

## IHCP announces rate changes for certain providers effective Jan. 1, 2025

The Indiana Health Coverage Programs (IHCP) will begin adjusting reimbursement rates for the following providers, across all IHCP programs, effective for dates of service (DOS) on or after Jan. 1, 2025:

- Rehabilitation hospitals
- Long-term acute care (LTAC) hospitals
- Acute care hospitals – Out-of-state only
- Psychiatric hospitals – Out-of-state only
- Ambulatory surgical centers (ASCs)
- Rehabilitation facilities
- Outpatient mental health clinics
- End-stage renal disease (ESRD) clinics



Currently, under the Healthy Indiana Plan (HIP), these providers are reimbursed at 100% of the Medicare rates or 130% of the IHCP rate if no Medicare rate is available, and under Hoosier Healthwise and Hoosier Care Connect, they are reimbursed at 100% of the IHCP rate. As part of the HIP Rate Equalization Project, and to be compliant with the Centers for Medicare & Medicaid Services (CMS), the rates for the providers listed above are being revised as outlined in Table 1. The new rates will apply to covered services under both fee-for-service (FFS) and all managed care programs.

*Table 1 – New rate factors or adjusted rate for applicable providers, effective for DOS on or after Jan. 1, 2025*

Provider type	Provider specialty	Provider specialty code	In-state (IN-ST)/ out-of-state (OOS)	Service	Rate factor or rate
Hospital (01)	Rehabilitation	012	IN-ST & OOS	Inpatient hospital rehabilitation level-of-care (LOC)	1.800
	Long-Term Acute Care (LTAC)	013	IN-ST	Inpatient hospital LTAC	\$1,675.43 per diem
	Acute Care	010	OOS	Inpatient hospital diagnosis-related group (DRG)	1.284
	Acute Care	010	OOS	Inpatient hospital burn LOC (Burn/2 rate)	0.958
	Acute Care, Psychiatric	010, 011	OOS	Inpatient hospital psychiatric LOC	1.067
	Acute Care, Psychiatric, Rehabilitation	010, 011, 012	OOS for all IN-ST for Rehabilitation (012)	Outpatient hospital	1.032
	Acute Care – Children's hospital*	010	OOS	Outpatient hospital	1.006

*Table 1 – New rate factors or adjusted rate for applicable providers, effective for DOS on or after Jan. 1, 2025 (Continued)*

Provider type	Provider specialty	Provider specialty code	In-state (IN-ST)/ out-of-state (OOS)	Service	Rate factor or rate
Ambulatory Surgical Center (02)	Ambulatory Surgical Center (ASC)	020	IN-ST & OOS	ASC	1.123
Rehabilitation Facility (04)	Rehabilitation Facility	040	IN-ST & OOS	Rehabilitation facility	1.075
Behavioral Health Provider (11)	Outpatient Mental Health Clinic	110	IN-ST & OOS	Outpatient mental health clinic	1.088
End-Stage Renal Disease (ESRD) Clinic (30)	Freestanding Renal Dialysis (ESRD) Clinic	300	IN-ST & OOS	ESRD	1.010

\*Children's hospitals are eligible to receive enhanced reimbursement in accordance with IHCP policy in IHCP Bulletin [BT2023177](#).

### For more information

If you have questions regarding new and adjusted rates, please send them via email to [FSSA.IHCPReimbursement@fssa.in.gov](mailto:FSSA.IHCPReimbursement@fssa.in.gov).

### QUESTIONS?

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