

Medicaid Rate Matrix Update - MAC Meeting

Indiana Family and Social Services Administration
Office of Medicaid Policy and Planning
November 29, 2023



FSSA Strategic Objectives for Rate Setting

To develop rate setting methods that comply with Centers for Medicare and Medicaid Services (CMS) rules and achieve the following:

- **Alignment** - Bring continuity and alignment across rate methodologies, providing a consistent framework and supporting payment rates that advance FSSA goals.
- **Sustainability** - Facilitate adequate participant access to quality services, as required by CMS. Cost effective, provide for long-term workforce growth and provider stability, and affordable by the State. Reduce administrative burden. Ensure predictability.
- **Promote Person-Centeredness and Value-Based Purchasing** - Striving to align provider and participant incentives to achieve access to person-centered services, encourage services that drive healthy outcomes and participant satisfaction.
- **Reduce Disparities** – Analyze and quantify disparities in access, quality, site of care, and person-centeredness, then build payment structures to level the playing field.

Rates Set by State or Federal Regulation or % of Medicare

Rates Review set in State or Federal Regulation

PRTF Services	2021	Rate Methodology Set Forth in 405 IAC 1-21		Rates reviewed every other year and indexed in
Pharmacy	2021	Rates Determined According to 405 IAC 5-24		
Nursing Facility	2021	Rate Methodology Set Forth in 405 IAC 1-14.6		
ICF/ID	2021	Rate Methodology Set Forth in 405 IAC 1-12		
FQHC/RHC		Rate Methodology Consistent with the Medicare, Medicaid and SCHIP Benefits Improvement and Protection Act of 2000		Indexed Annually

Rates Set Based on % of Current Medicare Rates

Hospice	2021	100% Medicare		Rates set at 100% of Medicare
DME and Medical Supplies	1994	100% Medicare		
Emergency Transportation	2023	100% Medicare		
Physician Services HIP	2015	Per HB1001, 100% Medicare		Rates set at 100% of Medicare
Maternity and Behavioral Health		100% Medicare		Rates set at 100% of Medicare



Initial Phase of Medicaid Rate Matrix

Medicaid Services	Last Rate Review (SFY)	Reviewed/Rebased Rate Effective Year							
		SFY 2022	SFY 2023	SFY 2024	SFY 2025	SFY 2026	SFY 2027	SFY 2028	SFY 2029
Home Health Services	2024			RR	i	i	i	RR	i
Aging/DDRS Waivers	2024			RR	i	i	i	RR	i
Dental Services	2024			RR	i	i	i	RR	i
NEMT	2024			RR	i	i	i	RR	i
DMHA 1915(l) Waivers	2024			RR	i	i	i	RR	i
ABA Therapy	2024			E	i	i	i	RR	i
CRMNF	2024			RR	i	i	i	RR	i
PACE Capitation	2024			RR	i	i	RR	i	i
Outpatient Facility	2003					RR	i	RB	i
Inpatient Facility	2003					RR	i	RB	i
Other Mental Health Services	2015					RR	i	i	i
Mental Health Rehabilitation	2018					RR	i	i	i
Inpatient Psychiatric Services	2003					RR	i	i	i
School Based Services	2016					RR	i	i	i



Year 1 Rate Matrix Activity

As Included in HEA 1001 (2023)

Medicaid Services	Last Rate Update	Year of Rate Review / Rate Rebasing						
		SFY 24	SFY 25	SFY 26	SFY 27	SFY 28	SFY 29	SFY 30
HCBS - DA Waivers	2020	RR	i	i	i	RR	i	i
HCBS - DDRS Waivers	Various	RR	i	i	i	RR	i	i
HCBS - Home Health Services	2021	RR	i	i	i	RR	i	i
NEMT	1999	RR	i	i	i	RR	i	i
Dental Services	2015	RR	i	i	i	RR	i	i
Physician Services	2015	RR	i	i	i	RR	i	i

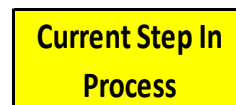


Status of Calendar Year 2023 Rate Setting Activity

Service Category	Stakeholder Engagement / Rate Setting	FSSA Leadership Review	State Budget Committee	CMS Approval	Rate Implementation
Division of Aging Waivers (HCBS)	May 2023	Jun 2023	Jun 2023	CMS Approved Sep 2023	Implemented Oct 2023 Retro Adjustments Dec 2023
DDRS Waivers (HCBS)	May 2023	Jun 2023	Jun 2023	CMS Approved Sep 2023	Implemented Oct 2023 Retro Adjustments Dec 2023
Home Health (HCBS)	May 2023	Jun 2023	N/A	N/A	7/1/2023
Non-Emergency Medical Transportation	Aug 2023	Sep 2023	Sep 2023	CMS Reviewing	1/1/2024
Dental	Sep 2023	Sep 2023	Oct 2023	CMS Reviewing	1/1/2024
Physician / Professional	Aug 2023	Sep 2023	Sep 2023	CMS Reviewing	1/1/2024
DMHA waivers	May 2023	May 2023	Jun 2023	CMS Reviewing	10/1/2023

Base Expenditures SFY 22 (\$M)	Provider Increases (\$M)
\$725	\$496.4
\$975	\$238.1
\$280	\$125.7
\$55	\$0.2
\$260	\$26.0
\$2,410	\$475.0
\$15	\$1.5

KEY:



Expenditures and Increases reflect both Federal and State Funding

