State Plan Under Title XIX of the Social Security Act

State: Indiana

METHODOLOGY FOR IDENTIFICATION OF APPLICABLE FMAP RATES

The State will determine the appropriate FMAP rate for expenditures for individuals enrolled in the adult group described in 42 CFR 435.119 and receiving benefits in accordance with 42 CFR Part 440 Subpart C. The adult group FMAP methodology consists of two parts: an individual-based determination related to enrolled individuals, and as applicable, appropriate population-based adjustments.

Part 1 – Adult Group Individual Income-Based Determinations

For individuals eligible in the adult group, the state will make an individual income-based determination for purposes of the adult group FMAP methodology by comparing individual income to the relevant converted income eligibility standards in effect on December 1, 2009, and included in the MAGI Conversion Plan (Part 2) approved by CMS on 02/05/2015. In general, and subject to any adjustments described in this SPA, under the adult group FMAP methodology, the expenditures of individuals with incomes below the relevant converted income standards for the applicable subgroup are considered as those for which the newly eligible FMAP is not available. The relevant MAGI-converted standards for each population group in the new adult group are described in Table 1.

Table 1: Adult Group Eligibility Standards and FMAP Methodology Features

Covered Populations Within New Adult Group		Applicable Population Adjustment			
Population Group	Relevant Population Group Income Standard For each population group, indicate the lower of: • The reference in the MAGI Conversion Plan (Part 2) to the relevant income standard and the appropriate cross-reference, or • 133% FPL. If a population group was not covered as of 12/1/09, enter "Not covered".	Resource Proxy	Enrollment Cap	Special Circumstances	Other Adjustments
		Enter "Y" (Yes), "N" (No), or "NA" in the appropriate column to indicate if the population adjustment will apply to each population group. Provide additional information in corresponding attachments.			
A	B	C	D	E	F
Parents/Caretaker Relatives	See Note #1 Below	N/A	N/A	N/A	N/A
Disabled Persons, non-institutionalized	See Note #2 Below	N/A	N/A	N/A	N/A
Disabled Persons, institutionalized	See Note #3 Below	N/A	N/A	N/A	N/A
Children Age 19 or 20	Not Covered	N/A	N/A	N/A	N/A
Childless Adults	Not Covered	N/A	N/A	N/A	N/A

Note #1: Attachment A, Column C, Line 1 of Part 2 of the CMS approved MAGI Conversion Plan, including any subsequent CMS approved modifications to the MAGI Conversion Plan.

Note #2: Attachment A, Column C, Line 2 of Part 2 of the CMS approved MAGI Conversion Plan, including any subsequent CMS approved modifications to the MAGI Conversion Plan.

Note #3: Attachment A, Column C, Line 3 of Part 2 of the CMS approved MAGI Conversion Plan, including any subsequent CMS approved modifications to the MAGI Conversion Plan.

Part 2 – Population-based Adjustments to the Newly Eligible Population Based on Resource Test, Enrollment Cap or Special Circumstances

A. Optional Resource Criteria Proxy Adjustment (42 CFR 433.206(d))

1. The state:

   ☐ Applies a resource proxy adjustment to a population group(s) that was subject to a resource test that was applicable on December 1, 2009.

   ☒ Does NOT apply a resource proxy adjustment (Skip items 2 through 3 and go to Section B).

   Table 1 indicates the group or groups for which the state applies a resource proxy adjustment to the expenditures applicable for individuals eligible and enrolled under 42 CFR 435.119. A resource proxy adjustment is only permitted for a population group(s) that was subject to a resource test that was applicable on December 1, 2009.

   The effective date(s) for application of the resource proxy adjustment is specified and described in Attachment B.

2. Data source used for resource proxy adjustments:

   The state:

   ☐ Applies existing state data from periods before January 1, 2014.

   ☐ Applies data obtained through a post-eligibility statistically valid sample of individuals.

   Data used in resource proxy adjustments is described in Attachment B.

3. Resource Proxy Methodology: Attachment B describes the sampling approach or other methodology used for calculating the adjustment.

B. Enrollment Cap Adjustment (42 CFR 433.206(e))

1. ☐ An enrollment cap adjustment is applied by the state (complete items 2 through 4).

   ☒ An enrollment cap adjustment is not applied by the state (skip items 2 through 4 and go to Section C).

2. Attachment C describes any enrollment caps authorized in section 1115 demonstrations as of December 1, 2009, that are applicable to populations that the state covers in the eligibility group described at 42 CFR 435.119 and received full benefits, benchmark benefits, or benchmark equivalent benefits as determined by CMS. The enrollment cap or caps are as specified in the applicable section 1115 demonstration special terms and conditions as confirmed by CMS, or in alternative authorized cap or caps as confirmed by CMS. Attach CMS correspondence confirming the applicable enrollment cap(s).

3. The state applies a combined enrollment cap adjustment for purposes of claiming FMAP in the adult group:

☐ Yes. The combined enrollment cap adjustment is described in Attachment C

☐ No.

4. Enrollment Cap Methodology: Attachment C describes the methodology for calculating the enrollment cap adjustment, including the use of combined enrollment caps, if applicable.

5. Special Circumstances (42 CFR 433.206(g)) and Other Adjustments to the Adult Group FMAP Methodology

1. The state:

☑ Applies a special circumstances adjustment(s).

☐ Does not apply a special circumstances adjustment.

2. The state:

☑ Applies additional adjustment(s) to the adult group FMAP methodology (complete item 3).

☐ Does not apply any additional adjustment(s) to the adult group FMAP methodology (skip item 3 and go to Part 3).

3. Attachment D describes the special circumstances and other proxy adjustment(s) that are applied, including the population groups to which the adjustments apply and the methodology for calculating the adjustments.

Part 3 – One-Time Transitions of Previously Covered Populations into the New Adult Group

A. Transitioning Previous Section 1115 and State Plan Populations to the New Adult Group

☒ Individuals previously eligible for Medicaid coverage through a section 1115 demonstration program or a mandatory or optional state plan eligibility category will be transitioned to the new adult group described in 42 CFR 435.119 in accordance with a CMS-approved transition plan and/or a section 1902(e)(14)(A) waiver. For purposes of claiming federal funding at the appropriate FMAP for the populations transitioned to new adult group, the adult group FMAP methodology is applied pursuant to and as described in Attachment E, and where applicable, is subject to any special circumstances or other adjustments described in Attachment D.

☐ The state does not have any relevant populations requiring such transitions.

Part 4 - Applicability of Special FMAP Rates

A. Expansion State Designation

The state:

☒ Does NOT meet the definition of expansion state in 42 CFR 433.204(b). (Skip section B and go to Part 5)

☐ Meets the definition of expansion state as defined in 42 CFR 433.204(b), determined in accordance with the CMS letter confirming expansion state status, dated _____.

B. Qualification for Temporary 2.2 Percentage Point Increase in FMAP.

The state:

☐ Does NOT qualify for temporary 2.2 percentage point increase in FMAP under 42 CFR 433.10(c)(7).

☐ Qualifies for temporary 2.2 percentage point increase in FMAP under 42 CFR 433.10(c)(7), determined in accordance with the CMS letter confirming eligibility for the temporary FMAP increase, dated _____. The state will not claim any federal funding for individuals determined eligible under 42 CFR 435.119 at the FMAP rate described in 42 CFR 433.10(c)(6).

Part 5 - State Attestations

The State attests to the following:

A. The application of the adult group FMAP methodology will not affect the timing or approval of any individual's eligibility for Medicaid.

B. The application of the adult group FMAP methodology will not be biased in such a manner as to inappropriately establish the numbers of, or medical assistance expenditures for, individuals determined to be newly or not newly eligible.

ATTACHMENTS

Not all of the attachments Indicated below will apply to all states; some attachments may describe methodologies for multiple population groups within the new adult group. Indicate those of the following attachments which are included with this SPA:

- ■ Attachment A – Conversion Plan Standards Referenced in Table 1
- ☐ Attachment B - Resource Criteria Proxy Methodology
- ☐ Attachment C- Enrollment Cap Methodology
- ■ Attachment D -Special Circumstances Adjustment and Other Adjustments to the Adult Group FMAP Methodology
- ■ Attachment E – Transition Methodologies

Most Recent Updated Summary Information for Part 2 of the Modified Adjusted Gross Income (MAGI) Conversion Plan*
INDIANA

	Population Group	Net standard as of 12/1/09	Converted standard for FMAP claiming	Same as converted eligibilty standard? (yes, no, or n/a)	Source of information in Column C (New SIPP conversion or Part 1 of approved state MAGI conversion plan)	Data source for Conversion (SIPP or state data)
	A	B	C	D	E	F
Conversions for FMAP Claiming Purposes						
1	**Parents/Caretaker Relatives** Dollar standards by family size 1 2 3 4 5 6 7 add-on	 $139.50 $229.50 $288.00 $346.50 $405.00 $463.50 $522.00 $58.50	 $152 $247 $310 $373 $435 $498 $561 $63	yes	Part 1 of approved state MAGI conversion plan	state data
2	**Noninstitutionalized Disabled Persons** SSI FBR%	100%	102%	n/a	new SIPP conversion	SIPP
3	**Institutionalized Disabled Persons** SSI FBR%	300%	300%	n/a	ABD Conversion Template	n/a
4	**Children Age 19-20**	n/a	n/a	n/a	n/a	n/a
5	**Childless Adults**	n/a	n/a	n/a	n/a	n/a

*The contents of this table will be updated automatically in the case of modifications in the CMS approved MAGI Conversion Plan.

Attachment D – Special Circumstances Adjustment and Other Adjustments to the Adult Group FMAP Methodology

Upon approval of the 12-month postpartum extension, Indiana will implement this proxy methodology to account for the proportion of individuals covered under the extended postpartum coverage option who would otherwise be eligible for coverage in the adult group and for the newly eligible FMAP under section 1905(y) of the Act. To calculate this proxy, historical member months used in the calculation met the following criteria:

- Aid categories MAMA - pregnant women under 138% FPL; and MAGP- pregnant women between 139% and 213% FPL
- All non-disabled adult and adolescent pregnant individuals are enrolled in one of these two categories. Non-citizens lacking satisfactory immigration status were excluded
- Member months between three and 12 months after the date of delivery (Date_Delivery) or end pregnancy date (Date_Exp) on the Recipient_Pregnancy table in the Enterprise Data Warehouse, using historical data in which the end of pregnancy event occurred from August 2018 through February 2019

The state selected the timeframe of August 2018 since it was after the state introduced the MAMA aid category and completed the transition. February 2019 was selected in order to allow for 12 postpartum months prior to the COVID-19 pandemic. From August 2018 through February 2019, 29,130 birth and miscarriage events were identified for individuals meeting the criteria listed above. The 29,130 events generated 242,550 member months corresponding to the months between 3 months and 12 months post-partum. (Please note that this is less than 10 months per event due to multiple events for some members. For example, if a member suffered a miscarriage, and then five months later suffered a second miscarriage, the postpartum period for the first event would be truncated.) Each of the postpartum period member months were individually evaluated to determine whether the member was 1) newly eligible, 2) not newly eligible, or 3) disenrolled from Medicaid during that month. Of the 242,550 member months, there were 58,850 member months during which the member was determined to be ”newly eligible”. This number was then divided by 242,550 to equal Indiana’s Proxy Percentage for claiming. Indiana’s Proxy Percentage for claiming is 24.3%. Therefore, approximately 24.3% of postpartum extension member months (months 3 through 12 postpartum) in the data period were classified as newly eligible.

Operationalizing the Methodology Process – this is used to track who we apply the proxy to, members who are in months 3-12 of the postpartum period.

A postpartum extension indicator (ZZ_POST_PARTUM_IND) will be added to the Standard Interface (SI) claim header and claim detail tables to identify expenditures that meet both requirements below:

- Aid categories MAMA and MAGP

- First date of service is 60 days after, and no later than one year after, the date of delivery (Date_Delivery) or end pregnancy date (Date_Exp) on the Recipient_Pregnancy table in the EDW.

Attachment E: Transition Methodologies

Prior to implementation of HIP 2.0, which will provide coverage to individuals eligible under 42 CFR §435.119, Indiana operated HIP 1.0 under 1115 waiver authority. HIP 1.0 provided eligibility to adults between the ages of 19 and 64 with a household income less than 100% FPL who are not otherwise eligible for Medicaid, with an enrollment cap for non-caretakers. Eligibility for HIP 1.0 was determined in accordance with Modified Adjusted Gross Income (MAGI) guidelines. Individuals eligible under HIP 1.0 will continue to be eligible for HIP 2.0 as the eligibility determination process is the same. With the implementation of HIP 2.0, HIP 1.0 enrollees will administratively become eligible under 42 CFR §435.119. These individuals will experience a seamless transition in coverage as of the effective date of HIP 2.0. As of 12/1/09 Indiana did not provide full, benchmark, or benchmark equivalent benefits to the HIP population. Therefore, upon the HIP 2.0 1115 waiver effective date the State will begin collecting enhanced FMAP for this population.