

LSA 16-327	Resource Utilization Group (RUG) IV Rule	
Subject Matter	<p>Amends 405 IAC 1-12-1 to clarify policy language regarding payment for services rendered by intermediate care facilities for individuals with intellectual disabilities (ICFs/IID) and community residential facilities for the developmentally disabled (CRFs/DD). Amends 405 IAC 1-12-2 to add a definition for the department head position. Amends 405 IAC 1-12-3 to clarify provider responsibility to substantiate that their costs are related to patient care. Amends 405 IAC 1-12-4 to clarify the penalty for untimely cost report filings. Amends 405 IAC 1-12-5 to add a penalty for untimely filing of the Checklist of Management Representations. Amends 405 IAC 1-12-7 to clarify the criteria for excluding a provider from the average allowable cost of the median patient day computations. Amends 405 IAC 1-12-19 to update and clarify language. Amends 405 IAC 1-12-20 to update language. Amends 405 IAC 1-12-21 to revise the reimbursement rate for Comprehensive Rehabilitative Management Needs Facilities (CRMNF) pursuant with state law. Amends 405 IAC 1-14.6-1 to clarify policy language regarding payment for services rendered to members by nursing facilities. Amends 405 IAC 1-14.6-2 to update definitions to reflect the change from the Resource Utilization Group, version III (RUG-III), to RUG-IV, update the Minimum Data Set resident assessment (MDS), version 2.0 to MDS version 3.0, and to clarify and add several definitions. Amends 405 IAC 1-14.6-3 to clarify the information required on the Medicaid cost report form, to require financial records or supporting documentation to be made available to the office, to add penalty for failure to submit requested information, and to clarify compliance review scheduling procedures and clarify provider responsibility to substantiate that their costs are related to patient care. Amends 405 IAC 1-14.6-4 to clarify the information required by providers with their annual cost report submission and to make other changes as a result of the change to RUG-IV. Amends 405 IAC 1-14.6-6 to update and clarify language regarding rate reviews. Amends 405 IAC 1-14.6-7 to add the Case Mix Index (CMI) table for RUG-IV and to make other changes as a result of the change to RUG-IV. Amends 405 IAC 1-14.6-9 to clarify the calendar quarters utilized in determining a facility's CMI. Amends 405 IAC 1-14.6-10 to clarify certain costs as not allowable. Amends 405 IAC 1-14.6-11 to clarify the reporting of costs incurred by parties defined by the rule to be related to the Medicaid certified nursing facilities. Amends 405 IAC 1-14.6-12 to clarify what costs are included in the fair rental value allowance. Amends 405 IAC 1-14.6-21 to clarify that changes to the allocation of reported costs due to prior period audit findings are authorized by OMPP. Amends 405 IAC 1-14.6-22 to update and clarify language regarding MDS review processes. Amends 405 IAC 1-14.6-24 to clarify how the Quality Assessment Fee (QAF) is determined. Amends 405 IAC 1-15-1 to clarify and update MDS electronic transmission requirements for nursing facilities. Amends 405 IAC 1-15-2 to modify the Medicaid rule for the electronic transmission of the MDS to reflect the change from RUG-III to RUG-IV and MDS 2.0 to MDS 3.0. Amends 405 IAC 1-15-4 to clarify scope of review by OMPP of nursing facility MDS resident assessment data and to reflect the change from RUG-III to RUG-IV. Amends 405 IAC 1-15-5 to clarify scope of review of MDS resident assessments. Repeals 405 IAC 1-14.5, 405 IAC 1-15-3, and 405 IAC 1-15-6 as obsolete. Statutory authority: IC 12-15-1-10; IC 12-15-21-2.</p>	
Notices Related to Rule	Notice of Intent One Year Extension Proposed Rule Economic Impact Statement Notice of Public Hearing Publisher's receipt Final rule	http://www.in.gov/legislative/iac/20160803-IR-405160327NIA.xml.pdf
How comments may be made	Derris Harrison Indiana Family and Social Services Administration Office of Medicaid Policy and Planning 402 West Washington Street Indiana Government Center South, Room W374 Indianapolis, IN 46204 317-234-6073 derris.harrison@fssa.in.gov	Robert Warner Office of Small Business and Entrepreneurship One North Capitol, Suite 600 Indianapolis, IN 46204 (317) 232-5679 ombudsman@osbe.in.gov
Time within which comments may be made	Comments on the proposed rule will be accepted up to the close of business on 1/4/2017.*	
Where comments may be inspected	Indiana Family and Social Services Administration Office of Medicaid Policy and Planning 402 West Washington Street Indiana Government Center South, Room W374 Indianapolis, IN 46204	
Requests for Public Hearing	Ind. Code 4-22-2-26 states that an agency shall conduct a public hearing on the proposed rule.	
Information about public hearing	The Office of the Secretary of Family and Social Services will hold a public hearing on the proposed rule on a date TBD at the Indiana Government Center South, 402 West Washington Street, Indianapolis, Indiana. The public hearing will be held in a Conference Center Room TBD.	
Description of relevant scientific and technical findings	There are no scientific or technical findings related to the proposed rule available at this time.	
Timetable for Action	Notice of Intent published One Year Extension published ¹ Proposed rule published* Notice of Public Hearing published* Public Hearing* Final Rule adopted* Submitted to Attorney General* Submitted to Governor Office* Final rule filed with the Indiana Register* Effective Date*	8/3/2016 4/9/2017 12/7/2016 12/7/2016 1/4/2017 2/1/2017 4/20/2017 6/4/2017 7/4/2017 8/3/2017
	*These dates are anticipated dates for the actions listed above. These dates may change during the rulemaking process and will be updated should any changes occur.	
	¹ An agency has 1 year from the date of publication of the Notice of Intent to obtain the Governor's approval. If the 1-year deadline will not be met, the agency can submit a notice to the Indiana Register before the 250th day after the Notice of Intent is published notifying the publisher in writing of the expected date the rule will be approved.	