

OFFICE OF THE SECRETARY OF FAMILY AND SOCIAL SERVICES

**Notice of Change in Program of All-Inclusive Care for the
Elderly (PACE) Methodology**

In accordance with public notice requirements established at 42 CFR 447.205, the Indiana Family and Social Services Administration (FSSA), Office of Medicaid Policy and Planning (OMPP) publishes this notice of proposed changes to the reimbursement and eligibility methodology for PACE. The public notice will run from December 31, 2025, to January 30, 2026.

OMPP proposes to:

1. Update the PACE reimbursement from an Upper Payment Limit (UPL) methodology to an Amount that Would have Otherwise been Paid (AWOP) methodology.
2. Clarify PACE regular and spousal post eligibility amount deducted for members receiving services inside a nursing facility setting.
3. Temporarily disregard as a resource any refund of member liabilities collected in error by a PACE provider.

The proposed change is estimated to be budget neutral in annual aggregate expenditures.

These changes are to be effective February 1, 2026.

A copy of this notice is now on file at the Indiana Government Center South, 402 West Washington Street, Room W451, Indianapolis, Indiana and is open for public inspection. Also, a copy of this notice is now available and may be inspected by contacting the local county Division of Family Resources office, except in Marion County, where public inspection may be made at 402 West Washington Street, Room W374, Indianapolis, Indiana.

There will be no public hearing. Written comments may be directed to FSSA, Office of Medicaid Policy and Planning, Attention: Conner Ortman, 402 West Washington Street, Room W382, P.O. Box 7083, Indianapolis, IN 46207-7083 or by email to spacomment@fssa.in.gov. Correspondence should be identified in the following manner: COMMENT RE: PACE METHODOLOGY UPDATE. Written comments will be made available for public inspection at the address herein of OMPP.

E. Mitchell Roob, Jr.

Secretary

Indiana Family and Social Services Administration

Posted: 12/31/2025 by Legislative Services Agency