

IHCP *bulletin*

INDIANA HEALTH COVERAGE PROGRAMS BT202612 JANUARY 22, 2026

CMS approves waiver amendment for Medicaid HCBS Family Supports waiver

The Indiana Family and Social Services Administration (FSSA) has received approval from the Centers for Medicare & Medicaid Services (CMS) for the agency's proposed waiver amendment to the Medicaid Home- and Community-Based (HCBS) Family Supports waiver. In this bulletin, the Division of Disability, Aging and Rehabilitative Services (DDARS) is announcing changes to waiver services for the Family Supports waiver, effective for dates of service (DOS) on or after **Jan. 1, 2026**.



Some of these changes were initially announced in *Indiana Health Coverage Programs (IHCP) Bulletin* [BT2025169](#). For the full approved waiver, see the [Family Supports waiver](#).

Self-directed service options

New self-directed service options will be made available on the Family Supports waiver. These services will be authorized annually and provide the individual with full employer and budget authority. These services will be authorized based upon a self-directed budget calculation that includes the members' assessed need for the service. Members now have the ability to self-direct the following services:

- Participant Assistance and Care (PAC)
- Respite
- Workplace Assistance

Benefits Counseling

Benefits Counseling is a new service intended to assist an individual to understand the potential impact of employment on the individual's public benefits, such as Supplemental Security Income (SSI), Social Security Disability Insurance (SSDI), Medicaid, Medicare, food/nutrition programs, housing assistance, Achieving a Better Life Experience (ABLE) accounts, and other federal/state/local benefits. This service is intended to address concerns about work-related income potentially compromising benefits by providing the individual with the information they need to make an informed choice regarding pursuing employment or career advancement.

Benefits Counseling can be provided to individuals considering or seeking competitive integrated employment, or self-employment or career advancement, or to individuals who need financial problem-solving assistance to maintain competitive integrated employment or self-employment.

Reimbursable activities

Reimbursable activities for Benefits Counseling include the following:

- Individualized benefits analysis and counseling
- Development of work incentive plan
- Education regarding income reporting requirements
- Technical assistance to complete and submit appropriate forms and supporting documentation required for applicable work incentives.

Service standards

Service standards include the following:

- Benefits Counseling services must be included on the individual's person-centered individualized support plan (PCISP).
- Benefits Counseling services must address needs identified in the person-centered planning process.
- Benefits Counseling services may be delivered in the individual's home, the community, the benefit counselor's office or a location of the individual's choice.

Activities not allowed

The following activities are not allowed with Benefits Counseling:

- Services that are available under a program funded under section 110 of the *Rehabilitation Act of 1973* or the *Individuals with Disabilities Education Act* (IDEA)
- Services provided by the parent of a minor child participant or the spouse of a participant (also known as a legally responsible individual or LRI), relative, or legal guardian

Behavioral Support Services

Behavioral Support Services has been updated to include three unique direct service components in addition to the indirect component of clinical supervision:

- Consultation – Limited to three hours monthly or a maximum of 36 hours per plan year
- Comprehensive behavioral supports – Limited to 12 hours a month or 144 hours per plan year
- Functional behavioral assessment (FBA) – Limited to 20 hours total within 60 days

Multiple delivery of direct service components may be used within a plan year with only one direct service component being delivered within one month.

Behavior Management Basic has been end-dated and replaced with a new Behavioral Support services model. Behavioral Support Services are now authorized quarterly.

Within the new service definition and documentation requirements, providers are required to use state-provisioned templates for all behavioral support plans, functional behavioral assessments and quarterly reports.

Clinical supervision as an indirect component will remain an option with a limit of one hour a month. Clinical supervision will only be required for behavioral support plans that include restrictive interventions. An individual may choose to include clinical supervision to enhance Behavioral Support Services with any direct component based on the individual's needs.



Home Modifications and Assessments service

Home Modifications and corresponding Home Modification Assessment were two separate services. These two services are now combined into one service, Home Modifications and Assessments. In continuation of current standards, home modification assessment services must not be performed by the same provider that performs the subsequent home modification. The individuals will maintain their choice of providers, with the continuing requirement to choose the home modification provider that submits the lowest bid for the requested modification. Additionally, all service definition standards, reimbursable activities and nonallowable activities remain in place and unchanged for both the modification and assessment.

Recreational Therapy and Music Therapy service limits

Recreational Therapy and Music Therapy have a service limit of six hours monthly for an individual.

Facility-based Prevocational Services

No new enrollments in facility-based Prevocational Services will be accepted. Current users have the ability to maintain the service for 18 months from the start of the service.

Facility-based Prevocational Services is a time-limited service that can be used by waiver participants for a total of no more than 18 months.

In exceptional circumstances, a one-time extension of up to 18 months may be granted to individuals currently receiving facility-based Prevocational Services. This extension will be considered on a case-by-case basis, taking into account the individual's specific needs and circumstances. Individuals will have access to only one 18-month extension and approval.

Community-based Prevocational Services remains an option for individuals seeking this service.

Level-of-care determination tools

The Level of Care Screening Instrument (LOCSI) has been replaced with age-appropriate tools from the interRAI suite of instruments to determine if a person has the functional support needs to qualify for Bureau of Disabilities Services (BDS) services related to their intellectual or developmental disability. Adults will be assessed using the Intellectual Disabilities (ID) tool, children ages 4-17 will be assessed using the Child and Youth Mental Health and Developmental Disability (ChYMH-DD) tool, and children ages 0-3 will be assessed using the Early Years (EY) tool. Annual assessments will be completed by a person's case manager and initial assessments will be completed by a BDS service coordinator.

Extraordinary care allowance

The extraordinary care allowance has been implemented for individuals receiving PAC services under the Family Supports Waiver.

At the option of the state and under extraordinary circumstances specified by the state, payment may be made to an LRI (defined as the parent of a minor child or spouse) for the provision of personal care or similar services. The state will allow payment to be made to LRIs for the provision of PAC services when the conditions specified by the BDS are met.

Extraordinary care in the provision of services means care that the individual is unable to perform independently to meet their intensive nursing care needs under the supervision of an interdisciplinary team. Intensive nursing care needs include continuous ventilator care, tracheostomy care, total parenteral nutrition (TPN), or other comparable nursing services approved by the FSSA.

Limitations

The following limits are applied to extraordinary care allowance:

- The maximum number of hours of PAC services that may be reimbursed when provided by LRIs must not exceed an aggregate of 40 hours per week across all extraordinary care caregivers.
- PAC services will not be reimbursed when provided by an LRI if the participant is self-directing this service.

Participant Assistance and Care

Documentation requirements for Participant Assistance and Care (PAC) are updated to hourly. Paid caregivers providing PAC will now be required to document the activities that are carried out in each hour of their shift.

Documentation requirements maintain the following:

- Complete date and time of service (in and out)
- Specific services/tasks provided
- Signature of participant verifying the service was provided by agency
- Signature of employee providing the service (minimally the last name and first initial)

⇒ If the person providing the service is required to be a professional, the title must also be included.

Documentation of service delivery is to be signed by the participant or designated participant representative. All documented care provided to the participant must be aligned with their individualized, specific needs as outlined in their PCISP.

Home and Community Support Professional Training Registry

Pursuant to 2023 *House Bill 1342*, home and community support professionals (HCSPs), also known as direct support professionals (DSPs), are required to be registered with Indiana's Home and Community Support Professional Training Registry.

For DOS on or after Jan. 1, 2026, an individual may not provide direct support services as an HCSP in Indiana under the Family Supports waiver unless the individual is registered by the DDARS within the HCSP Training Registry. The establishment of the HCSP Training Registry includes requirements for HCSPs to confirm successful completion of competency-based training that includes general education in providing direct care to individuals with intellectual or developmental disabilities.

The education provided follows a curriculum developed by the division and consulted stakeholders that includes a tiered approach with additional training in specialized subcategories to allow HCSPs the opportunity for advanced learning and career growth.

The training should take no more than 16 hours for completion and will require periodic recertification training for HCSPs to maintain their certification status. The HCSP training covers the following 12 core competencies:

- Community Inclusion and Networking
- Communication
- Community Living Skills and Supports
- Crisis Prevention and Intervention
- Cultural Competency
- Education, Training, and Self-Development
- Empowerment and Advocacy
- Evaluation and Observation
- Health and Wellness
- Person-Centered Practices
- Professionalism and Ethics



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