

IHCP *bulletin*

INDIANA HEALTH COVERAGE PROGRAMS BT2025108 JULY 29, 2025

IHCP issues formal cost-reporting guidance to CCBHC providers

The Indiana Health Coverage Programs (IHCP) announces the release of cost-reporting guidance for Certified Community Behavioral Health Clinics (CCBHCs) participating in Indiana's CCBHC Demonstration to support prospective payment system (PPS) rate setting. This guidance has been collaboratively developed by the Division of Mental Health and Addiction (DMHA) and the Office of Medicaid Policy and Planning (OMPP), incorporating input from Indiana's current eight CCBHC Demonstration pilot sites.

This guidance outlines how CCBHC Demonstration sites should conduct and submit cost reports, as well as the documentation required to support cost reporting. This includes guidance regarding submitting documentation detailing allowable and nonallowable expenses.

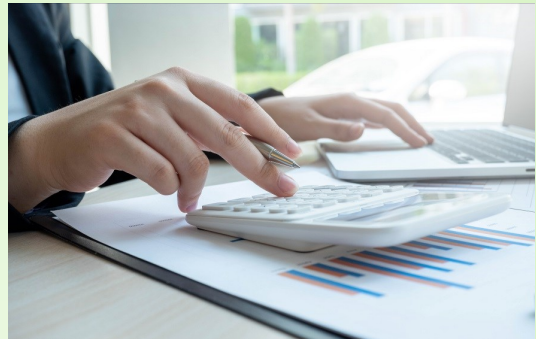
Cost reports inform the calculation of site-specific Medicaid PPS rates. Indiana uses the CCBHC PPS-1 rate, a clinic-specific daily rate that is set based on the clinic's allowable costs and qualifying patient encounters over the course of the year. It is a single, bundled payment for each qualifying patient visit and includes payment for all covered services and supplies regardless of intensity or quantity.

This guidance serves as a supportive resource to the federal [CMS CCBHC Cost Report Instructions](#) regarding the completion and submission of the Centers for Medicare & Medicaid Services (CMS) CCBHC cost report. CCBHC providers must adhere to CMS instructions, [Indiana's CCBHC Certification Criteria](#) (see criterion 5.a.4) and the Indiana-specific cost-reporting guidance. CCBHC providers will be expected to work with the state's rate-setting contractor, Myers and Stauffer, throughout the cost-reporting process.

This cost-reporting guidance also serves as a reference for the operations of PPS rate setting for CCBHC providers in Indiana and may be updated as necessary. Providers are responsible for staying informed of any future changes and updates.

Please email CCBHCQuestions@fssa.in.gov to request the cost reporting guidance or ask any additional questions.

For more information about the CCBHCs, see the [Certified Community Behavioral Health Clinics](#) webpage at in.gov/fssa/dmha.



QUESTIONS?

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