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OFFICE OF THE SECRETARY OF FAMILY AND SOCIAL SERVICES

**Notice of Out-of-State Children's Hospital Outlier Cost Reimbursement Methodology**

In accordance with public notice requirements established at 42 CFR 447.205 and Section 1902(a)(13)(A) of the Social Security Act, the Indiana Family and Social Services Administration (FSSA), Office of Medicaid Policy and Planning (OMPP) publishes this notice of proposed changes to methods and standards governing inpatient hospital and outpatient hospital reimbursement for out-of-state children's hospitals. The public notice period will run 05/18/2022 through 06/15/2022.

OMPP is making these changes to comply with 2022 House Enrolled Act 1112, by revising the reimbursement rate methodology for out-of-state children's hospitals. The revised methodology will account for "cost outlier cases"; Medicaid stays that exceed a predetermined threshold, defined as the greater of twice the diagnosis-related group (DRG) rate or a fixed dollar amount that has been established by the OMPP. This change will be effective 6/1/2022.

A copy of this notice is now on file at the Indiana Government Center South, 402 West Washington Street, Room W451, Indianapolis, Indiana and is open for public inspection. Also, a copy of this notice is now available and may be inspected by contacting the local county Division of Family Resources (DFR) office, except in Marion County, where public inspection may be made at 402 West Washington Street, Room W374, Indianapolis, Indiana.

There will be no public hearing. Written comments may be directed to FSSA, Office of Medicaid Policy and Planning, Attention: Madison May-Gruthusen, 402 West Washington Street, Room W382, P.O. Box 7083, Indianapolis, IN 46207-7083 or by email to [spacomments@fssa.in.gov](mailto:spacomments@fssa.in.gov). Correspondence should be identified in the following manner: COMMENT RE: OUT-OF-STATE CHILDREN'S HOSPITAL. Written comments will be made available for public inspection at the address herein of the OMPP.

Daniel Rusyniak, M.D.  
Secretary  
Family and Social Services Administration

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