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Eric J. Holcomb  
*Governor*

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May 24, 2017

Fellow Hoosiers,

Since the submission of Indiana's Healthy Indiana Plan (HIP) waiver application to the Centers for Medicare and Medicaid Services (CMS) in January, CMS has issued additional guidance to the states "ushering in a new era for federal and state Medicaid partnership where states have more freedom to design programs to meet the spectrum of diverse needs of their Medicaid population."

To that end, Indiana is pleased to make this amendment to its January waiver application to further tailor its HIP program to support the comprehensive health needs of Hoosiers. This amendment eases existing administrative burdens for participants, expands treatment options for Hoosiers afflicted by Indiana's drug epidemic, and enhances HIP's existing Gateway to Work program to help transition eligible members to meaningful employment.

#### EASE ADMINISTRATIVE BURDENS

Based on feedback from HIP members and managed care partners, we will make it easier for members to make POWER account contributions. Levels will be tied to a tiered member contribution structure instead of a member's monthly income. This change will provide payment certainty to members whose incomes fluctuate each month.

The amendment also modifies the Transitional Medical Assistance (TMA) program for the HIP population to assist only families who are at risk of losing coverage when their income reaches more than 138 percent of the federal poverty level (FPL). TMA will remain in place for traditional fee-for-service Medicaid members.

#### IMPROVE ACCESS TO SUBSTANCE USE DISORDER (SUD) TREATMENT

We seek reimbursement of Medicaid Rehabilitation Option (MRO) services at the enhanced reimbursement rate and request the federal matching (FMAP) rate applicable to the eligible member that reflects the full reimbursement rate so we may increase the number of SUD providers available to HIP members.

#### SUPPORT MEANINGFUL EMPLOYMENT

Over the next decade, Indiana will need approximately one million new skilled workers to replace retiring baby-boomers and fill jobs being created in Indiana's dynamic economy. To ensure Indiana has a healthy workforce ready to meet this demand, participation in the Gateway to Work program will become mandatory for qualified able-bodied adults.

This change will be operationalized during the first year of the renewal period (starting February 2018) and phased in during the second year with members as detailed below:

<b>HIP Eligibility Period</b>	<b>Required Participation Hours</b>
1-6 months	0 hours per week
7-9 months	5 hours per week
10-12 months	10 hours per week
12-18 months	15 hours per week
18+ months	20 hours per week

When members reach 18 months of HIP eligibility, they will be required to meet program requirements unless they participate in one of these Qualifying Gateway to Work activities:

<b>Qualifying Gateway to Work Activities</b>	
Employment (subsidized or unsubsidized)	Job skills training
Job search activities	Education related to employment
General education (i.e. GED, community college)	Vocational education/ training
Community work experience	Community service/public service
Accredited homeschooling	Volunteer work
Managed Care Entities (MCE) employment initiatives	Caregiving services for a non-dependent relative or other person with a chronic, disabling health condition
Exemptions as necessary based on individual review	

Indiana's amendment additionally makes the following exemptions to the program and welcomes additional feedback during the open comment period.

<b>Gateway to Work Participation Exemptions</b>
Students (full-time and part-time)
Members who are employed & working more than 20 hours per week averaged over 8 of 12 months
Pregnant women
Members who are a primary caregiver of a dependent child below the mandatory education age or a disabled dependent
Members identified as medically frail (i.e. serious & complex medical conditions, chronic substance use disorder, or disability determination)
Members with a certified temporary illness or incapacity
Members in active SUD treatment
Members over the age of 60
Recent incarceration

Since its inception, HIP has focused on improving the health outcomes of Hoosiers by empowering them to make more informed decisions regarding their care. With these proposed changes, Hoosiers eligible for HIP will spend more time on their health and less time on paperwork.

Indiana looks forward to partnering with CMS and Indiana stakeholders to continue this state-led model for health engagement and health outcomes. We believe the strong support HIP has received at the state and federal levels throughout the last decade will continue as the state makes improvements to this innovative program.

Sincerely,

 Ric Holcomb