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State/Territory Name: Indiana

State Plan Amendment (SPA) #: IN-16-0002

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form (with 179-like data)
- 3) Approved SPA Pages



September 7, 2016

Joe Moser, Director of Medicaid
Indiana Office of Medicaid Policy and Planning
402 West Washington Street, Room W374
Indianapolis, Indiana 46204

ATTN: Tim Hawkins

RE: IN SPA TN# 16-0002, Psychosocial Rehabilitation Services

Dear Mr. Moser:

Enclosed for your records is an approved copy of the following State Plan Amendment.

Transmittal #16-0002:

- This State Plan Amendment adds psychosocial rehabilitation services as a covered service under the Medicaid Rehabilitation Option program.
- Effective Date: August 15, 2016

If you have any questions, please have a member of your staff contact Tannisse Joyce at (312) 886-5121 or by email at tannisse.joyce@cms.hhs.gov.

Sincerely,

/s/

Ruth A. Hughes
Associate Regional Administrator
Division of Medicaid and Children's Health Operations

Enclosure

cc: Timothy Hawkins, FSSA
Kelly Flynn, FSSA

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

1. TRANSMITTAL NUMBER:
16-002

2. STATE
Indiana

FOR: HEALTH CARE FINANCING ADMINISTRATION

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE
SOCIAL SECURITY ACT (MEDICAID)

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE
8/15/2016

5. TYPE OF PLAN MATERIAL (Check One):

- NEW STATE PLAN
 AMENDMENT TO BE CONSIDERED AS NEW PLAN
 AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:
42 CFR 440.130

7. FEDERAL BUDGET IMPACT:
a. FFY 2016 \$1,056 (in thousands)
b. FFY 2017 \$3,107 (in thousands)

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 3.1-A, Addendum Page 9d
Attachment 3.1-A, Page 12
Attachment 4.19-B, Page 5b

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (If Applicable):

n/a

10. SUBJECT OF AMENDMENT:

This State Plan amendment makes conforming changes to the State Plan to add psychosocial rehabilitation services as a covered service under the Medicaid Rehabilitation Option (MRO) program effective ~~May 1, 2016~~. The proposed service is necessary to reinforce the continuum of care by offering community based supports as the member transitions to an increased level of independence and community integration.

8/15/16 (see box 4) [Signature]

11. GOVERNOR'S REVIEW (Check One):

- GOVERNOR'S OFFICE REPORTED NO COMMENT
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

OTHER, AS SPECIFIED:

**Indiana's Medicaid State Plan does not require the
Governor's review. See Section 7.4 of the State Plan**

12. SIGNATURE OF STATE AGENCY OFFICIAL:

[Redacted Signature]

13. TYPED NAME: Joseph Moser

14. TITLE: Medicaid Director

15. DATE SUBMITTED: 6/16/16

16. RETURN TO:

Joseph Moser
Medicaid Director
Indiana Office of Medicaid Policy and Planning
402 West Washington Street, Room W374
Indianapolis, IN 46204
ATTN: Kelly Flynn, Manager, State Plan and Waivers

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:
June 16, 2016

18. DATE APPROVED:
September 7, 2016

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:
August 15, 2016

20. SIGNATURE OF REGIONAL OFFICIAL:
/s/

21. TYPED NAME:
Ruth A. Hughes

22. TITLE:
Associate Regional Administrator

23. REMARKS:

State: Indiana

(12) Psychosocial rehabilitation services. Refers to Medicaid Rehabilitation Option (MRO) services provided in a community based Clubhouse setting in which the member, with staff assistance, is engaged in operating all aspects of the clubhouse, including food service, clerical, reception, janitorial and other member services such as employment training, housing assistance, and educational support. These activities are designed to alleviate emotional or behavior problems with the goal of transitioning to a less intense level of care, reintegrating the member into the community, and increasing social connectedness beyond a clinical or employment setting. The Clubhouse setting is tailored to address the social isolation and social stigma experienced by many persons suffering from mental illness. Psychosocial rehabilitation services are covered when provided under the authority of an approved Division of Mental Health and Addiction (DMHA) Medicaid Rehabilitation Option (MRO) provider as authorized by a physician or health service provider in psychology (HSPP). Psychosocial rehabilitation services consist of the following Medicaid covered service component:

- Skills Training and Development: Refers to the development and/or restorations of skills (i.e., self-care, daily life management, or problem solving skills) directed toward restoring an individual to his best possible functional level, eliminating psychosocial barriers, and restoring a consumer’s abilities that are essential to independent living.

The following providers are qualified to provide these services:

- Licensed professional
- Qualified behavioral health professional (QBHP)
- Other behavioral health professional (OBHP)
- Authorized health care professional (AHCP)

Limitations:

- Services may only be rendered in an internationally accredited Clubhouse setting certified by DMHA.
- Services are available for individuals with an Adult Needs and Strengths Assessment (ANSA) level of need (LON) of 3, 4, 5 or 5A.
- Service packages authorize the following units of service for 180 days for any member with a level of need LON of 3 or above. Any additional medically necessary units of service may be prior authorized.

Level of Need	Service Type	Units per 180 days (15 min.)
3, 4, 5, 5A	Clubhouse psychosocial rehabilitation services	1,820

State: Indiana

AMOUNT, DURATION, AND SCOPE OF MEDICAL AND REMEDIAL CARE
AND SERVICES TO THE CATEGORICALLY NEEDY

29. Psychosocial rehabilitation services

Provided: No limitations With limitations

TN No. 16-002
Supersedes
TN No. New

Approval Date 9/7/16

Effective Date: 8/15/2016

Item 9D. Rehabilitation

1. Psychosocial Rehabilitation Services

Psychosocial rehabilitation services in a clubhouse setting provided on or after August 15, 2016 shall be reimbursed according to this section.

Payment for psychosocial rehabilitation services will be based on a blended payment rate that includes the Medicaid covered services that are components of psychosocial rehabilitation. The Medicaid covered psychosocial rehabilitation service components are: Individual Skills Training and Development and Group Skills Training and Development.

The psychosocial rehabilitation services blended payment rate is based on established individual Medicaid rehabilitation payment rates for the Medicaid covered service components, weighted to reflect utilization of these services in the psychosocial rehabilitation model. The rate does not include costs related to room and board or other unallowable facility costs.

The state will review the rate annually and rebase as necessary to assure the rates are economic and efficient. Providers will maintain data relating to the provision of covered psychosocial rehabilitation services, including the date of service, beneficiary information, and the nature and volume of services. Utilization information comprised of these data elements was used in the development of the rate and will be used by the state in the periodic review of the rate. The state will monitor the provision of covered psychosocial rehabilitation services under the blended rate to ensure that beneficiaries receive the quantity and intensity of services required to meet their psychosocial rehabilitative needs.

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of psychosocial rehabilitation services. The agency's rates, as of August 15, 2016, are published at the State's website, www.indianamedicaid.com.