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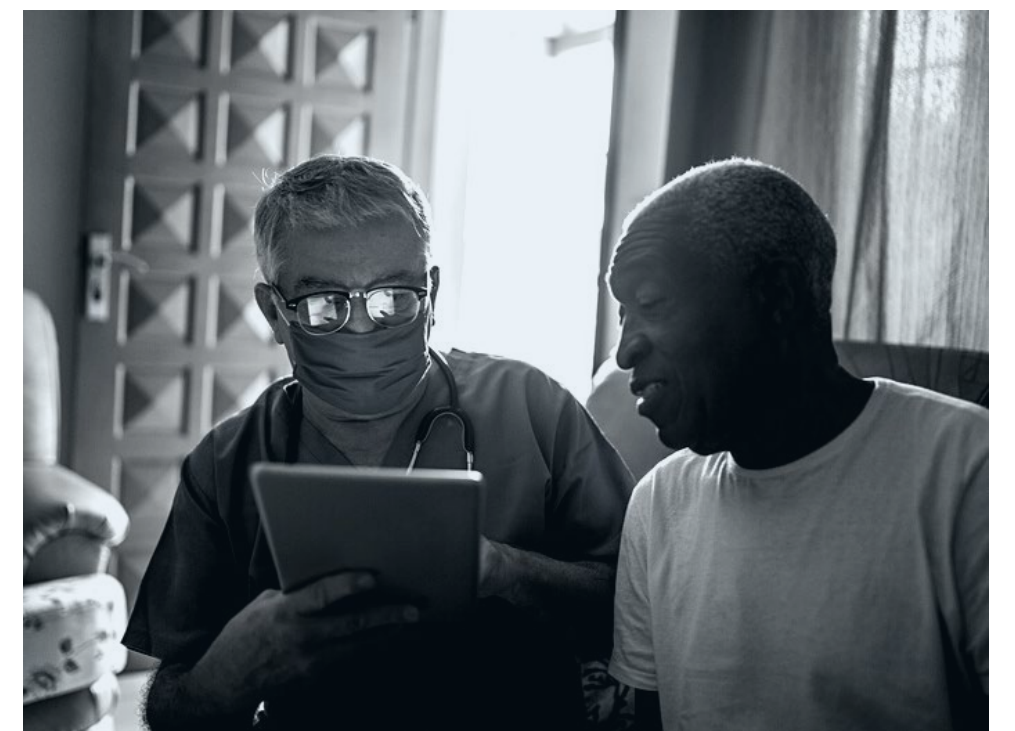
INDIANA HEALTH CARE ASSOCIATION
INDIANA CENTER FOR ASSISTED LIVING

2023 Legislative Summary

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I H C A . O R G



Overview

DISCUSSION TOPICS

Biennial Budget (*HEA 1001*)

HFA/RCA Licensure Changes (*HEA 1461*)

Health Care Temp Agencies Regs (*HEA 1461*)

CON Change (*HEA 1461*)

LTC Reports (*HEA 1461*)

New (Unlicensed) AL Dementia Regs (*HEA 1457*)

PLA Reforms (*HEA 1460*)

AAA Dementia Specialists (*HEA 1422*)

Mental Health Services (*SEA 1*)

Biennial Budget (HEA 1001)

MEDICAID

- Fully funds the Governor/FSSA's Medicaid appropriation at \$3.7215B for FY 24; \$4.1966B for FY 25.
 - **18% of total budget**, highest ever; **\$2B increase from last budget**.
- Earmarks specific funding for FSSA's rate matrix work, covering HCBS waiver services, dentists, home health agencies, and other providers at \$254.1M in FY 24 and \$339.8M in FY 25.
- Increases reimbursement for physician services to 100% of Medicare.
- Establishes a minimum 4-year rate schedule for Medicaid providers who don't currently have a schedule (AL and other A&D Waiver services).
- Extends the Quality Assessment Fee for another two years at current rates.
- Establishes a Medicaid Oversight Committee (IC 12-15-47.3), which consists of House and Senate fiscal/public health leadership, OMB director, and the FSSA secretary.
 - Function: "review, consider, and make recommendations concerning all requests for new services and changes in existing services for the Medicaid program."

Medicaid Rate Matrix for HCBS

Home and Community Based Services - Rate Increases

Rate calculations reflect a 42.4% change for DA and 23.2% for DDRS



DA Estimated Fiscal Impact %	
Service Type	Impact %
Adult Day Service	14.6%
Adult Family Care	8.1%
Assisted Living Facilities	35.6%
Attendant Care	48.1%
Behavior Management	0.1%
Case Management	41.1%
Day Habilitation	22.9%
Home/Other Modifications	0.4%
Residential Habilitation	35.1%
Respite Care	30.8%
Structured Family Care	42.1%
Transportation	32.6%
All Other	39.9%
Total Estimated Fiscal Impact	42.4%

DDRS Estimated Fiscal Impact %	
Service Type	Impact %
Adult Day Service	32.2%
Behavior Management	1.9%
Case Management	31.9%
Day Habilitation	27.9%
Residential Habilitation	20.5%
Respite Care	46.4%
Structured Family Care	30.3%
Transportation	134.6%
All Other	30.5%
Total Estimated Fiscal Impact	23.2%

Overall Rate Increase for Home Health Services is 32%

Medicaid Rate Matrix for HCBS

Medicaid Services	Last Rate Update	Year of Rate Review / Rate Rebasing						
		2023	2024	2025	2026	2027	2028	2029
HCBS - DA Waivers	2020	RR	i	i	i	RR	i	i
HCBS - DDRS Waivers	Various	RR	i	i	i	RR	i	i
HCBS - Home Health Services	2021	RR	i	i	i	RR	i	i
NEMT	1999	RR	i	i	i	RR	i	i
Dental Services	2015	RR	i	i	i	RR	i	i
Physician Services	2015		RR	i	i	i	RR	i

Biennial Budget (HEA 1001)

TAXES

- Accelerates the individual income tax rate cuts enacted in 2022 to lower the rate to 2.9% by 2027 instead of 2029 and deletes all triggers in current law.
 - 3.15% as of January 1, 2023 (current law)
 - 3.05% as of January 1, 2024
 - 3.00% as of January 1, 2025
 - 2.95% as of January 1, 2026
 - 2.90% as of January 1, 2027
- Acceleration of the rate reductions will save Hoosier taxpayers over \$360M over the biennium and \$1.4B between now and 2030.
- Budget accounts for about \$70M in additional tax cuts for Hoosier taxpayers over the biennium, including additional tax deductions for new parents, updating the earned income TC, and exemptions for active-duty military members.
 - In total, budget will save taxpayers over \$430M this biennium.

Biennial Budget (HEA 1001)

PUBLIC HEALTH

- Under the authority of the State Budget Agency, the Legislature appropriated **\$75M in FY 24** and **\$150M in FY 25** to support a public/private “partnership between the state, local government, and health care providers” to improve local public health services.
 - The Governor’s Public Health Commission initially called for \$250M.

MENTAL HEALTH

- Appropriates \$50M/year for Community Mental Health (SEA 1)
- Appropriates \$10M for regional mental health facility grants to support a regional approach to mental health services for incarcerated individuals.
- Provides an additional \$1M each year for child behavioral health services.

LTC Omnibus (HEA 1461)

STREAMLINING HFA/RCA LICENSE REQUIREMENTS

- Reduces the HFA AIT program by a possible 3 months **(50% reduction)** and reduces the hours required by a possible 360 hours **(or 34.6%)**.
- Eliminates the RCA AIT program.
- Eliminates administrative code for HFAs and RCAs (840 IAC 1 and 840 IAC 2) effective July 1, 2023.
- Eliminates the temporary permit for HFAs and RCAs (consolidated to a provisional license).
- Creates national license pathway for HFAs and RCAs by recognizing the National Association of Long Term Care Administrators Boards HSE license.
- Streamlines reciprocity requirements for HFAs and RCAs in alignment with universal license recognition policies implemented in other states.
 - Hold NAB License; OR
 - Pass criminal background check
 - Practiced in another state for at least 1 year
 - Pass national/Indiana exam

LTC Omnibus (HEA 1461)

HFA REQUIREMENTS

- Pass criminal background check, complete the AIT program, pass the state exam, and pass the national exam.

HFA AIT REQUIREMENTS

- Either associate, bachelor's, master's, or doctoral degrees **with at least two (2) years of long-term care experience**
 - **Total of 680 hours**
 - Of which, 200 hour LTC Course option
- Either associate, bachelor's, master's, or doctoral degrees **with no long-term care experience**
 - **Total of 880 hours**
 - Of which, 200 hour LTC Course option
- High school diploma or equivalency
 - **Total of 1040 hours**
 - Of which, 200 hour LTC Course option
 - Board waiver authority, up to 30% reduction in hours requirement

LTC Omnibus (HEA 1461)

HFA AIT PRECEPTOR REQUIREMENTS

- Hold an active HFA license in good standing.
- Meet any of the following:
 - Minimum of 2 years of work experience as an HFA (versus 2 of the previous 3 years as described in 840 IAC 1-1-17);
 - CEO of a CCRC; or
 - be employed as a regional manager for a health facility.

HFA AIT PRECEPTOR FLEXIBILITY

- Allows a preceptor who is the administrator of a SNF or AL community to precept up to 2 AITs (currently only allowed to train 1 AIT at a time)
- Allows a preceptor to supervise more than two (2) administrators in training at a given time if the AIT is enrolled in:
 - (A) an approved training center; or
 - (B) a postsecondary educational institution accredited program;
 - or otherwise at the discretion of the board.

LTC Omnibus (HEA 1461)

HFA AIT PRECEPTOR FLEXIBILITY (*cont.*)

- Allows a preceptor (not in a training center of postsecondary institution) to train up to 4 AITs, if the sole duty is to precept the AITs and 8 hours a week are spent with the AIT.
- Other changes include:
 - Eliminated the requirement of no discipline on HFA license for at least two years before being able to precept, instead just requires the license to be active and in good standing.
 - Eliminated the requirement that the preceptor be physically present at the training location 60% of the time that the AIT is physically presence at the training location.

LTC Omnibus (HEA 1461)

RCA LICENSE REQUIREMENTS

- 21 years old, HSD/equivalency, pass criminal background check, pass the state exam, and meet one of the following:
 - (A) Be a licensed health facility administrator or a registered, certified, or licensed health care practitioner under IC 16 or IC 25.
 - (B) Have at least one (1) year of management experience in health care; in housing; in hospitality; or something similar in providing services to the elderly.
 - (C) Possess an associate degree in gerontology or health care.
 - (D) Possess a bachelor's degree or higher degree from an accredited postsecondary educational institution.
 - (E) Complete a 100-hour specialized course in residential care facility administration that is approved by the board.
- RCA CE requirements remain at 20 hours every two years.
- *(Reminder: RCA AIT program eliminated)*

LTC Omnibus (HEA 1461)

HEALTH CARE TEMP AGENCIES

- Establishes a public complaint portal for investigations into temporary agencies by the Attorney General's Office and the Department of Health.
- **Requires** temporary health care services agencies to (else be subject to license discipline):
 - Provide a schedule of fees, charges, or commissions that the temporary health care services agency expects to charge and collect for services.
 - Provide 30-day notice to the IDOH on any changes to fees.
 - Carry a dishonesty bond for their contractors/employees to cover theft and other issues that may happen while working in a health care facility.
 - Ensure temporary agency workers are properly licensed in good standing, have passed background checks, complete proper health screenings, and meet other state regulations before placement with a health care provider.
 - Ensure billing is done within 3 months and retain records for 5 years.
 - Maintain insurance coverage for worker's compensation for personnel.
 - Provide 7-day notice to AG's Office and IDOH if temporary worker threatens the welfare, safety, or health of the public.

LTC Omnibus (HEA 1461)

HEALTH CARE TEMP AGENCIES (*cont.*)

- **Prohibits** temporary health care services agencies from (else be subject to license discipline):
 - Charging conversion fees, buyout clauses, and other restrictive policies that would prevent a temp worker from leaving to be fully employed by a health care providers.
 - Recruiting health care personnel on the premise of a health care facility (i.e., poaching)
 - Intentionally giving false or misleading information to a health care facility
 - Requiring health care personnel recruit new health care personnel for the temporary health care services agency from the permanent employees of the health care facility where they are contracted.
 - Allows investigations by the AG's Office and the Department of Health, which can result in license revocation from the temporary agency and civil penalties of up to \$5000.
 - Reinstatement of a revoked license only possible after 5 years.

LTC Omnibus (HEA 1461)

CERTIFICATE OF NEED FLEXIBILITY

- Allows Medicaid certifications to be transferred from one facility to another ***within a county*** without also having to transfer the license to comprehensive care beds.
 - If only the Medicaid certification is transferred, the license for the bed is lost from the originating facility.
 - Both the licensed bed and the Medicaid certification (together) can continue to be transferred to another facility in a county.

REQUIREMENTS OF FSSA AND IHCDA

- Requires the FSSA to contract with an additional statewide entity for Medicaid eligibility determinations by June 30, 2025.
- Requires FSSA to issue a report on October 1, 2023, about the outcomes of the expedited eligibility pilot program.
- Requires FSSA to biannually issue a report to the General Assembly until 2029 about how it is improving the timeliness of Medicaid eligibility determinations with the goal of getting to a 72-hour turnaround for HCBS.
- Requires the IHCDA, by November 1, 2023, to issue a report on ways to expand rural access to assisted living services.

IDOH Omnibus (HEA 1457)

AL DEMENTIA CARE CHANGES

- Establishes new regulations (IC 16-28.5) for **unlicensed** assisted living facilities providing memory care services in alignment with current regulations for licensed assisted living facilities.
- "Memory care services" means care provided to a person diagnosed with Alzheimer's disease, a related disorder, or dementia who resides in a health facility or a housing with services establishment that locks, secures, segregates, or provides a special program or special unit for residents with Alzheimer's disease, related disorders, or dementia.
 - o IDOH may survey unlicensed AL facilities to ensure compliance with these requirements with no penalty exceeding \$10,000.

IDOH Omnibus (HEA 1457)

AL DEMENTIA CARE CHANGES (*cont.*)

- An unlicensed AL facility offering memory care services must register with FSSA's division of aging and meet the following standards:
 - (1) Memory care services must be tailored to the resident and consistent with current evidence-based dementia care practices.
 - (2) The housing with services establishment must develop and implement policies and procedures to address residents who are at risk of elopement from the housing with services establishment.
 - (3) The housing with services establishment must use appropriate safety devices to protect residents who are at risk of leaving the premises.
 - (4) The housing with services establishment must retain records of the memory care service residents, including a current picture of the resident, in accordance with applicable laws.
 - (5) The housing with services establishment must have written policies for memory care residents.

PLA Reforms (HEA 1460)

IMPROVEMENTS TO PLA OPERATIONS

- Allows occupational licensing boards to meet virtually if certain requirements are met.
- Improves data collection efforts for HHAs , QMAs, and CNAs.
- Establishes time periods for the professional licensing agency (PLA) to post meeting agendas and meeting minutes on the applicable board's website.
- Requires the PLA to post certain information concerning board vacancies and application forms.
- Requires the PLA to send notification to an applicant of incomplete items in an application.
- Requires that new and renewed licenses with the PLA be submitted electronically, unless a paper application is requested.
- Requires the PLA to post on its website information about the number of licenses issued and wait times for the licenses.
- Requires the governor to fill a vacancy on occupational boards within 90 days.
 - PLA makes appointment if timeline isn't met.
- Allows the board to issue a temporary permit for a registered nurse applicant and a licensed practical nurse applicant.

AAA DEMENTIA CARE SPECIALIST (HEA 1422)

NEW DEMENTIA CARE PROGRAM FOR AAAs

- Allows AAAs to establish a dementia care specialist program with specialists:
 - Conducting education/outreach activities to increase community awareness of dementia
 - Providing resources to support individuals with dementia and their caregivers.
 - Consulting with and provide training to individuals, including area agency staff, who interact with an individual/caregiver caring for a person who has dementia.
 - Establishing relationships with health care providers and other community -based organizations to increase contact and promote organizational care coordination.
- Allows FSSA to hire a dementia care coordinator who would work with AAAs and their dementia care specialists to:
 - Coordinate implementation of the dementia strategic plan.
 - Develop or identify best practice guidelines concerning the establishment and administration of a dementia care specialist program.
 - Establish training requirements as necessary.
 - Provide resources and technical assistance to AAAs and specialists, etc.
- FSSA required to annually report on the program's impacts and health outcomes
- \$1.5M/year to fund this program in the budget.

Mental Health Services (SEA 1)

NEW SUPPORT FOR MENTAL HEALTH INITIATIVES

- Authorizes the expansion of certified community behavioral health clinic services across the state.
- Creates a toll-free help line to provide confidential emotional support and referrals.
- Positions Indiana to participate in the national 9 -8-8 suicide and crisis lifeline.
- Reestablishes the Indiana Behavioral Health Commission, which will be charged with providing a report by Oct. 1, 2024, on the following:
 - (1) Progress on the division's implementation of the 988 suicide and crisis lifeline and the community behavioral health clinic model.
 - (2) Recommendations to improve mental health programs.
 - Youth and adolescents, as well as the systems in place for treatment and care of youth and adolescents.
 - Individuals fifty -five (55) years of age or older.
 - IDD population.
 - (3) Reviewing increases in the number of crisis services provided by certified community behavioral health centers and other service providers, annual change in suicides, annual change in ER visits for mental illness, annual number of incarcerated individuals for mental health conditions or substance use disorders, etc.

QUESTIONS?

