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State of Indiana

*Office of Medicaid Policy and Planning*  
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INDIANAPOLIS, IN 46204-2739

## OFFICE OF THE SECRETARY OF FAMILY AND SOCIAL SERVICES

### **Public Notice Regarding amendments to the Community Integration and Habilitation and Family Supports Waivers**

In accordance with public notice requirements established at 42 CFR 447.205, The Indiana Family and Social Services Administration (FSSA) Office of Medicaid Policy and Planning (OMPP) intends to submit proposed amendment to the Community Integration and Habilitation (CIH) and Family Supports Waiver (FSW) to the Centers for Medicare and Medicaid Services (CMS) for consideration.

#### Proposed Amendments to the CIH Waiver

1. Pursuant to HEA 1001, there will be a 14% rate increase applied to reimbursement rates in effect as of June 30, 2019 for CIH waiver services. These services include:
  - adult day services
  - prevocational services
  - residential habilitation and support (hourly)
  - respite
  - extended services
  - day habilitation
  - workplace assistance
  - residential habilitation and support (daily)
  - transportation services
  - facility-based support
2. Require providers to use at least 95% of this rate increase to pay payroll tax liabilities and to increase wages and benefits paid to direct care staff.
3. Revise case management service definition, including provider qualification requirements.
4. Revise remote services service definition, adding clarifications and enhancements, including provider qualification requirements.
5. Remove vehicle modifications (VMODs) service definition and provider qualifications from specialized medical equipment and supplies (SMES), creating two standalone definitions, one for vehicle modifications and one for specialized medical equipment and supplies.
  - Increase the current cap of SMES maintenance from \$500 to \$1,000 annually.
  - Establish the cap of VMODs maintenance as \$500 annually.
  - There continues to be no cap on SMES installation services, while the cap on VMOD installation services will change from \$15,000 per lifetime to \$15,000 every 10 years.

Changes to case management services have no fiscal impact. Changes to remote support services have no fiscal impact.

The rate increase may have an impact on the continuation of the level of services allocated in the current waiver and while it adds no specific limitation to the amount of any waiver service that may be utilized, participant choice of type and level of service may be impacted.



The rate increase has no impact on which waiver program participants served under the existing, approved waiver will be eligible to participate in once amended. All participants will be notified of the legislated changes by their Case Manager and will be informed of the opportunity to request a Fair Hearing. As described in Appendix F-1 of the waiver, all State-issued decisions related to participant service plans contain an explanation of how to request a Fair Hearing.

Implementation the rate increases is contingent upon federal approval of the pending FSW and CIH amendments by the Centers for Medicare and Medicaid Services. If the waiver amendments are not approved, rate increases may not be granted.

Maintaining the maintenance/repair cap on SMES to \$500 annually and establishing an annual maintenance/repair cap on VMODs of \$1000 is projected to have an impact of 23.2% increase for the two services.

**Fiscal Impact (in thousands):**

Federal Budget Impact:	FFY 2021 \$.1	FFY 2022 \$.2
State Budget Impact:	FFY 2021 \$0	FFY 2022 \$.1
Federal Budget Impact:	SFY 2021 \$.1	SFY 2022 \$.2
State Budget Impact:	SFY 2021 \$0	SFY 2022 \$.1

**Proposed Amendments to the FSW Waiver**

1. Pursuant to HEA 1001, there will be a 14% rate increase applied to reimbursement rates in effect as of June 30, 2019 for FSW waiver services. These services include:
  - adult day services
  - prevocational services
  - respite
  - extended services
  - day habilitation
  - workplace assistance
  - transportation services
  - participant assistance and care
  - facility-based support
2. Require providers to use at least 95% of this rate increase to pay payroll tax liabilities and to increase wages and benefits paid to direct care staff.
3. Revise case management service definition, including provider qualification requirements.
4. Increase the annual cap on the waiver from \$17,300 to \$19,614.
5. Revise remote services service definition, adding clarifications and enhancements, including provider qualification requirements.
6. Remove vehicle modifications (VMODs) service definition and provider qualifications from specialized medical equipment and supplies (SMES), creating two standalone definitions, one for vehicle modifications and one for specialized medical equipment and supplies.
  - Increase the current cap of SMES maintenance from \$500 to \$1,000 annually.
  - Establish the cap of VMODs maintenance as \$500 annually.

- The current cap on SMES installation services (inclusive of VMODs) is modified from \$7,500 to unlimited for standalone SMES, while the cap on standalone VMOD installation services is now capped at \$15,000 every 10 years.

Changes to case management services have no fiscal impact. Changes to remote support services have no fiscal impact.

The rate increase may have an impact on the continuation of the level of services allocated in the current waiver and while it adds no specific limitation to the amount of any waiver service that may be utilized participant choice of type and level of service may be impacted. To mitigate this impact an increase in the capped annual budget has been instituted.

The rate increase has no impact on which waiver program participants served under the existing, approved waiver will be eligible to participate in once amended. All participants will be notified of the legislated changes by their Case Manager and will be informed of the opportunity to request a Fair Hearing. As described in Appendix F-1 of the amendment, all State-issued decisions related to participant service plans contain an explanation of how to request a Fair Hearing.

Implementation the rate increases is contingent upon federal approval of the pending FSW and CIH amendments by the Centers for Medicare and Medicaid Services. If the waiver amendments are not approved, rate increases may not be granted.

For revisions to SMES and VMODs installation services - removal of the cap on SMES installation and changing limits of VMODs installation to \$15,000 every 10 years, this change is estimated to increase installation costs by approximately 14.1%.

For revisions to the maintenance/repair cap that currently includes both SMES maintenance and VMODS maintenance/repair services, the SMES cap maintain at \$500 and the addition to the VMODs cap of \$1000 per year, the impact of these changes is expected to be a 23.2% increase.

Changing the VMOD installation cap to a cap of \$15,000 every 10 years is assumed to increase costs by approximately 14.1%.

**Fiscal Impact (in thousands):**

Federal Budget Impact:	FFY 2021 \$29	FFY 2022 \$36
State Budget Impact:	FFY 2021 \$13	FFY 2022 \$18
Federal Budget Impact:	SFY 2021 \$20	SFY 2022 \$36
State Budget Impact:	SFY 2021 \$8	SFY 2022 \$18

The 30-day public comment period for the CIH and FSW amendments will run through August 27, 2021. Comments can be emailed to [DDRSwaivernoticecomment@fssa.IN.gov](mailto:DDRSwaivernoticecomment@fssa.IN.gov) or mailed to:

FSSA Division of Disabilities and Rehabilitative Services  
RE: CIH and FSW Amendment Public Comment  
402 West Washington Street, Room W453  
P.O. Box 7083  
Indianapolis, IN 46027

The CIH and FSW amendments are available for review and public comment on the DDORS Draft Policies for Public Comment webpage (<https://www.in.gov/fssa/ddrs/ddrs-policies/ddrs-draft-policies-for-public-comment/>). Hard copies of the proposed amendments are available upon request at the address contained herein. Additionally, copies of the proposed amendments are available at local Division of Family Resources (DFR) offices.

Jennifer Sullivan, MD, MPH  
Secretary  
Family and Social Services Administration