, Ohio     | (G) Watseka, Illinois   |
| (C) Harrison, Ohio       | (H) Danville, Illinois  |
| (D) Hamilton, Ohio       | (I) Owensboro, Kentucky |
| (E) Oxford, Ohio         |                         |
- Prior authorization is required for the following:
- (1) More than 20 one-way trips, per recipient, per rolling 12-month period.
  - (2) Trips of 50 miles or more one way
  - (3) In-state train or bus transportation services, including out-of-state designated areas.
  - (4) Transportation services provided by a provider located in a non-designated, out-of-state area.
  - (5) Airline, air ambulance, and interstate transportation
  - (6) Family member transportation
  - (7) Medically necessary school-based specialized transportation
    - (a) School-based specialized transportation is defined as transportation to a medically necessary service (as outlined in the Individualized Education Plan (IEP)/Individualized Family Service Plan (IFSP) of an enrolled Medicaid beneficiary) provided in a specially adapted (e.g., specially adapted school bus or van) that has been physically adjusted or designed to meet the needs of the individual student under the Individuals with Disabilities Education Act (IDEA) (e.g., special harnesses, wheelchair lifts, ramps, specialized environmental controls, etc.) to accommodate students with disabilities in the school-based setting.
    - (b) School-based specialized transportation is available to “Medicaid-eligible beneficiaries for whom the transportation services are medically necessary and documented in IEP/IFSP. School-based specialized transportation must be provided on the same date of service that a Medicaid covered service required by the student’s IEP/IFSP is received
    - (c) The Medicaid enrolled student’s IEP/IFSP as required by IDEA serves as the prior authorization for medically necessary school-based specialized transportation services when provided by a Medicaid participating school corporation. No additional prior authorization is required.
    - (d) School-based specialized transportation is provided by personnel who are employed by or under contract with a Medicaid-participating school corporation provider.
- Trip limits can be exceeded based on prior authorization review and confirmation of a covered services associated with the trip.

Except for trips over 50 miles, the following services are exempt from the numeric trip cap and prior authorization requirements:

- (1) Emergency ambulance services
- (2) Transportation to or from a hospital for an inpatient admission
- (3) Transportation for patients on renal dialysis or residing in a nursing home
- (4) Accompanying parent or recipient attendant
- (5) Return trip from emergency room in an ambulance

24.b. Services provided in  
Religious Nonmedical  
Health Care Institutions

Provided within the limitations of 42 CFR 440.170(b).

24.c

Reserved

24.d. Skilled Nursing Facility  
Services for Patients under

Reimbursement is available for skilled nursing services provided by a licensed and certified nursing facility when rendered to a Medicaid recipient whose level 21 Years of Age of care has been approved by the Medicaid agency.

**Reimbursement for Medically Necessary School Nursing Services**

Reimbursement for medically necessary school nursing services provided by a nurse who is employed by or under contract with a school corporation that participates in Medicaid will be paid on a fee-for-service basis. Medically necessary school nursing services are similar in nature to HHA nursing services, Medically necessary school nursing services rates will be set using the same rate methodology currently in place for home health nursing services. Payment will be based on the lower of the provider's submitted charge or the established rate. The unit of service will be 15 minutes.

The state-developed fee schedule rate is available only to Indiana Medicaid enrolled local educational agencies (LEAs) which provide medically necessary school nursing services pursuant to a Medicaid enrolled student's educational program or plan as required by the Individuals with Disabilities Education Act (IDEA) or Section 504 of the federal Rehabilitation Act of 1973. 29 U.S.C. 794.. All rates are published on the State's website at: [www.indianamedicaid.com](http://www.indianamedicaid.com).