Table of Contents

State/Territory Name: Indiana

State Plan Amendment (SPA) #: 23-0015

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

September 29, 2023

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

Re: Indiana State Plan Amendment IN-23-0015

Dear Director Steinmetz:

The Centers for Medicare & Medicaid Services (CMS) reviewed your Medicaid State Plan Amendment (SPA) submitted under transmittal number IN-23-0015. This amendment proposes to seek an exemption to the requirement for Indiana to contract recovery audit services to a third party.

We conducted our review of your submittal according to statutory requirements in Title XIX of the Social Security Act and in Section 6411(a) of the Patient Protection and Affordable Care Act.

This letter is to inform you that Indiana Medicaid SPA IN-23-0015 was approved on September 28, 2023, with an effective date of October 1, 2023 to October 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,

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	3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL
	SECURITY ACT O XIX XXI
TO: CENTER DIRECTOR CENTERS FOR MEDICAID & CHIP SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE October 1, 2023
5. FEDERAL STATUTE/REGULATION CITATION	6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)
Section 6411(a) of the Affordable Care Act	a FFY 2023 \$ 0 b. FFY 2024 \$ 0
7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT 36b and 36c	8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) 36b and 36c
9. SUBJECT OF AMENDMENT This State Plan Amendment proposed to seek the exemption to the requirement.	uirement for state to contract recovery audit services to a third party
This State Flan Amendment proposed to seek the exemption to the req	unement for state to contract recovery addit services to a tillia party
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:
	15. RETURN TO Cora Steinmetz
12. TYPED NAME	Medicaid Director Indiana Office of Medicaid Policy and Planning
Cora Steinmeiz	402 West Washington Street, Room W374
Modicaid Director	Indianapolis, IN 46204
14. DATE SUBMITTED	Attn: Madison May-Gruthusen, Federal Relations Lead
September 22, 2023	
FOR CMS U	
16. DATE RECEIVED September 22, 2023	17. DATE APPROVED September 28, 2023
PLAN APPROVED - OI	
18. EFFECTIVE DATE OF APPROVED MATERIAL	19. SIGNATURE OF APPROVING OFFICIAL
October 1, 2023	
	21. TITLE OF APPROVING OFFICIAL
James G. Scott	Director, Division of Program Operations
22. REMARKS	Director, Division of Frogram Operations

State <u>Indiana</u>

PROPOSED SECTION 4 - GENERAL PROGRAM ADMINISTRATION

4.5 Medicaid Recovery Audit Contractor Program

Citation Section 1902(a)(42)(B)(i) of the Social Security Act	The State has established a program under which it will contract with one or more recovery audit contractors (RACs) for the purpose of identifying underpayments and overpayments of Medicaid claims under the State plan and under any waiver of the State plan.
	The State is seeking an exception to establishing such program for the following reasons: FSSA-OMPP utilizes the Fraud and Abuse Detection System (FADS) contract under FSSA Program Integrity to monitor the Indiana Health Coverage Programs for fraud, waste, and abuse, as well as identify underpayments and overpayments of Medicaid claims under the State plan and under any waiver of the State Plan. Indiana has adequate appeal processes in place for entities to appeal any adverse determinations made by FSSA Program Integrity. Indiana assures that the recovered amounts will be subject to the State's quarterly expenditure estimates and funding of the State's share. FSSA Program Integrity coordinates with all other State audit entities, as well as State and Federal law enforcement entities and the CMS Medicaid Integrity Program. The State of Indiana was previously granted an exception from CMS and now seeks an exception from October 1, 2023, through October 1, 2025.
Section 1902(a)(42)(B)(ii)(I) of the Act	
	The State/Medicaid agency has contracts of the type(s) listed in section 1902(a)(42)(B)(ii)(I) of the Act. All contracts meet the requirements of the statute. RACs are consistent with the statute.
	Place a check mark to provide assurance of the following:
	The State will make payments to the RAC(s) only from amounts recovered.
Section 1902 (a)(42)(B)(ii)(II)(aa) of the Act	The State will make payments to the RAC(s) on a contingent Basis for collecting overpayments.
	The following payment methodology shall be used to determine State payments to Medicaid RACs for identification and recovery of overpayments (e.g., the percentage of the contingency fee):

TN No. <u>23-0015</u> Supersedes TN No. <u>18-006</u>

Approval Date: September 28, 2023 Effective Date: October 1, 2023

	 The State attests that the contingency fee rate paid to the Medicaid RAC will not exceed the highest rate paid to Medicare RACs, as published in the Federal Register. The State attests that the contingency fee rate paid to the Medicaid RAC will exceed the highest rate paid to Medicare RACs, as published in the Federal Register. The State will only submit for FFP up to the amount equivalent to that published rate.
	The contingency fee rate paid to the Medicaid RAC that will exceed the highest rate paid to Medicare RACs, as published in the Federal Register. The State will submit a justification for that rate and will submit for FFP for the full amount of the contingency fee.
Section 1902 (a)(42)(B)(ii)(II)(bb) of the Act	The following payment methodology shall be used to determine State payments to Medicaid RACs for the identification of underpayments (e.g., amount of flat fee, the percentage of the contingency fee): Flat fee-underpayments
Section 1902 (a)(42)(B)(ii)(III) of the Act	The State has an adequate appeal process in place for entities to appeal any adverse determination made by the Medicaid RAC(s).
Section 1902 (a)(42)(B)(ii)(IV) (aa) of the Act	The State assures that the amounts expended by the State to carry out the program will be amounts expended as necessary for the proper and efficient administration of the State plan or a waiver of the plan.
Section 1902(a)(42)(B)(ii)(IV) (bb) of the Act	The State assures that the recovered amounts will be subject to a State's quarterly expenditure estimates and funding of the State's share.
Section 1902 (a)(42)(B)(ii)(IV) (cc) Of the Act	Efforts of the Medicaid RAC(s) will be coordinated with other contractors or entities performing audits of entities receiving payments under the State plan or waiver in the State, and/or State and Federal law enforcement entities and the CMS Medicaid Integrity Program.

TN No. <u>23-0015</u> Supersedes TN No. <u>18-006</u>

Approval Date: <u>September 28, 2023</u> Effective Date: <u>October 1, 2023</u>