

IHCP *bulletin*

INDIANA HEALTH COVERAGE PROGRAMS BT2024173 OCTOBER 31, 2024

OMPP updates policy for FQHC PPS rate revisions due to changes in scope of services

Effective immediately, the Indiana Family and Social Services Administration (FSSA) Office of Medicaid Policy and Planning (OMPP) is modifying the policy for revising prospective payment system (PPS) rates due to change in scope of service (CISS) requests from federally qualified health centers (FQHCs).

Policy revisions are as follows:

- **Timeliness** – CISS requests must be submitted to Myers and Stauffer on a timely basis (within nine months of change in scope) to be considered for a change in PPS rates. Exceptions will not be made for rate increases for CISS requests that were not submitted on a timely basis.
- **Outlier Limits** – PPS rate adjustments related to CISS requests will be implemented subject to outlier limitations. PPS rates being modified will be subject to a cap (based on the 90th percentile of all FQHC rates) and a floor (based on the 10th percentile of all FQHC rates). The rate cap and rate floor will be established on a calendar year basis.
- **Cap of 120% of Costs** – PPS rate adjustments tied to CISS requests will be subject to a cap of 120% of reported costs. The 120% cap will not apply to any CISS requests for which rates have already been calculated or rates are in the process of being calculated by Myers and Stauffer. The 120% cap will apply for CISS requests that have been submitted to Myers and Stauffer but are pending due to needed cost reports not being available.
- **Exclusion of Site Changes** – Effective Oct. 31, 2024, the existing CISS rate methodology change will be limited to scope changes related to changes in services. Site changes (addition of a new location, relocation of an existing site or remodeling of an existing site) will not be eligible for a PPS rate adjustment using the current rate methodology formula. This exclusion does not apply to CISS requests that were submitted to Myers and Stauffer prior to the communication of this policy change. The OMPP will collaborate with the FQHCs to develop an appropriate methodology for adjusting rates for future site changes.



The current policy can be found on the [Myers and Stauffer website](https://myersandstauffer.com), at myersandstauffer.com (under Health Clinics > FQHC-RHC Change in Scope of Service). Policy updates will be included in the next update of the [Federally Qualified Health Centers and Rural Health Clinics](https://www.in.gov/medicaid/providers) provider reference module at [in.gov/medicaid/providers](https://www.in.gov/medicaid/providers).

Questions can be directed to either Myers and Stauffer or the OMPP FQHC-RHC Reimbursement mailbox at OMPPFQHC-RHCReimbursement@fssa.in.gov.

QUESTIONS?

If you have questions about this publication, please contact Customer Assistance at 800-457-4584.

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