

**SUD/SMI Extension Request for the
Healthy Indiana Plan 2.0 (HIP 2.0)
Section 1115 Waiver**

(Project No: 11-W-00296/5)

Submitted by the
Indiana Family and Social Services Administration

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OVERVIEW

Summary

The Indiana Family and Social Services Administration (FSSA) is requesting a five-year extension of the substance use disorder (SUD) and serious mental illness (SMI) portions of its Healthy Indiana Plan 2.0 (HIP 2.0) Demonstration, which are currently approved through December 31, 2025. The SUD and SMI, portions of HIP 2.0 will be referred to as the Indiana SUD/SMI 1115 in order to distinguish the provisions for which this application requests an extension from the general HIP 2.0 program, which is operating under a different timeline. This extension application (Demonstration Extension) requests authority for Indiana (the State) to continue to operate the SUD/SMI 1115 as approved.

Additionally, the State also seeks new authority under this Demonstration to provide coverage to Indiana residents who are former foster care youth under age 26 who turned 18 years of age before January 1, 2023, and were in foster care under the responsibility of another state when they turned 18 and were enrolled in Medicaid at that time (Former Foster Youth). Section 1002(a) of the Substance Use Disorder Prevention that Promotes Opioid Recovery and Treatment for Patients and Communities (SUPPORT) Act created a new Former Foster Care Children (FFCC) Medicaid state plan eligibility group, providing coverage for individuals who were receiving Medicaid while in foster care under the responsibility of any state; however, the SUPPORT Act requirements apply exclusively to those who turn 18 on or after January 1, 2023, so the State seeks authority to align eligibility rules for youth formerly in foster care who turn age 18 before January 1, 2023, with those for otherwise-eligible youth who turn age 18 on or after January 1, 2023. The State requests an effective date of July 1, 2025 for the Former Foster Youth portion of the Demonstration. The State anticipates this will ensure coverage is maintained for this population, with the goals of maintaining overall coverage of former foster care youth in Indiana and improving health outcomes for this population.

History of the Demonstration

On February 1, 2018, the Centers for Medicare and Medicaid Services (CMS) approved the State's request to amend HIP 2.0 to expand services for individuals with SUD. This approval, through December 31, 2020, allowed the State to extend coverage for services in inpatient and residential settings to include settings that are within the definition of an Institution for Mental Diseases (IMD). Following this approval, and as part of the State's broader efforts to ensure a comprehensive continuum of behavioral health services and improve access to acute care, Indiana submitted a request to CMS seeking federal authority to reimburse for acute inpatient stays in an IMD for individuals with an SMI under the HIP 2.0 Demonstration. On December 20, 2019, CMS approved the State's request for the period from January 1, 2020 through December 31, 2020. Further, on October 26, 2020, CMS granted approval for the State to continue operation of the SUD/SMI 1115 for five additional years, from January 1, 2021 through December 31, 2025.

During the initial and current Demonstration period, the State has made significant progress toward its goals. For example, Indiana met the specific aim to reduce the rate of overdose deaths for SUD and reduce emergency department visits for SUD and SMI. Additionally, Indiana has been engaged in a comprehensive and collaborative effort to combat substance use disorders and to improve access to treatment and prevention initiatives that goes beyond this Demonstration. Many of these efforts are summarized in the [2023 Next Level Recovery Progress Report](#), including: access to treatment, treatment

options, prevention, outreach, recovery housing, collaborations, use of opioid settlement funds, justice system, enforcement, maternal substance use, and crisis response. Similarly, Indiana has several initiatives, beyond this Demonstration, to promote and expand care coordination and integrated delivery of behavioral health and primary care. These efforts focus on both youths with serious emotional disturbance (SED) and adults with SMI and include cross-collaboration with Indiana's Division of Mental Health and Addiction (DMHA) and Department of Health. The State has also shown its commitment to improve availability of services to meet behavioral health needs across the state, including increasing availability of crisis stabilization services, implementing the 988 Indiana Crisis and Suicide Lifeline, and expanding the number of certified community behavioral health clinics (CCBHCs).

However, some initiatives shifted during the current Demonstration period due to the impact of the COVID-19 public health emergency (PHE), which caused substantial changes to Medicaid policies, service utilization and provider availability, and will have short- and long-term impacts on Indiana's health care system and specialized populations, such as those with SUD or SMI. Given the timing of the PHE, the state shifted many of the planned implementation activities to accommodate access to and delivery of high-quality mental health (MH) services for all Indiana residents, particularly given the social distancing and health care resource prioritization required in response to the PHE. Indiana envisions this Demonstration Extension as an opportunity to further implement and refine program initiatives to fully realize its goals.

Demonstration Goals and Milestones

Indiana seeks to achieve the following goals for the SUD component of the SUD/SMI 1115:

1. Increased rates of identification, initiation, and engagement in treatment;
2. Increased adherence to and retention in treatment;
3. Reductions in overdose deaths, particularly those due to opioids;
4. Reduced utilization of emergency department and inpatient hospital settings for treatment where the utilization is preventable or medically inappropriate through improved access to other continuum of care services;
5. Fewer readmissions to the same or higher level of care where the readmission is preventable or medically inappropriate; and
6. Improved access to care for physical health conditions among beneficiaries.

The State has the following milestones to measure progress toward these goals:

1. Access to critical levels of care for SUD treatment;
2. Use of evidence-based SUD-specific patient placement criteria;
3. Use of nationally recognized SUD-specific program standards to set provider qualifications for residential treatment facilities;
4. Sufficient provider capacity at critical levels of care, including medication assisted treatment for opioid use disorder (OUD);
5. Implementation of comprehensive treatment and prevention strategies to address opioid abuse and OUD; and
6. Improved care coordination and transition between levels of care.

Indiana seeks to achieve the following goals for the SMI component of the SUD/SMI 1115:

1. Reduced utilization and length of stay in emergency departments (EDs) among Medicaid beneficiaries with SMI while awaiting mental health treatment in specialized settings;
2. Reduced preventable readmissions to acute care hospitals and residential settings;
3. Improved availability of crisis stabilization services, including services made available through call centers and mobile crisis units, intensive outpatient services, as well as services provided during acute short-term stays in residential crisis stabilization programs, psychiatric hospitals, and residential treatment settings throughout the state;
4. Improved access to community-based services to address the chronic mental health care needs of beneficiaries with SMI, including through increased integration of primary and behavioral health care; and
5. Improved care coordination, especially continuity of care in the community following episodes of acute care in hospitals and residential treatment facilities.

The State has the following milestones to measure progress toward these goals:

1. Ensuring quality of care in psychiatric hospitals and residential settings;
2. Improving care coordination and transitioning to community-based care;
3. Increasing access to the continuum of care, including crisis stabilization services;
4. Earlier identification and engagement in treatment, including through increased integration.

Further, for the new Former Foster Youth component of the Demonstration, the State's goals are:

1. Maintaining overall coverage of Former Foster Youth in Indiana.
2. Improving health outcomes for this population.

[Progress Toward Demonstration Goals and Milestones](#)

Indiana established a strategic approach, as documented in the CMS-approved Implementation Plans, to advance the SUD and SMI 1115 goals. When considering the six milestones identified by CMS for SUD demonstrations, Indiana saw success in each milestone over what was observed in the Summative Evaluation of the initial Demonstration (February 2018 through December 2023). The State also saw improvement in several SMI milestones over the pre-implementation and initial Demonstration time period.

The FSSA was also successful in large part in the activities it set out to complete in its SUD and SMI Implementation Plans. Among the 31 activities identified in the SUD Implementation Plan, 24 were completed in full. The remainder are in progress with only one item being abandoned. Implementation activities were targeted and completed for each of the CMS Milestones.

Some key success factors observed in the Interim Evaluations, include the following:

- Beneficiaries receiving any SUD service on a monthly basis grew 20 percent during the Demonstration period.
- The proportion of SUD providers in the state that accept Medicaid grew during the Demonstration period.

- There was continual expansion in the offering of residential treatment services over the Demonstration period, both in licensed locations and licensed beds.
- State-sponsored American Society of Addiction Medicine (ASAM) training continues to be proved helpful to new and existing Medicaid providers.
- There is lower emergency department utilization for SUD and SMI populations. For SUD, the Interim Evaluation noted lower emergency department use after transitioning from inpatient (ASAM level 4) or residential (ASAM level 3) care. For SMI, mental health-related ED visit rates decreased over the Evaluation period.
- The State has improved the availability of crisis stabilization services, including increasing both the number of Medicaid beneficiaries receiving crisis services as well as the number and types of providers.

The following sections outline the State's progress toward meeting these goals during the current approval period.

SUD Milestone 1. Access to Critical LOCs for OUD and Other SUDs

As part of its Demonstration, Indiana has expanded access to a full continuum of SUD services by adding 3.1 and 3.5 residential levels of care. In addition, the state expanded network capacity for intensive outpatient treatment (IOT), peer support, and crisis intervention services by transitioning these services from the Medicaid Rehabilitation Option program to the state plan. Implementation of these changes included successful completion of action items such as making necessary changes to the CoreMMIS system, completion/approval of state plan amendments, and development and dissemination of provider communications to support implementation of these changes. Changes to Indiana Administrative Code (IAC) are in progress, as are the addition of timely appointment access requirements within managed care entity (MCE) and fee-for-service (FFS) vendor contracts.

In addition, FSSA's Division of Mental Health and Addiction (DMHA) awarded \$4.7 million in one-time funding to support capital expenditures associated with recovery residences in Indiana. Using the National Opioid Settlement Fund allotted to the State, grants were awarded to qualified community organizations to purchase, build, renovate, or otherwise sustainably acquire a suitable structure for a DMHA-certified recovery residence. DMHA received 44 proposals, totaling \$25 million in response to the grant. This effort resulted in 206 beds being added to the state's care system. DMHA has also awarded a total of \$19 million in one-time funding to support evidence-based prevention, treatment, recovery, and harm reduction services, expand the behavioral health workforce, and implement other services and initiatives across the state, to 30 local units of government, service providers, and community organizations. DMHA received 78 proposals requesting \$93 million in response to the grant. The services funded by these grants will reach Hoosiers in at least 28 counties. Specific to peer recovery support, RFF-2024-001 Expansion of Certified Peer Support Professionals awarded a total of \$5.5 million for the expansion of 63 certified peer support professionals (CPSP) to address the gaps in services for individuals with mental health and substance use disorders. Contracts began October 1, 2024, and conclude on September 30, 2026.

Specific to Milestone #1, thirteen measures were examined to assess the access to levels of care for SUD treatment, consisting mostly of increasing the number of providers along the continuum of services as well as penetration into services including receiving medications for opioid use disorder. The desired

outcome was met in eleven out of the thirteen measures. A test for statistical significance was conducted on eleven of the thirteen measures. For eight of these measures, the outcome was statistically significant.

SUD Milestone 2. Use of ASAM Placement Criteria

As part of the Demonstration, Indiana aligned its provider licensure and certification standards, as well as prior authorization guidance with the ASAM third edition criteria, completing all action items in the Implementation Plan. MCE and FFS vendor contracts were reviewed and updated to align with the ASAM criteria and providers were offered ASAM training, including recent opportunities to learn about the new ASAM Fourth Edition Criteria for serving adults with SUD. Lastly, existing assessment tools were reviewed for the potential incorporation of ASAM criteria, and it was decided that the ASAM assessment tool would be utilized along with these existing assessments.

Specific to Milestone #2, three measures were examined to assess the use of evidence-based, SUD-specific patient placement criteria and the impact on authorizations and denials for services. The desired outcome has been met in two out of the three measures.

SUD Milestone 3. Use of ASAM Program Standards for Residential Provider Qualifications

Indiana is in the process of revising its IAC to align with ASAM Third Edition Criteria. The revised regulations will incorporate the programmatic and staffing requirements associated with the ASAM Third Edition to support alignment with the specific residential levels of care. DMHA is currently reviewing the newly released ASAM Fourth Edition for adults for consideration of aligning requirements for this and other upcoming volumes.

Specific to Milestone #3, two measures were examined to assess the use of evidence-based, SUD-specific patient placement criteria and the desired outcome was met in both measures. These included increasing the number of residential treatment beds and locations within the state.

SUD Milestone 4. Provider Capacity of SUD Treatment Including Medication Assisted Treatment (MAT)

Indiana has implemented a series of operational processes to enroll SUD treatment providers in Medicaid and continues to make progress in expanding availability throughout the state. Activities to date include having created a new provider specialty for residential treatment facilities, implementing data reporting by provider specialty and ASAM level of care, providing new training materials on 1115 approved services as well as provider enrollment for residential facilities, and assessment of ASAM providers and services (by level of care, including MAT). Additional efforts included provider training of ASAM Third, and, more recently, Fourth Edition criteria for levels of care across the SUD continuum. At the end of the first Demonstration term, all implementation activities were complete.

DMHA supported expansion recovery hubs, leveraged State Opioid Response (SOR) grant funding to expand recovery residences, and, more recently, received a state planning grant for implementation of CCBHCs across the state. Peers provide a low barrier access point for support, treatment, connection, and resource navigation. Indiana's regional recovery hub (RRH) network launched in 2020 as a partnership with Indiana Recovery Network, a subsidiary of Mental Health America of Indiana. Since 2020, over 186,900 services have been provided by Indiana's 20 hubs, including individual peer support,

group peer support, and referrals to treatment, housing, and transportation.¹ These hubs expanded access for Hoosiers with mental health and substance use disorders to treatment and recovery supports through Certified Peer Recovery Coaches, Community Health Workers, and Certified Recovery Specialists. The RRH project is community-based, meaning services are not tied to a specific provider. This ensures that individuals can continue to engage with peer supports without restraints.

In addition, DMHA has implemented an internal Recovery Team that is comprised of individuals with personal lived experience who are committed to improving and expanding the state's current recovery infrastructure. Team goals include enhancing the quality of certified peers, expanding the peer workforce, and increasing access to lived experience support through the training and certification of Certified Peer Support Professionals (CPSP). The Recovery Team elevates advocacy and leadership training as a fundamental part of infrastructure growth and sustainability to improve skills necessary to promote recovery at all levels.

Specific to MAT, since 2017, Indiana has opened 12 Opioid Treatment Programs (OTPs), bringing the statewide total to 26. Opioid partial agonist prescriptions, such as buprenorphine, dispensed from Indiana pharmacies increased by 115.8% since 2017, from 408,654 to 882,158.² During the same timeframe, opioid partial agonist prescriptions written by Indiana practitioners increased by 130.1%, from 362,504 to 834,323.³

In September 2023, Governor Holcomb announced the launch of Treatment Atlas, a free, confidential tool to connect Hoosiers in need with appropriate addiction treatment and deliver user-friendly information about the quality of available programs. The web tool lists all Indiana addiction treatment facilities certified by the State's DMHA.

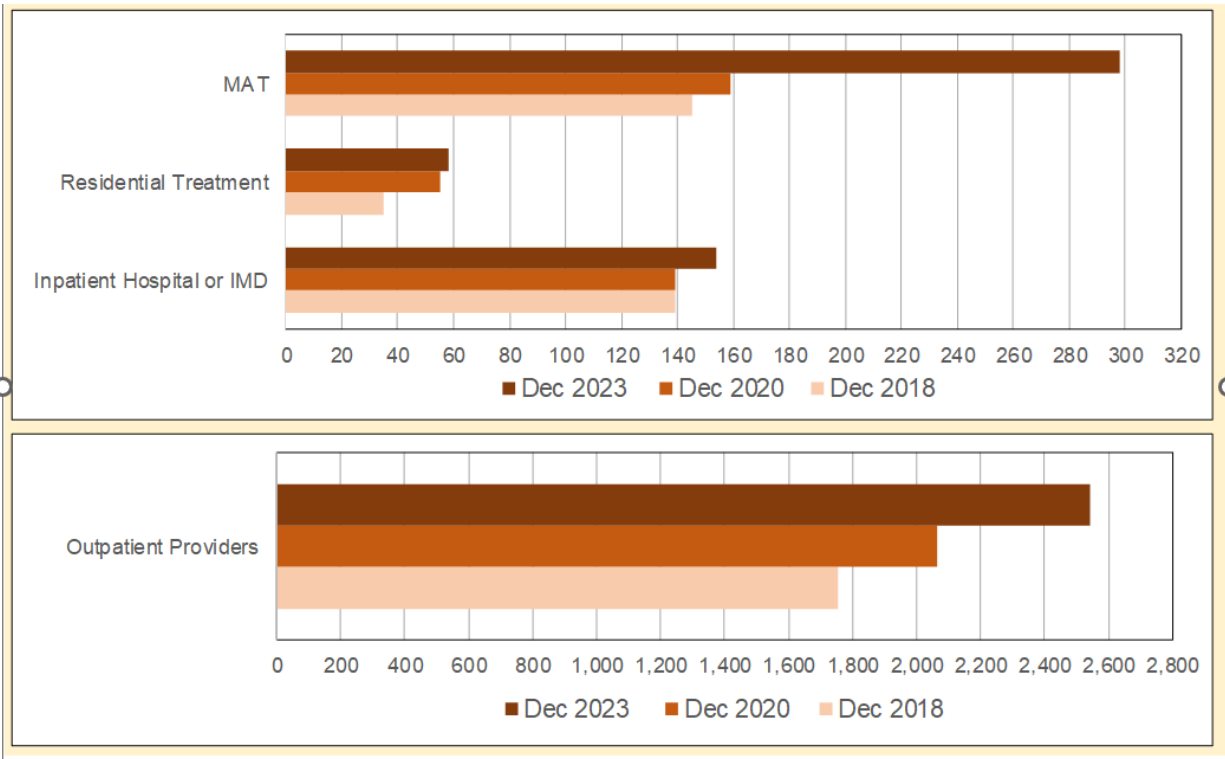
Additionally, as illustrated in Figure 1, the number of Medicaid enrolled SUD providers has increased across all ASAM levels of care.

¹ Statistics taken from Next Level Recovery Progress Report released in December 2023. Report available at [Progress-Report-Dec-2023-Includes-IDOH-Report-Link \(3\).pdf](#)

² Ibid.

³ Ibid

Figure 1. Number of Medicaid SUD Providers, by ASAM Level of Care



SUD Milestone 5. Implementation of OUD Comprehensive Treatment and Prevention Strategies

Implementation activities during the first Demonstration period included implementing a reimbursement system for emergency responders who use naloxone and use of short-term strategies to ensure continued access to services during the PHE. In 2023, Overdose Lifeline distributed on average 24,000 doses of naloxone each month. Through the SOR grant, Indiana has funded the placement of 430 NaloxBox units and 18 naloxone vending machines statewide.⁴ As of December 2023, the state has 25 non-syringe harm reduction partners (NSHRPs), up from 16 in 2022. In 2022, an estimated 19,300 individuals were served by Indiana’s 16 NSHRPs.

The State has implemented Mobile Integrated Response Systems (MIRS) teams who identify individuals in need of services for SUD through justice involvement, emergency department interaction, community referrals, and outreach efforts within 72 hours of system contact, and connect them to the full spectrum of treatment and recovery services. As of December 2023, over 16,000 individuals across 30 counties have been served by Indiana’s 11 MIRS teams since June 1, 2019. The most common services utilized by clients include case management, recovery support services, treatment planning, screenings, referrals to treatment, and peer coaching. In addition to MIRS, ten Harm Reduction Street Outreach Teams (HRSOs) have distributed over 38,800 harm reduction kits across 110 zip codes since January 2022.

Specific to the Justice System, the Indiana Department of Correction (IDOC) has reformed its Recovery While Incarcerated (RWI) program from a one-size-fits-all, court ordered time-cut program to an

⁴ Ibid

individualized treatment model. Since July 2021, over 5,100 individuals have completed the RWI treatment program. This includes over 4,800 adults and 300 youth. The IDOC Transitional Healthcare Division has linked over 11,000 released offenders with community-based addiction treatment providers and through a partnership with Overdose Lifeline, Inc., over 24,000 individuals have received a naloxone kit upon release from a DOC facility.

Further, Indiana has made significant progress in integrating all Indiana hospitals with INSPECT, the state's prescription drug monitoring program. As of May 2024, 88.4% of hospitals are integrated, with the ultimate goal of 100% integration in order to allow healthcare professionals statewide access to review patients' controlled-substance prescription history more quickly and efficiently.

Additionally, as further outlined in the Independent Evaluation, the State observed positive outcomes on several key measures related to this milestone. This included a decrease in overdose deaths, use of opioids at high dosage, concurrent use of opioids and benzodiazepines, and emergency department visits for SUD.

SUD Milestone 6. Improved Care Coordination and Transition Between LOCs

During the first Demonstration term, Indiana extended case management delivered by MCEs to individuals transitioning from residential treatment facilities and created a cross-divisional SUD work group within FSSA to address ongoing implementation tasks under the Demonstration. During this time, all implementation activities were completed.

Substance use disorder was the most common contributing factor of all pregnancy-associated deaths in Indiana in 2020, contributing to 43% of these avoidable outcomes. Overdose, both accidental and undetermined intent, was overwhelmingly the leading cause of death, accounting for 30.4% of all pregnancy-associated deaths in 2020. My Healthy Baby, Indiana's OB navigator program, is now in all 92 counties. The program provides local home visitation and family support to eligible women during their pregnancy and through the first year of their baby's life. Since launching in one county in 2020, My Healthy Baby has reached out to over 115,000 women, had conversations with almost 35,000 women, and referred 15,000 women to local programs that provide individualized support and guidance during pregnancy and for at least the first year after the baby is born.

In July 2022, Indiana launched the Integrated Reentry and Correctional Support (IRACS) pilot program, connecting incarcerated individuals with certified peers for reentry support and wraparound services. More than 3,800 incarcerated individuals have been served across five pilot jails in Blackford, Daviess, Dearborn, Delaware, and Scott counties. These pilots have shown success, with individuals who do *not* engage with an IRACS peer before reentry experiencing an 88% reduction in odds of having a successful discharge compared with a participant who reenters the community with time to engage with an IRACS peer or who continues incarceration after engaging with a peer.

Additionally, as further documented in the SUD Independent Evaluation, the State observed positive outcomes in 14 of the 15 performance measures associated with Milestone 6, including initiation and engagement of alcohol and other drug dependence treatment and follow-up after SUD-related emergency department or inpatient stays.

SMI Milestone 1. Ensuring Quality of Care in Psychiatric Hospitals and Residential Settings

Per requirements in the IAC, all free-standing psychiatric hospitals must be licensed as a private mental health institution (PMHI) by the Indiana DMHA and renewed annually.⁵ Additionally, all entities must be accredited by an agency approved by DMHA. These licensure and certification requirements are intended to ensure quality of care in these settings.

MCEs that serve enrollees under the Demonstration are also responsible for implementing strategies for ensuring quality care at inpatient and residential facilities. During the course of the current Demonstration period, all MCEs have policies and procedures focused on quality of care relevant to SMI beneficiaries. These policies and procedures address a variety of services across the care continuum and apply to both IMD and non IMD settings. Examples include, but are not limited to:

- Requirements for regularly tracking and assessing quality of care (e.g., bi-monthly care reviews) as well as opportunities for members to report concerns.
- Internal workflows and defined roles/responsibilities for staff (e.g., care management) to facilitate safe discharge planning.
- Provider education focused on care standards.
- Verification of provider licensures and accreditation to ensure adequate provider networks who provide quality care.

SMI Milestone 2. Improving Care Coordination and Transitions to Community-Based Care

During the course of the Demonstration to date, the State has sought to improve care coordination and transitions to community-based care via multiple strategies. The State had planned to update the Medicaid Provider Manual to specifically require psychiatric hospitals to have protocols in place to: 1. assess for housing insecurity as part of the social work assessment and discharge planning processes and to refer to appropriate resources, and 2. ensure contact is made by the treatment setting with each discharged beneficiary within 72 hours of discharge and follow-up care is accessed; however, tactics and priorities shifted during the COVID-19 pandemic. While the Medicaid Provider Manual was not updated, the State instead added these protocols to the site visit quality investigation review process to ensure facilities have appropriate processes in place to meet identified standards. Additionally, FSSA continues to maintain an expectation of follow-up within 72-hours of discharge and MCEs generally maintain specific requirements for case management to follow-up with patients within 72 hours of discharge from a treatment setting.

Additionally, as part of the State's ongoing efforts, FSSA conducts annual Provider Availability Assessment surveys. In order to ensure adequate staffing and resources are available to ensure contact is made with the beneficiary within 72 hours of discharge and follow-up care is assessed, recruiting efforts are intensified in counties that are identified as not meeting U.S. Health Resources & Services Administration provider-to-member ratio standards.

SMI Milestone 3. Increasing Access to Continuum of Care Including Crisis Stabilization Services

⁵ Due to the PHE, during the CY2021 and CY2022 timeframe, DMHA was only performing critical unannounced site visits.

At the outset of the Demonstration period, the State had identified several steps it intended to take to ensure this milestone is met, including: identifying geographic provider shortage areas and conducting targeted outreach to non-Medicaid enrolled providers in those areas; establishing crisis stabilization unit (CSU) pilots in the northern and southern parts of the State; exploring piloting mobile response stabilization services (MRSS); and expanding use of OpenBeds beyond SUD to include tracking availability of psychiatric inpatient and crisis stabilization beds.

The State has made progress on multiple steps during the Demonstration period, including increasing the number of beneficiaries receiving crisis services as well as the number of crisis stabilization services. Specifically, two certified mental health clinics were awarded contracts to operate CSU pilots. The State plans to use the findings from the CSU pilot to inform future crisis stabilization services planning. Additionally, the State is regularly monitoring provider access, including identifying geographic provider shortage areas. DMHA then conducts additional outreach to non-enrolled providers, as necessary, in geographic shortage areas. Despite the progress, opportunities to increase access to crisis care still exist, particularly in certain areas of the state, so increasing availability and access to crisis stabilization services across the state remains an ongoing multi-year strategy.

Due to the pressures on the health care infrastructure from the PHE and uncertainties about the trajectory of the epidemic, the initial MRSS pilot was delayed indefinitely. However, in September 2023, the State received CMS approval of a Medicaid state plan amendment to incorporate mobile crisis teams as enrolled providers effective July 1, 2023. The State plans to evaluate the potential of a MRSS pilot as part of 988 and crisis system planning. Additionally, expansion of the OpenBeds platform beyond SUD inpatient, to include psychiatric inpatient and crisis stabilization beds, has not occurred. Indiana's contracted MCEs had used OpenBeds to track availability of psychiatric inpatient beds; however, due to challenges using the OpenBeds software for these purposes, the State is not pursuing the renewal of the OpenBeds contract. Instead, the State will pursue new monitoring software as part of the 988 initiative.

SMI Milestone 4. Earlier Identification and Engagement in Treatment, Including Through Increased Integration

As part of the State's efforts for earlier identification of and engagement in treatment for individuals with SMI during the Demonstration period, the State employed multiple strategies. Specifically, the State applied for and received the Substance Abuse and Mental Health Services Administration's (SAMHSA) Promoting Integration of Primary and Behavioral Health Care (PIPBHC) grant in an effort to ensure the financial sustainability of a physical health and behavioral health integration model. Additionally, as noted above in SMI Milestone 3, during the Demonstration period, two certified mental health clinics were awarded contracts to operate CSU pilots. Findings from the CSU pilot will inform future crisis stabilization services planning.

Although the State had initially planned to implement an MRSS pilot, this was indefinitely delayed during the PHE. However, as noted in above in SMI Milestone 3, the State received CMS approval of a Medicaid state plan amendment to incorporate mobile crisis teams as enrolled providers effective July 1, 2023. The State also plans to evaluate the potential of a MRSS pilot as part of 988 and crisis system planning. Similarly, the State's planned health homes SPA was not submitted due to shifting priorities as a result of the PHE. FSSA is currently reassessing priorities and will determine if health homes SPA will be planned for future implementation.

DESCRIPTION OF CURRENT PROGRAM

The State is seeking to maintain the existing delivery system, eligibility requirements, benefit coverage, and cost sharing as set forth during the current Demonstration period for the SUD/SMI 1115. Additional modifications necessary to provide coverage to former foster youth are outlined below.

Delivery System

This Demonstration Extension will not modify current FFS and managed care delivery system arrangements. IMD benefits under the Demonstration will be available to both enrollees in FFS and any of the State's managed care programs, including: (1) Hoosier Healthwise; (2) Healthy Indiana Plan; (3) Hoosier Care Connect; and (4) PathWays for Aging. Former foster youth eligible under the Demonstration may opt to enroll in Hoosier Care Connect, in accordance with the State's 1915(b) waiver; those who do not voluntarily enroll will be served in FFS.

Eligibility

Under the Demonstration Extension, there is no change to Medicaid eligibility requirements associated with the SUD/SMI 1115. Standards and methodologies for eligibility remain set forth under the State Plan. All enrollees eligible for a mandatory or optional eligibility group approved for full Medicaid coverage, and between the ages of 21 through 64, will be eligible for the SUD and SMI benefits authorized through the Demonstration. Only the eligibility groups outlined in Table 1 below will continue to be ineligible for SUD or SMI services under the Demonstration as they receive limited Medicaid benefits only.

Table 1. Eligibility Groups Excluded from SUD/SME Demonstration

| Eligibility Group Name | Social Security Act and CFR Citations |
|--|---------------------------------------|
| Limited Services Available to Certain Aliens | 42 CFR §435.139 |
| Qualified Medicare Beneficiaries (QMB) | §1902(a)(10)(E)(i) §1905(p) |
| Specified Low Income Medicare Beneficiaries (SLMB) | §1902(a)(10)(E)(iii) |
| Qualified Individual (QI) Program | §1902(a)(10)(E)(iv) |
| Qualified Disabled Working Individual (QDWI) Program | §1902(a)(10)(E)(ii) §1905(s) |
| Family Planning | 1902(a)(10)(A)(ii)(XXI) |

The population affected by the new Former Foster Youth provision of the Demonstration is former foster care youth under age 26 who turned 18 years of age before January 1, 2023, who were in foster care under the responsibility of another state when they turned 18 and were enrolled in Medicaid at that time. The state seeks to extend state plan coverage to this population under the Demonstration.

Benefits

The State will continue to provide the behavioral health benefits outlined in Tables 2 and 3 over the

course of the Demonstration Extension term. In addition to continued operation of a comprehensive community-based behavioral health benefit package, extension of the Demonstration will permit the State to continue providing expanded access to behavioral health services in settings that qualify as an IMD. The State assures room and board will not be considered allowable costs for residential treatment services unless they qualify as inpatient facilities under section 1905(a) of the Social Security Act.

Table 2: Indiana SUD Benefits Coverage

| SUD Benefit | Medicaid Authority | Expenditure Authority |
|---|---------------------------|--|
| Early Intervention (Screening, Brief Intervention, and Referral to Treatment) | State Plan | N/A |
| Outpatient Services | State Plan | N/A |
| Intensive Outpatient Services | State Plan | N/A |
| Partial Hospitalization Treatment | State Plan | N/A |
| Residential Treatment | State Plan | Services provided to individuals in IMDs |
| Withdrawal Management | State Plan | Services provided to individuals in IMDs |
| Opioid Treatment Program Services | State Plan | Services provided to individuals in IMDs |
| Addiction Recovery Management Services | State Plan | Services provided to individuals in IMDs |

Table 3: Indiana Mental Health Benefits Coverage

| Benefit | Medicaid Authority | Expenditure Authority |
|---|---------------------------|--|
| Crisis Stabilization Services | State Plan | N/A |
| Outpatient Services | State Plan | N/A |
| Intensive Outpatient Treatment Services | State Plan | N/A |
| Inpatient Services | State Plan | Services provided to individuals in IMDs |
| Medicaid Rehabilitation Option (MRO) | State Plan | N/A |
| Adult Mental Health Habilitation | State Plan | N/A |
| Children’s Mental Health Wraparound | State Plan | N/A |

| Benefit | Medicaid Authority | Expenditure Authority |
|--|--------------------|-----------------------|
| Behavioral and Primary Healthcare Coordination | State Plan | N/A |

Additionally, Former Foster Youth will be eligible for State Plan benefits.

Cost Sharing

This Demonstration Extension will not modify current cost sharing arrangements. Cost-sharing requirements under the Demonstration will not differ from the approved State Plan requirements; only individuals enrolled in HIP have copayment requirements.

WAIVER AND EXPENDITURE AUTHORITIES

FSSA requests continuation of waiver and expenditure authority as approved in the current SMI and SUD portions of the HIP Demonstration. The State does not request any modifications to the waiver or expenditure authorities specifically needed to operate the SMI or SUD portions of the Demonstration. Through this submission, the State requests new authority to maintain coverage for Former Foster Youth, as indicated below.

Waiver Authorities

The State currently does not require any waivers to operate the SUD/SMI 1115 and does not request any waivers during the extension period.

Expenditure Authorities

Under the authority of Section 1115(a)(2) of the Act, the State is requesting continuation of the currently approved expenditure authorities, as well as addition of new authority for Former Foster Youth, listed in Table 4, so that the items identified below, which are not otherwise included as expenditures under Section 1903 of the Act, shall be regarded as expenditures under Medicaid § 1115.

Table 4. Expenditure Authority Requests

| Expenditure Authority | Use for Expenditure Authority | Currently Approved Expenditure Authority? | Newly Requested Expenditure Authority? |
|---|---|---|--|
| Residential and Inpatient Treatment for Individuals with SUD | Expenditures for otherwise covered services furnished to otherwise eligible individuals who are primarily receiving treatment and withdrawal management services for SUD who are short-term residents in facilities that meet the definition of an IMD. | Yes | No |
| Inpatient Treatment for Individuals with SMI | Expenditures for Medicaid state plan services furnished to eligible | Yes | No |

| Expenditure Authority | Use for Expenditure Authority | Currently Approved Expenditure Authority? | Newly Requested Expenditure Authority? |
|---|---|---|--|
| | individuals who are primarily receiving short-term treatment services for a SMI in facilities that meet the definition of an IMD. | | |
| Eligibility for full state plan benefits for former foster care youth who are under age 26, who turned 18 prior to January 1, 2023, who were enrolled in Medicaid in another state when aging out of foster care, and are now applying for Medicaid in Indiana | Expenditures to extend eligibility for full Medicaid state plan benefits to former foster care youth who are under age 26, who turned 18 prior to January 1, 2023, who were in foster care under the responsibility of another state or tribe on the date of attaining 18 years of age, were enrolled in Medicaid on the date of aging out of foster care, and are now applying for Medicaid in Indiana. This will allow the State to align eligibility for these individuals with FFCC eligibility under Section 1002(a) of the SUPPORT Act. | No | Yes |

QUALITY ASSURANCE MONITORING

FSSA has a robust oversight plan for continually monitoring quality of and access to care provided under the Demonstration. This includes strategies such as an annual external quality review (EQR) of MCEs conducted in accordance with 42 CFR § 438.358, and oversight through regular monitoring and reporting requirements.

External Quality Review

Multiple components of the most recently conducted EQR included behavioral health studies relevant to the goals and outcome of the Demonstration. For example, in accordance with 42 CFR § 438.68, the State’s EQRO conducts an annual network adequacy review. The 2023 review included an assessment of behavioral health network adequacy, including enrollee access to psychiatrists. As outlined in Table 5, each MCE was determined to have one psychiatrist within 30 miles.

Table 5. Percentage of MCE Enrollees with Sufficient Access to Psychiatrist

| MCE | HHW | HIP | HCC | All Programs |
|------------|------|------|------|--------------|
| Anthem | 100% | 100% | 100% | 100% |
| CareSource | 100% | 100% | 100% | 100% |
| MDwise | 100% | 100% | N/A | 100% |
| MHS | 100% | 100% | 100% | 100% |

Additionally, the 2023 review included performance validation for two SUD-related administrative measures:

1. Total SUD Grievance - Calendar Year 2022
2. Total SUD Expedited and Non-Expedited Appeals - Calendar Year 2022

Each MCE was determined to meet all specifications for the measures and were deemed as fully compliant.

Non-EQR Reporting and Initiatives

Beyond EQR, FSSA employs a robust plan for continually monitoring the performance of the MCEs delivering services under the Demonstration. For example, FSSA has developed a Quality Strategy in accordance with 42 CFR § 438.340. The 2024 Quality Strategy incorporates Five Pillars of Well Being (Five Pillars), each with its own goals and objectives. MCEs are expected to incorporate these Five Pillars into their quality improvement program. The Five Pillars were developed based on review of state and national data, state health initiatives, input from external partners, and needs of the population. The goals and objectives for each pillar are measurable, take into consideration the health status of all populations in the state served by the MCEs, and were determined based on review of quality metrics (e.g., HEDIS®), pay for outcomes (P4Os), EQR, consumer surveys (e.g., CAHPS), and trends in health care data within the state. To support the program goals and objectives, FSSA also aligns with the Medicaid and Child and Adult Core Sets.

One of the Five Pillars is related to behavioral health and aligns with the goals of the Demonstration. Specifically, the State has established the goal of improving health outcomes through preventive care and behavioral health condition management. Table 6 outlines the behavioral health objectives, associated quality measures, statewide performance, and target objectives.

Table 6. Behavioral Health Quality Strategy Goals and Objectives

| Objective | Quality Measures (HEDIS) | Statewide Performance Baseline (2022) | Statewide Performance Target Objective (2024) |
|--|--|---------------------------------------|---|
| Improve care coordination and follow up for member with behavioral health and SUD | Follow-Up After Emergency Department Visit | 30 Day | 27.77 |
| | Department Visit for Alcohol and Other Drug Abuse or Dependence (FUA-AD) | 7 Day | 17.78 |
| | Follow-Up after Hospitalization for Mental Illness (FUH) | 30 Day | 67.47 |
| | | 7 Day | 43.44 |
| | Follow-Up After Emergency Department Visit | 30 Day | 61.58 |
| | | 7 Day | 47.14 |
| | | | 30.94 |
| | | | 20 |
| | | | 65.38 |
| | | | 44.29 |
| | | | 64.29 |
| | | | 51.29 |

| Objective | Quality Measures (HEDIS) | | Statewide Performance Baseline (2022) | Statewide Performance Target Objective (2024) |
|---|---|--|---------------------------------------|---|
| | for Mental Illness (FUM) | | | |
| | Initiation and Engagement of Alcohol and other Drug (IET) | Initiation of AOD - Alcohol Abuse or Dependence | 31.18 | 33.80 |
| | | Engagement of AOD - Alcohol Abuse or Dependence | 9.63 | 10.89 |
| | | Initiation of AOD - Opioid Abuse or Dependence | 55.66 | 60.91 |
| | | Engagement of AOD - Opioid Abuse or Dependence | 34.60 | 36.31 |
| | | Initiation of AOD - Other Drug Abuse or Dependence | 43.70 | 45.48 |
| | | Engagement of AOD - Other Drug Abuse or Dependence | 14.21 | 14.89 |
| | | Initiation of AOD | 41.44 | 44.32 |
| | | Engagement of AOD | 14.78 | 16.94 |
| | Adherence to Antipsychotic Medications for Individuals with Schizophrenia (SAA-AD) | 52.90 | 57.79 | |
| Improve the use of preventive behavioral health screenings and follow up to screenings | Metabolic Monitoring for Children and Adolescents on Antipsychotic (APM) | Blood Glucose Testing | 20.17 | 45.50 |
| | | Cholesterol Testing | 26.81 | 30.36 |
| | | Blood Glucose and Cholesterol Testing | 24.39 | 28.47 |
| | Diabetes Screening for Persons with Schizophrenia or Bipolar Disorder Using Antipsychotic Medications (SSD) | 78.80 | 79.05 | |
| | Cardiovascular Monitoring for Persons with Cardiovascular Disease and Schizophrenia (SMC) | Not Reported | 73.42 | |
| | Diabetes Monitoring for Persons with Diabetes and Schizophrenia (SMD) | 62.50 | 64.87 | |

Several P4O measures are also aligned with the goals of the Demonstration. Tables 7 – 9 outline MCE performance, by managed care program.

Table 7. Hoosier Healthwise P4O Behavioral Health Measure Overview

| Anthem | | | MHS | | | MDwise | | | CareSource | | |
|---|--------------------|--------------------|-------------------|--------------------|--------------------|-------------------|--------------------|--------------------|-------------------|-------------------|--------------------|
| 2020 | 2021 | 2022 | 2020 | 2021 | 2022 | 2020 | 2021 | 2022 | 2020 | 2021 | 2022 |
| Prenatal Depression Screening and Follow-up (PND-E) | | | | | | | | | | | |
| Target Threshold: NCQA 50th, 75th, 90th | | | | | | | | | | | |
| No data available | Screening 1.59 | Screening 1.39 | No data available | Screening 2.95 | Screening 0.91 | No data available | Did not obtain P4O | Did not obtain P4O | No data available | Screening 6.13 | Screening 16.52 |
| | Follow-up 50.00 | Follow-up 66.67 | | Follow-up 33.33 | Follow-up 60.00 | | Follow-up 60.00 | 0% | | 0% | Follow-up 44.44 |
| | 0% | 0% | | 0% | 0% | | 100% | 100% | | 0% | 0% |
| | 100% | 100% | | 100% | 100% | | | | | 100% | 100% |

Table 8. Healthy Indiana Plan P4O Behavioral Health Measure Overview

| Anthem | | | MHS | | | MDwise | | | CareSource | | |
|---|--------------------------------|-------|--------------------------------|--------------------------------|-------|--------------------------------|--------------------------------|-------|--------------------------------|--------------------------------|-------|
| 2020 | 2021 | 2022 | 2020 | 2021 | 2022 | 2020 | 2021 | 2022 | 2020 | 2021 | 2022 |
| Follow-up After Emergency Department Visit for Alcohol and Other Drug Abuse Dependence (FUA) 7-days | | | | | | | | | | | |
| Target Threshold: NCQA 50th, 75th, 90th | | | | | | | | | | | |
| 17.63 | 16.58 | 28.19 | 14.63 | 14.86 | 27.26 | 15.1 | 18.78 | 27.29 | 15.82 | 15.19 | 27.84 |
| 75 th Percentile | 50 th Percentile | N/A | 50 th Percentile | 50 th Percentile | N/A | 50 th Percentile | 75 th Percentile | N/A | 50 th Percentile | 50 th Percentile | N/A |
| Follow-up After Emergency Department Visit for Alcohol and Other Drug Abuse Dependence (FUA) 30-days | | | | | | | | | | | |
| Target Threshold: NCQA 50th, 75th, 90th | | | | | | | | | | | |
| 26.23 | 24.66 | 40.02 | 19.99 | 22.04 | 38.19 | 23.21 | 25.50 | 38.50 | 21.74 | 22.30 | 40.33 |
| 75 th Percentile | 50 th Percentile | N/A | 25 th Percentile | 50 th Percentile | N/A | 50 th Percentile | 50 th Percentile | N/A | 50 th Percentile | 50 th Percentile | N/A |
| Prenatal Depression Screening and Follow-up (PND-E) | | | | | | | | | | | |
| Target Threshold: NCQA 50th, 75th, 90th | | | | | | | | | | | |

| Anthem | | | MHS | | | MDwise | | | CareSource | | |
|-------------------|--------------------|--------------------|-------------------|--------------------|--------------------|-------------------|-------------------|-------------------|-------------------|--------------------|--------------------|
| 2020 | 2021 | 2022 | 2020 | 2021 | 2022 | 2020 | 2021 | 2022 | 2020 | 2021 | 2022 |
| No data available | Screening 1.78 | Screening 2.50 | No data available | Screening 2.50 | Screening 1.22 | No data available | No data available | No data available | No data available | Screening 5.33 | Screening 15.72 |
| | Follow-up 54.76 | Follow-up 47.92 | | Follow-up 47.92 | Follow-up 52.17 | | | | | Follow-up 52.63 | Follow-up 40.00 |
| | 0% 100% | 0% 100% | | 0% 100% | 0% 100% | | | | | 0% 100% | 0% 100% |

Table 9. Hoosier Care Connect P4O Behavioral Health Measure Overview

| Anthem | | | MHS | | |
|---|-----------------------------|-------|-----------------------------|-----------------------------|-------------------|
| 2020 | 2021 | 2022 | 2020 | 2021 | 2022 |
| Follow-up After Hospitalization for Mental Illness – 30 days | | | | | |
| Target Threshold: NCQA 25th, 50th, 75th | | | | | |
| No data available | 64.04 | 42.16 | No data available | 58.63 | No data available |
| | 50 th Percentile | N/A | | 25 th Percentile | |
| Follow-up After Hospitalization for Mental Illness – 7 days | | | | | |
| Target Threshold: NCQA 25th, 50th, 75th | | | | | |
| 44.73 | 45.93 | 28.54 | 36.54 | 33.89 | 23.08 |
| 50 th Percentile | 50 th Percentile | N/A | 25 th Percentile | 25 th Percentile | N/A |

DEMONSTRATION FINANCING AND BUDGET NEUTRALITY

Please refer to Attachment 3 for documentation prepared by the State’s actuary for a detailed analysis of the budget neutrality impact. Summary historic and projected expenditures are detailed below.

SUD Waiver/SMI Waiver

Tables 10 and 11 outline the historic and projected expenditures and enrollment for the five-year extension request of the SUD/SMI expenditure authorities, by Medicaid eligibility group (MEG).

Table 10. SMI/SUD Historic Expenditures and Enrollment by Demonstration Year (DY)

| | DY 7 2021 | DY 8 2022 | DY 9 2023 | DY 10 2024 | DY 11 2025 | TOTAL |
|-----------------------------|--------------|--------------|--------------|---------------|---------------|----------------------|
| SUD MEG | | | | | | |
| Expenditures | \$46,995,425 | \$47,282,382 | \$65,250,328 | \$78,614,016 | \$86,589,408 | \$324,731,559 |
| Member Months | 29,192 | 36,774 | 41,943 | 41,304 | 43,369 | |
| SMI FFS MEG | | | | | | |
| Expenditures | \$11,282,470 | \$14,011,932 | \$21,837,187 | \$28,150,543 | \$30,917,742 | \$106,199,874 |
| Member Months | 1,933 | 1,906 | 2,324 | 2,753 | 2,891 | |
| SMI Managed Care MEG | | | | | | |
| Expenditures | \$1,889,090 | \$3,266,435 | \$3,515,180 | \$3,937,435 | \$4,324,484 | \$16,932,624 |
| Member Months | 2,659 | 3,158 | 3,192 | 3,356 | 3,524 | |

Table 11. SMI/SUD Projected Expenditures and Enrollment by Demonstration Year (DY)

| | DY 12 2026 | DY 13 2027 | DY 14 2028 | DY 15 2029 | DY 16 2030 | TOTAL |
|-----------------------------|---------------|---------------|---------------|---------------|---------------|----------------------|
| SUD MEG | | | | | | |
| Expenditures | \$157,137,134 | \$173,243,905 | \$191,001,280 | \$210,578,885 | \$232,163,138 | \$964,124,342 |
| Member Months | 45,538 | 47,815 | 50,205 | 52,715 | 55,351 | |
| SMI FFS MEG | | | | | | |
| Expenditures | \$30,717,686 | \$33,866,243 | \$37,337,527 | \$41,164,638 | \$45,384,017 | \$188,470,111 |
| Member Months | 3,035 | 3,187 | 3,347 | 3,514 | 3,690 | |
| SMI Managed Care MEG | | | | | | |
| Expenditures | \$4,846,627 | \$5,343,422 | \$5,891,118 | \$6,494,960 | \$7,160,693 | \$29,736,820 |
| Member Months | 3,700 | 3,885 | 4,079 | 4,283 | 4,497 | |

Former Foster Youth

Tables 12 and 13 outline the historic and projected enrollment and expenditures for the newly requested former foster youth expenditure authority. The state proposes to create two MEGs for this population:

- (1) Former Foster Youth: FFS; and
- (2) Former Foster Youth: Managed Care.

Table 12. Former Foster Youth Historic Expenditures and Enrollment

| | 2019 | 2020 | 2021 | 2022 | 2023 | TOTAL |
|----------------------------|------|------|------|------|------|-------|
| Fee-for-Service MEG | | | | | | |

| | 2019 | 2020 | 2021 | 2022 | 2023 | TOTAL |
|-------------------------|----------|-----------|-----------|-----------|-----------|--------------------|
| Expenditures | \$79,873 | \$192,011 | \$423,255 | \$360,083 | \$218,532 | \$1,273,755 |
| Member Months | 273 | 713 | 1,178 | 1,388 | 693 | |
| Managed Care MEG | | | | | | |
| Expenditures | \$12,193 | \$51,213 | \$173,195 | \$144,011 | \$68,629 | \$449,241 |
| Member Months | 37 | 148 | 296 | 328 | 151 | |

The former foster youth population enrolled in the Demonstration is anticipated to decline each year as eligible members gradually attain age 26 and age out of the program. The last cohort of former foster youth who attained age 18 during calendar year (CY) 2022 will attain age 26 during CY 2030. The declining enrollment is projected starting with actual CY 2023 enrollment and reduced by one-eighth each year.

Table 13. Projected Former Foster Youth Expenditures and Enrollment

| | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | TOTAL |
|----------------------------|-----------|-----------|-----------|-----------|----------|----------|------------------|
| Fee-for-Service MEG | | | | | | | |
| Expenditures | \$180,703 | \$158,114 | \$132,815 | \$104,594 | \$73,216 | \$38,439 | \$687,882 |
| Member Months | 520 | 433 | 347 | 260 | 173 | 87 | |
| Managed Care MEG | | | | | | | |
| Expenditures | \$60,723 | \$53,133 | \$44,633 | \$35,149 | \$24,605 | \$12,920 | \$231,162 |
| Member Months | 113 | 94 | 76 | 57 | 38 | 19 | |

EVALUATION

Burns & Associates, a division of Health Management Associates (HMA-Burns), the State's SUD independent evaluator, completed the SUD Interim Evaluation in accordance with the Demonstration special terms and conditions (STCs) and the evaluation design approved by CMS on March 21, 2023. Overall, data available for the Interim Evaluation Report demonstrate that in several key areas the Demonstration was effective in achieving its goals and objectives. These include:

- Indiana met the specific aim to reduce the rate of overdose deaths during the current Demonstration period.
- Emergency Department visits per 1,000 Medicaid members have been found to be significant and decreasing at approximately three times the rate in the second Demonstration period (January 2021 to December 2023) compared to the initial demonstration (February 2018 to December 2020) and there is a significant difference between the two intervention trends.
- When considering the six milestones identified by CMS for SUD demonstrations, Indiana saw success in each milestone over what was observed in the Summative Evaluation of the initial Demonstration (February 2018 through December 2020).
- Among 55 measures reviewed, there were 46 where the desired outcome was met, and 25 measures that had an outcome that was statistically significant.

The Lewin Group, Inc. (Lewin), the State's SMI independent evaluator, completed the SMI Interim Evaluation in accordance with the Demonstration STCS and the evaluation design approved by CMS on

March 21, 2023. Overall, data available for the Interim Evaluation Report demonstrates effectiveness in achieving goals and objectives of the Demonstration. Data shows:

- Emergency department utilization reduction for individuals with SMI compared to the pre-Demonstration time period, particularly when adjusting for certain beneficiary characteristics.
- Adjusting for select beneficiary characteristics, 30-day readmission rates were significantly lower for the current Demonstration extension period (2021-2023) relative to the pre-demonstration period (2018-2019).
- While mental health-related acute inpatient or observational stays remained fairly stable, or slightly increased, the proportion of beneficiaries on the SMI beneficiary roster for the Demonstration having at least one MH-related stay decreased from 13.0% in 2018 to 5.4% in 2023.
- The State increased the number of federally qualified health center (FQHC) and community mental health center (CMHC) sites throughout the Demonstration period as part of continued efforts to prioritize actions to increase integration of primary and behavioral health care.

Evaluations During the Extension Period

FSSA does not propose any changes to the currently approved Evaluation Designs for the SUD or SMI portions of the Demonstration. Continuation of the current plans will permit additional study of outcomes over an extended period of time. Tables 14 and 15 outline the hypotheses, research questions, and analytic approaches that will continue to be studied during the extension for SUD and SMI, respectively.

Table 14. SUD Evaluation Components

| Hypotheses | Primary Research Question | Analytic Approach |
|--|--|---|
| The demonstration will decrease the rate of overdose deaths in Indiana since prior to the initial demonstration period. | Is the rate of drug overdose deaths in Indiana impacted by the demonstration? | <ul style="list-style-type: none"> • Chi-square • Desk reviews |
| The demonstration will increase the percentage of Medicaid beneficiaries who initiate and engage in treatment for OUD and other SUDs since the initial demonstration period. | Does the demonstration increase the percentage of beneficiaries who initiate and engage in treatment for OUD and other SUDs? | <ul style="list-style-type: none"> • Chi-square • Interrupted Time Series • Desk reviews • Facilitated interviews |
| The demonstration will decrease the rate of emergency department visits among Medicaid beneficiaries with SUD since the initial demonstration period. | Does the demonstration decrease the rate of emergency department visits among Medicaid beneficiaries with SUD? | <ul style="list-style-type: none"> • Interrupted Time Series • Desk reviews |
| The demonstration will decrease the rate of hospital readmissions among Medicaid beneficiaries with SUD since prior to the initial demonstration period. | Does the demonstration decrease the rate of hospital readmissions among Medicaid beneficiaries with SUD? | <ul style="list-style-type: none"> • Chi-square • Desk reviews |

| Hypotheses | Primary Research Question | Analytic Approach |
|--|---|--|
| The demonstration will increase the percentage of Medicaid beneficiaries who receive care for comorbid conditions since prior to the initial demonstration period. | Does the demonstration increase the percentage of Medicaid beneficiaries with SUD who receive care for comorbid conditions? | <ul style="list-style-type: none"> • Interrupted Time Series • Desk reviews |
| The demonstration will improve access to community-based services for SUD treatment since the initial demonstration period. | Does the demonstration increase the level of access to community-based SUD treatment for Medicaid beneficiaries with SUD? | <ul style="list-style-type: none"> • Onsite reviews • Desk reviews • Facilitated interviews |
| Care coordination and transitions between ASAM levels of care will improve during the demonstration period. | Does the demonstration improve transitions between ASAM levels of care? | <ul style="list-style-type: none"> • Onsite reviews • Desk reviews • Facilitated interviews |
| The demonstration will further rebalance Medicaid expenditures for treatment of SUD more toward community-based care since the initial demonstration period. | Does the demonstration rebalance Medicaid expenditures for SUD treatment away from institutional toward community-based care? | <ul style="list-style-type: none"> • Interrupted Time Series • Desk reviews |

Table 15. SMI Evaluation Components

| Hypotheses | Primary Research Question | Analytic Approach |
|--|---|---|
| The SMI demonstration will result in reductions in utilization and length of stay in EDs among Medicaid beneficiaries with SMI while awaiting mental health treatment. | Does the SMI demonstration result in reductions in utilization and length of stay in EDs among Medicaid beneficiaries with SMI while awaiting mental health treatment? | <ul style="list-style-type: none"> • Quantitative Analysis using Member Eligibility, Application, and Enrollment Data and Claims/Encounter Data • Qualitative Analysis - Key Informant Interviews |
| The SMI demonstration will result in reductions in preventable readmissions to acute care hospitals and residential settings. | Does the SMI demonstration result in reductions in preventable readmissions to acute care hospitals and residential settings (including, short-term inpatient and residential admissions to both IMDs and | <ul style="list-style-type: none"> • Quantitative Analysis using Member Eligibility, Application, and Enrollment Data; Claims/Encounter Data; and State administrative data |

| Hypotheses | Primary Research Question | Analytic Approach |
|---|---|---|
| | non-IMD acute care hospitals, critical access hospitals, and residential settings)? | <ul style="list-style-type: none"> Qualitative Analysis - Key Informant Interviews |
| The SMI demonstration will result in improved availability of crisis stabilization services throughout the state. | To what extent does the SMI/SED demonstration result in improved availability of crisis outreach and response services (including crisis call centers, mobile crisis units, crisis observation/assessment centers, and coordinated community crisis response teams) throughout the state? | <ul style="list-style-type: none"> Quantitative Analysis using State administrative data Qualitative Analysis - Key Informant Interviews |
| Access of beneficiaries with SMI to community-based services to address their chronic mental health care needs will improve under the demonstration, including through increased integration of primary and behavioral health care. | Does the demonstration result in improved access of beneficiaries with SMI to community-based services to address their chronic mental health care needs? | <ul style="list-style-type: none"> Quantitative Analysis using Member Eligibility, Application, and Enrollment Data; Claims/Encounter Data; and State administrative data Qualitative Analysis - Key Informant Interviews |
| The SMI demonstration will result in improved care coordination, especially continuity of care in the community following episodes of acute care in hospitals and residential treatment facilities. | Does the SMI demonstration result in improved care coordination for beneficiaries with SMI? | <ul style="list-style-type: none"> Quantitative Analysis using Member Eligibility, Application, and Enrollment Data and Claims/Encounter Data Qualitative Analysis - Key Informant Interviews |

As described below, the State will develop an evaluation plan to study the impact of the new Former Foster Youth component of the Demonstration.

Former Foster Youth

The impact of the Former Foster Youth component of the Demonstration will be measured through an independent evaluation conducted over the course of Demonstration Extension period. The hypotheses under consideration are outlined in Table 16.

Table 16. Former Foster Youth Hypotheses Under Consideration

| Evaluation Question | Hypotheses | Measures | Data Sources |
|---|---|--|---------------------------|
| <i>Demonstration Goal: Maintain overall coverage of Former Foster Youth in Indiana</i> | | | |
| How does the Demonstration population utilize services? | The Demonstration will maintain or improve access to primary and preventive care for Former Foster Youth. | Adults' Access to Preventive/ Ambulatory Health Services (AAP) Acute Hospital Utilization (AHU) Emergency Department Utilization (EDU) Oral Evaluation, Dental Services (OED) | Claims and Encounter Data |
| <i>Demonstration Goal: Improve health outcomes for the Former Foster Youth population</i> | | | |
| Did health outcomes improve for the Demonstration population? | Enrollees will have improved health outcomes under the Demonstration. | Plan All-Cause Readmissions (PCR) Cervical Cancer Screening (CCS-AD) Number of beneficiaries with appropriate follow-up care for hospitalizations | Claims and Encounter Data |

PUBLIC NOTICE AND TRIBAL CONSULTATION

The State is conducting public notice in accordance with 42 CFR § 431.408. A summary of comments received and any applicable waiver updates in response to comments will be completed pending completion of the public and tribal notice periods.

Tribal Notice

The State is conducting tribal notice in accordance with 42 CFR § 431.408(b). On **October 21**, 2024, notice was issued to Indiana's federally recognized tribe, the Pokagon Band of Potawatomi. Additionally, FSSA offered to schedule a phone or in-person consultation to discuss the program in further detail. Issues raised during the tribal comment period and any applicable waiver updates in response will be completed pending completion of the tribal comment period.

ATTACHMENT 1 – SUD INTERIM EVALUATION REPORT

A copy of the SUD Interim Evaluation Report completed by HMA Burns is attached and is available at www.in.gov/fssa/hip/newsroom/public-notice/.

DRAFT

ATTACHMENT 2 – SMI INTERIM EVALUATION REPORT

A copy of the SMI Interim Evaluation Report completed by Lewin is attached and is available at www.in.gov/fssa/hip/newsroom/public-notice/.

DRAFT

ATTACHMENT 3 – BUDGET NEUTRALITY

A copy of the budget neutrality documentation completed by the State’s actuary is attached and is available at www.in.gov/fssa/hip/newsroom/public-notice/.

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OFFICE OF THE SECRETARY OF FAMILY AND SOCIAL SERVICES

Notice of Public Hearing

Pursuant to 42 CFR § 431.408, the Indiana Family and Social Services Administration (FSSA), Office of Medicaid Policy and Planning (OMPP), is providing public notice of its intent to submit an application to the Centers for Medicare and Medicaid Services (CMS) under § 1115 of the Social Security Act seeking a five-year extension of the substance use disorder (SUD) and serious mental illness (SMI) provisions of the Healthy Indiana Plan 2.0 (HIP 2.0) Demonstration. Collectively, these provisions will be referred to as the SUD/SMI 1115. The current Demonstration is authorized through December 31, 2025. Additionally, the State will seek new authority under this submission to provide coverage to Indiana residents who are former foster care youth under age 26 who turned 18 years of age before January 1, 2023, and were in foster care under the responsibility of another state when they turned 18 and were enrolled in Medicaid at that time (Former Foster Youth). The State is seeking a July 1, 2025 effective date for the Former Foster Youth authority. The complete application, full public notice, and applicable attachments are available at www.in.gov/fssa/hip/newsroom/public-notices/

This notice provides details about the waiver extension and serves to open the 30-day public comment period, which runs from October 30, 2024, to November 29, 2024. In addition to the 30-day public comment period in which the public will be able to provide written comments to the FSSA via US postal service or electronic mail, the FSSA will host two public hearings in which the public may provide verbal comments. The November 15th hearing will be livestreamed on the FSSA YouTube channel to allow for both in-person and virtual attendance. Hearings will be held at the following dates, times, and locations:

Hearings will be held as follows:

(1) **Thursday, November 14, 2024**

Indiana Commission to Combat Substance Use Disorder
Indiana State Library
History Reference Room 211
315 West Ohio St.
Indianapolis, IN 46202
10:00 a.m. EST

(2) **Friday, November 15, 2024**

Indiana State Government Center South
Conference Room 1 – Wabash Hall
302 West Washington St.
Indianapolis, IN 46204
11:00 a.m. – 12:00 p.m. EST

<https://www.youtube.com/@FSSAIndiansvideos/streams>

Instructions for making comments as a virtual attendee will be provided during the hearing.

FSSA OMPP will also accept written public comments until 5:00 p.m. EST on November 29, 2024. Written comments may be sent via email to: INMedicaidGA@fssa.IN.gov. Please include "SUD/SMI 1115 Extension" in the subject line. Additionally, comments may be mailed to:

Family and Social Services Administration
Office of Medicaid Policy and Planning
Attention: Madison May Gruthusen
402 W. Washington St., W374
Indianapolis, IN 46207-7083

Daniel Rusyniak, M.D.,
Secretary
Family and Social Services Administration

ATTACHMENT 5 – PUBLIC NOTICE

In accordance with 42 CFR § 431.408(a), the Indiana Family and Social Services Administrations (FSSA), Office of Medicaid Policy and Planning (OMPP), is providing public notice of its intent to submit an application to the Centers for Medicare and Medicaid Services (CMS) under § 1115 of the Social Security Act seeking a five-year extension of the substance use disorder (SUD) and serious mental illness (SMI) provisions of the Healthy Indiana Plan 2.0 (HIP 2.0) Demonstration. Collectively, these provisions will be referred to as the SUD/SMI 1115. The current Demonstration is authorized through December 31, 2025. The complete application and applicable attachments are available at www.in.gov/fssa/hip/newsroom/public-notices/.

In addition to the 30-day public comment period in which the public will be able to provide written comments to the FSSA via US postal service or electronic mail, the FSSA will host two public hearings in which the public may provide written or verbal comments about the Demonstration Extension. Hearings will be held at the following dates, times, and locations:

(1) Thursday, November 14, 2024

Indiana Commission to Combat Substance Use Disorder
Indiana State Library
History Reference Room 211
315 West Ohio St.
Indianapolis, IN 46202
10:00 a.m. EST

(2) Friday, November 15, 2024

Indiana State Government Center South
Conference Room 1 – Wabash Hall
302 West Washington St.
Indianapolis, IN 46204
11:00 a.m. – 12:00 p.m. EST
<https://www.youtube.com/@FSSAIndianavideos/streams>

Instructions for making comments as a virtual attendee will be provided during the hearing.

Prior to finalizing the proposed extension, the FSSA OMPP will consider all the written and verbal public comments received. The comments will be summarized and addressed in the final version to be submitted to CMS.

This notice provides details about the Demonstration Extension and serves to open the 30-day public comment period. The comment period closes on November 29, 2024.

Extension Proposal Summary, Goals, and Objectives

The State seeks this extension to allow Indiana to continue expanded services for individuals with SUD, including coverage for services in inpatient and residential settings to include settings that are within the definition of an Institution for Mental Diseases (IMD), initially approved by CMS on February 1, 2018, and to continue the authority to reimburse for acute inpatient stays in an IMD for individuals with an SMI, initially approved by CMS on December 20, 2019.

Additionally, the State will seek new authority under this submission to provide coverage to Indiana residents who are former foster care youth under age 26 who turned 18 years of age before January 1, 2023, and were in foster care under the responsibility of another state when they turned 18 and were enrolled in Medicaid at that time (Former Foster Youth). The State is seeking a July 1, 2025 effective date for the Former Foster Youth authority.

Indiana seeks to achieve the following goals for the SUD component of the SUD/SMI 1115:

1. Increased rates of identification, initiation, and engagement in treatment;
2. Increased adherence to and retention in treatment;
3. Reductions in overdose deaths, particularly those due to opioids;
4. Reduced utilization of emergency department and inpatient hospital settings for treatment where the utilization is preventable or medically inappropriate through improved access to other continuum of care services;
5. Fewer readmissions to the same or higher level of care where the readmission is preventable or medically inappropriate; and
6. Improved access to care for physical health conditions among beneficiaries.

Indiana seeks to achieve the following goals for the SMI component of the SUD/SMI 1115:

1. Reduced utilization and length of stay in emergency departments (EDs) among Medicaid beneficiaries with SMI while awaiting mental health treatment in specialized settings;
2. Reduced preventable readmissions to acute care hospitals and residential settings;
3. Improved availability of crisis stabilization services, including services made available through call centers and mobile crisis units, intensive outpatient services, as well as services provided during acute short-term stays in residential crisis stabilization programs, psychiatric hospitals, and residential treatment settings throughout the state;
4. Improved access to community-based services to address the chronic mental health care needs of beneficiaries with SMI, including through increased integration of primary and behavioral health care; and
5. Improved care coordination, especially continuity of care in the community following episodes of acute care in hospitals and residential treatment facilities.

Further, for the new Former Foster Youth component of the Demonstration, the State's goals are:

1. Maintaining overall coverage of Former Foster Youth in Indiana.
2. Improving health outcomes for this population.

Demonstration Eligibility

Under this Demonstration extension request, former foster care youth under age 26 who turned 18 years of age before January 1, 2023, who were in foster care under the responsibility of another state when they turned 18, and were enrolled in Medicaid at that time will become eligible for Medicaid benefits.

There are no other eligibility changes related to this Demonstration extension application. Standards and methodologies for eligibility remain set forth under the State Plan. All enrollees eligible for a mandatory or optional eligibility group approved for full Medicaid coverage, and between the ages of 21 through 64,

will be eligible for the SUD and SMI benefits authorized through the Demonstration. Only the eligibility groups outlined in Table 1 below will continue to ineligible for SUD or SMI services under the Demonstration as they receive limited Medicaid benefits only.

Table 1. Eligibility Groups Excluded from SUD/SME Demonstration

| Eligibility Group Name | Social Security Act and CFR Citations |
|--|--|
| Limited Services Available to Certain Aliens | 42 CFR §435.139 |
| Qualified Medicare Beneficiaries (QMB) | §1902(a)(10)(E)(i) §1905(p) |
| Specified Low Income Medicare Beneficiaries (SLMB) | §1902(a)(10)(E)(iii) |
| Qualified Individual (QI) Program | §1902(a)(10)(E)(iv) |
| Qualified Disabled Working Individual (QDWI) Program | §1902(a)(10)(E)(ii) §1905(s) |
| Family Planning | 1902(a)(10)(A)(ii)(XXI) |

Enrollment and Fiscal Projections

The SUD/SMI 1115 will not impact annual enrollment as no changes to Medicaid eligibility criteria are being implemented. Tables 2 and 3 provide historic and projected expenditures.

Table 2. SMI/SUD Historic Expenditures and Enrollment by Demonstration Year (DY)

| | DY 7 2021 | DY 8 2022 | DY 9 2023 | DY 10 2024 | DY 11 2025 | TOTAL |
|-------------------------|----------------------|----------------------|----------------------|-----------------------|-----------------------|----------------------|
| SUD | | | | | | |
| Expenditures | \$46,995,425 | \$47,282,382 | \$65,250,328 | \$78,614,016 | \$86,589,408 | \$324,731,559 |
| Member Months | 29,192 | 36,774 | 41,943 | 41,304 | 43,369 | |
| SMI FFS | | | | | | |
| Expenditures | \$11,282,470 | \$14,011,932 | \$21,837,187 | \$28,150,543 | \$30,917,742 | \$106,199,874 |
| Member Months | 1,933 | 1,906 | 2,324 | 2,753 | 2,891 | |
| SMI Managed Care | | | | | | |
| Expenditures | \$1,889,090 | \$3,266,435 | \$3,515,180 | \$3,937,435 | \$4,324,484 | \$16,932,624 |
| Member Months | 2,659 | 3,158 | 3,192 | 3,356 | 3,524 | |

Table 3. SMI/SUD Projected Expenditures and Enrollment by Demonstration Year (DY)

| | DY 12 2026 | DY 13 2027 | DY 14 2028 | DY 15 2029 | DY 16 2030 | TOTAL |
|----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|----------------------|
| SUD | | | | | | |
| Expenditures | \$157,137,134 | \$173,243,905 | \$191,001,280 | \$210,578,885 | \$232,163,138 | \$964,124,342 |
| Member Months | 45,538 | 47,815 | 50,205 | 52,715 | 55,351 | |
| SMI FFS | | | | | | |

| | DY 12 2026 | DY 13 2027 | DY 14 2028 | DY 15 2029 | DY 16 2030 | TOTAL |
|-------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Expenditures | \$30,717,686 | \$33,866,243 | \$37,337,527 | \$41,164,638 | \$45,384,017 | \$188,470,111 |
| Member Months | 3,035 | 3,187 | 3,347 | 3,514 | 3,690 | |
| SMI Managed Care | | | | | | |
| Expenditures | \$4,846,627 | \$5,343,422 | \$5,891,118 | \$6,494,960 | \$7,160,693 | \$29,736,820 |
| Member Months | 3,700 | 3,885 | 4,079 | 4,283 | 4,497 | |

The former foster youth population enrolled in the Demonstration is anticipated to decline each year as eligible members gradually attain age 26 and age out of the program. The last cohort of former foster youth who attained age 18 during calendar year (CY) 2022 will attain age 26 during CY 2030. The declining enrollment is projected starting with actual CY 2023 enrollment and reduced by one-eighth each year.

Table 4. Former Foster Youth Historic Expenditures and Enrollment

| | 2019 | 2020 | 2021 | 2022 | 2023 | TOTAL |
|------------------------|----------|-----------|-----------|-----------|-----------|--------------------|
| Fee-for-Service | | | | | | |
| Expenditures | \$79,873 | \$192,011 | \$423,255 | \$360,083 | \$218,532 | \$1,273,755 |
| Member Months | 273 | 713 | 1,178 | 1,388 | 693 | |
| Managed Care | | | | | | |
| Expenditures | \$12,193 | \$51,213 | \$173,195 | \$144,011 | \$68,629 | \$449,241 |
| Member Months | 37 | 148 | 296 | 328 | 151 | |

Table 5. Projected Former Foster Youth Expenditures and Enrollment

| | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | TOTAL |
|------------------------|-----------|-----------|-----------|-----------|----------|----------|------------------|
| Fee-for-Service | | | | | | | |
| Expenditures | \$180,703 | \$158,114 | \$132,815 | \$104,594 | \$73,216 | \$38,439 | \$687,882 |
| Member Months | 520 | 433 | 347 | 260 | 173 | 87 | |
| Managed Care | | | | | | | |
| Expenditures | \$60,723 | \$53,133 | \$44,633 | \$35,149 | \$24,605 | \$12,920 | \$231,162 |
| Member Months | 113 | 94 | 76 | 57 | 38 | 19 | |

Benefits

Through this Demonstration extension, all Medicaid enrollees ages 21-64, eligible for full Medicaid benefits, and with an SMI or SUD diagnosis will continue to be eligible for short term stays in an IMD. Former Foster Youth will receive all Medicaid benefits as outlined in the State Plan, which are comprehensive and include doctor visits, prescription drugs, preventive health services, mental health services, inpatient and emergency care, and more.

Cost Sharing

Current cost sharing will remain unchanged by this extension. Only individuals enrolled in the Healthy Indiana Plan have copayments. Former Foster Youth eligible under this Demonstration have no premium or copayment requirement.

Delivery System

This Demonstration extension will not modify current fee-for-service (FFS) and managed care delivery system arrangements. Benefits under the Demonstration will be available to both enrollees in FFS and any of the State’s managed care programs, including: (1) Hoosier Healthwise; (2) Healthy Indiana Plan; (3) Hoosier Care Connect; and (4) PathWays for Aging. Former foster youth eligible under the Demonstration may opt to enroll in Hoosier Care Connect.

Waiver and Expenditure Authority

There are currently no waiver authorities required to operate the Demonstration and the State is not requesting any waivers with this Demonstration Extension. The State is requesting the expenditure authorities outlined in Table 6, below.

Table 6. Expenditure Authority Requests

| Expenditure Authority | Use for Expenditure Authority | Currently Approved Expenditure Authority? | Newly Requested Expenditure Authority? |
|---|--|--|---|
| Residential and Inpatient Treatment for Individuals with SUD | Expenditures for otherwise covered services furnished to otherwise eligible individuals who are primarily receiving treatment and withdrawal management services for SUD who are short-term residents in facilities that meet the definition of an IMD. | Yes | No |
| Inpatient Treatment for Individuals with SMI | Expenditures for Medicaid state plan services furnished to eligible individuals who are primarily receiving short-term treatment services for a SMI in facilities that meet the definition of an IMD. | Yes | No |
| Eligibility for full state plan benefits for former foster care youth who are under age 26, who turned 18 prior to January 1, 2023, who were enrolled in Medicaid in another state when aging out of foster care, and are now applying for Medicaid in Indiana | Expenditures to extend eligibility for full Medicaid state plan benefits to former foster care youth who are under age 26, who turned 18 prior to January 1, 2023, who were in foster care under the responsibility of another state or tribe on the date of attaining 18 years of age, were enrolled in Medicaid on the date of aging out of foster care, and are now applying for Medicaid in Indiana. This will allow the State to align eligibility for these individuals with FFCC eligibility under Section 1002(a) of | No | Yes |

| Expenditure Authority | Use for Expenditure Authority | Currently Approved Expenditure Authority? | Newly Requested Expenditure Authority? |
|-----------------------|-------------------------------|---|--|
| | the SUPPORT Act. | | |

Hypotheses and Evaluations

The State proposes to continue the evaluation of the SMI and SUD portions of the Demonstration during the extension term in accordance with the current CMS-approved evaluation plans. Tables 7 and 8 outline the hypotheses and research questions that will continue during the extension term.

Table 7: SUD Evaluation Components

| Hypotheses | Primary Research Question | Analytic Approach |
|--|--|---|
| The demonstration will decrease the rate of overdose deaths in Indiana since prior to the initial demonstration period. | Is the rate of drug overdose deaths in Indiana impacted by the demonstration? | <ul style="list-style-type: none"> • Chi-square • Desk reviews |
| The demonstration will increase the percentage of Medicaid beneficiaries who initiate and engage in treatment for OUD and other SUDs since the initial demonstration period. | Does the demonstration increase the percentage of beneficiaries who initiate and engage in treatment for OUD and other SUDs? | <ul style="list-style-type: none"> • Chi-square • Interrupted Time Series • Desk reviews • Facilitated interviews |
| The demonstration will decrease the rate of emergency department visits among Medicaid beneficiaries with SUD since the initial demonstration period. | Does the demonstration decrease the rate of emergency department visits among Medicaid beneficiaries with SUD? | <ul style="list-style-type: none"> • Interrupted Time Series • Desk reviews |
| The demonstration will decrease the rate of hospital readmissions among Medicaid beneficiaries with SUD since prior to the initial demonstration period. | Does the demonstration decrease the rate of hospital readmissions among Medicaid beneficiaries with SUD? | <ul style="list-style-type: none"> • Chi-square • Desk reviews |
| The demonstration will increase the percentage of Medicaid beneficiaries who receive care for comorbid conditions since prior to the initial demonstration period. | Does the demonstration increase the percentage of Medicaid beneficiaries with SUD who receive care for comorbid conditions? | <ul style="list-style-type: none"> • Interrupted Time Series • Desk reviews |
| The demonstration will improve access to community-based services | Does the demonstration increase the level of access | <ul style="list-style-type: none"> • Onsite reviews |

| Hypotheses | Primary Research Question | Analytic Approach |
|--|---|--|
| for SUD treatment since the initial demonstration period. | to community-based SUD treatment for Medicaid beneficiaries with SUD? | <ul style="list-style-type: none"> • Desk reviews • Facilitated interviews |
| Care coordination and transitions between ASAM levels of care will improve during the demonstration period. | Does the demonstration improve transitions between ASAM levels of care? | <ul style="list-style-type: none"> • Onsite reviews • Desk reviews • Facilitated interviews |
| The demonstration will further rebalance Medicaid expenditures for treatment of SUD more toward community-based care since the initial demonstration period. | Does the demonstration rebalance Medicaid expenditures for SUD treatment away from institutional toward community-based care? | <ul style="list-style-type: none"> • Interrupted Time Series • Desk reviews |

Table 8: SMI Evaluation Components

| Hypotheses | Primary Research Question | Analytic Approach |
|--|---|---|
| The SMI demonstration will result in reductions in utilization and length of stay in EDs among Medicaid beneficiaries with SMI while awaiting mental health treatment. | Does the SMI demonstration result in reductions in utilization and length of stay in EDs among Medicaid beneficiaries with SMI while awaiting mental health treatment? | <ul style="list-style-type: none"> • Quantitative Analysis using Member Eligibility, Application, and Enrollment Data and Claims/Encounter Data • Qualitative Analysis - Key Informant Interviews |
| The SMI demonstration will result in reductions in preventable readmissions to acute care hospitals and residential settings. | Does the SMI demonstration result in reductions in preventable readmissions to acute care hospitals and residential settings (including, short-term inpatient and residential admissions to both IMDs and non-IMD acute care hospitals, critical access | <ul style="list-style-type: none"> • Quantitative Analysis using Member Eligibility, Application, and Enrollment Data; Claims/Encounter Data; and State administrative data • Qualitative Analysis - Key Informant Interviews |

| Hypotheses | Primary Research Question | Analytic Approach |
|---|---|---|
| | hospitals, and residential settings)? | |
| The SMI demonstration will result in improved availability of crisis stabilization services throughout the state. | To what extent does the SMI/SED demonstration result in improved availability of crisis outreach and response services (including crisis call centers, mobile crisis units, crisis observation/assessment centers, and coordinated community crisis response teams) throughout the state? | <ul style="list-style-type: none"> Quantitative Analysis using State administrative data Qualitative Analysis - Key Informant Interviews |
| Access of beneficiaries with SMI to community-based services to address their chronic mental health care needs will improve under the demonstration, including through increased integration of primary and behavioral health care. | Does the demonstration result in improved access of beneficiaries with SMI to community-based services to address their chronic mental health care needs? | <ul style="list-style-type: none"> Quantitative Analysis using Member Eligibility, Application, and Enrollment Data; Claims/Encounter Data; and State administrative data Qualitative Analysis - Key Informant Interviews |
| The SMI demonstration will result in improved care coordination, especially continuity of care in the community following episodes of acute care in hospitals and residential treatment facilities. | Does the SMI demonstration result in improved care coordination for beneficiaries with SMI? | <ul style="list-style-type: none"> Quantitative Analysis using Member Eligibility, Application, and Enrollment Data and Claims/Encounter Data Qualitative Analysis - Key Informant Interviews |

Additionally, the impact of the Former Foster Youth component of the Demonstration will be measured through an independent evaluation conducted over the course of Demonstration extension period. The hypotheses under consideration are outlined in Table 9.

Table 9. Former Foster Youth Hypotheses Under Consideration

| Evaluation Question | Hypotheses | Measures | Data Sources |
|--|---|--|---------------------------|
| <i>Demonstration Goal: Maintain overall coverage of Former Foster Youth in Indiana</i> | | | |
| How does the Demonstration population utilize services? | The Demonstration will maintain or improve access to primary and preventive care for Former Foster Youth. | Adults' Access to Preventive/ Ambulatory Health Services (AAP) Acute Hospital Utilization (AHU) Emergency Department Utilization (EDU) Oral Evaluation, Dental Services (OED) | Claims and Encounter Data |
| <i>Demonstration Goal: Improve health outcomes for Former Foster Youth</i> | | | |
| Did health outcomes improve for the Demonstration population? | Enrollees will have improved health outcomes under the Demonstration. | Plan All-Cause Readmissions (PCR) Cervical Cancer Screening (CCS-AD) Number of beneficiaries with appropriate follow-up care for hospitalizations | Claims and Encounter Data |

Submission of Comments

This notice and all Demonstration Extension documents are available online at www.in.gov/fssa/hip/newsroom/public-notices/. To reach all stakeholders, non-electronic copies will also be made available for review at the FSSA, Office of General Counsel, 402 W. Washington Street, Room W451, Indianapolis, Indiana 46204. Paper copies will also be made available at each local Division of Family Resources (DFR) office, which can be located at the addresses found at <https://www.in.gov/fssa/dfr/ebt-hoosier-works-card/find-my-local-dfr-office/##local>. Additionally, all historical documents associated with the Demonstration are available on the CMS website at <https://www.medicaid.gov/medicaid/section-1115-demo/demonstration-and-waiver-list/81641>. Upon the State's submission of the Demonstration Extension application to CMS, this page will also be updated to permit submission of comments during the federal comment period.

FSSA OMPP will accept written public comments until 5:00 p.m. EST on November 29, 2024. Written comments may be sent via email to: INMedicaidGA@fssa.IN.gov. Please include "SUD/SMI 1115 Extension" in the subject line. Additionally, comments may be mailed to:

Family and Social Services Administration

Office of Medicaid Policy and Planning
Attention: Madison May Gruthusen
402 W. Washington St., W374
Indianapolis, IN 46207-7083

After the comment period has ended, a summary of comments received will be made available at:
www.in.gov/fssa/hip/newsroom/public-notices/.

DRAFT

ATTACHMENT 6 – TRIBAL NOTICE



Eric Holcomb, Governor
State of Indiana

Office of Medicaid Policy and Planning
MS 07, 402 W. WASHINGTON STREET, ROOM
W374
INDIANAPOLIS, IN 46204-2739

October 21, 2024

Priscilla Gatties Medical
Director
Pokagon Band of Potawatomi Indians 57392
M-51 South
Dowagiac, MI 49047

RE: Amendment to the SUD/SMI Waiver

Dear Ms. Gatties:

In accordance with 42 CFR § 431.408(b), notice is hereby given to the Pokagon Band of the Potawatomi that the Indiana Family and Social Services Administration (FSSA) will be seeking a five-year extension of the substance use disorder (SUD) and serious mental illness (SMI) portions of its Healthy Indiana Plan 2.0 (HIP 2.0) Demonstration, which are currently approved through December 31, 2025. The SUD and SMI portions of HIP 2.0 will be referred to as the Indiana SUD/SMI 1115 in order to distinguish the provisions from the general HIP 2.0 program.

This notice also serves to open the tribal comment period, which closes on December 20th, 2024.

Extension Request Summary

Indiana seeks an extension of its SMI/SUD 1115 to allow Indiana to continue expanded services for individuals with SUD, including coverage for services in inpatient and residential settings to include settings that are within the definition of an Institution of Mental Diseases (IMD), initially approved by CMS on February 1, 2018, and to continue the authority to reimburse for acute inpatient stays in an IMD for individuals with an SMI, initially approved by CMS on December 20, 2019.

Additionally, FSSA will seek new authority under this submission to provide coverage to Indiana residents who are former foster care youth under age 26 who turned 18 years of age before January 1, 2023, and were in foster care under the responsibility of another state when they turned 18 and were enrolled in Medicaid at that time (Former Foster Youth). The State is seeking a July 1, 2025, effective date for the Former Foster Youth authority.

Tribal Impact

Through the Demonstration Extension, members of the Pokagon Band of the Potawatomi located in Indiana and enrolled in full Medicaid benefits will continue to have access to (1) short-term stays for acute care in a psychiatric hospital that qualifies as an IMD; and (2) treatment and withdrawal management services for SUD in IMDs. Additionally, any members of the Pokagon Band of the Potawatomi in Indiana who are former foster care youth under age 26 who turned 18 years of age before January 1, 2023, and were in foster care under the

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responsibility of another state when they turned 18 and were enrolled in Medicaid at that time will be eligible for Indiana Medicaid coverage.

Review of Documents and Submission of Comments

The 60-day notice to the tribe will run from October 21st, 2024, through December 20th, 2024. The 30-day comment period for the tribe will run from November 20th, 2024, through December 20th, 2024. Comments can be emailed to Madison May Gruthusen at Madison.MayGruthusen@fssa.IN.gov or mailed to the address below:

Family and Social Services Administration
Office of Medicaid Policy and Planning
Attention: Madison May Gruthusen
402 W. Washington St., W374
Indianapolis, IN 46207-7083

Sincerely,



Cora Steinmetz
Medicaid Director

