

IHCP *bulletin*

INDIANA HEALTH COVERAGE PROGRAMS BT2026143 AUGUST 27, 2026

IHCP announces changes to the Professional Fee Schedule and anesthesia conversion factor for 2027

The Indiana Health Coverage Programs (IHCP) is announcing changes to the Professional Fee Schedule effective for dates of service (DOS) on or after Jan. 1, 2027.

The IHCP Professional Fee Schedule will be updated to reflect 100% of the prior year's (Jan. 1, 2026) Medicare fee schedule rates for physician services, durable medical equipment (DME) and medical supplies, and transportation services. Additionally, the IHCP anesthesia conversion factor will be changed to match the 2026 Medicare rate of \$19.58, effective for DOS on or after Jan. 1, 2027.



Services on the IHCP Professional Fee Schedule that will not be affected by these rate changes are applied behavior analysis (ABA) therapy, dental, home health, Medicaid Home- and Community-Based Services (HCBS) waiver, and Medicaid Rehabilitation Option (MRO) services – as well as *21st Century Cures Act* DME and medical supply codes, for which different rate changes will apply (as described in the following paragraph).

To comply with *Section 1903(i)(27)* of the *Social Security Act* (which was added by the *21st Century Cures Act*), rates will be updated for select DME and medical supply Healthcare Common Procedure Coding System (HCPCS) procedure codes. The list of HCPCS codes subject to the *21st Century Cures Act* for calendar year 2027 has not yet been released by the Centers for Medicare & Medicaid Services (CMS). After the *21st Century Cures Act* code list has been received from the CMS, the IHCP will update the rates for these codes using the lowest non-zero 2027 Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS) Fee Schedule amount or competitive bidding single payment amount as the Medicaid allowed amount. Updates to the *21st Century Cures Act* code rates will be retroactive to DOS on or after Jan. 1, 2027.

To allow providers to preview the coming rate changes, the IHCP has created four fee schedules showing the new reimbursement rates for physician services, DME and medical supplies, nonemergency medical transportation (NEMT), and ambulance/emergency medical technician (EMT) services. These preview fee schedules are accessible from the [IHCP Fee Schedules](#) webpage at in.gov/medicaid/providers.

Beginning in January of 2027, the rates on the IHCP Professional Fee Schedule (also accessible from the [IHCP Fee Schedules](#) webpage) will be updated to reflect the rates shown on these four preview documents.

Managed care organizations (MCOs) are required to have their fee schedules and anesthesia conversion factors updated to mirror the IHCP 2027 Professional Fee Schedule **no later than Jan. 1, 2027**.

Questions about these rate changes may be directed to the Indiana Family and Social Services Administration (FSSA) reimbursement email at FSSA.IHCPReimbursement@fssa.in.gov.

QUESTIONS

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

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