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Insights

Indiana Medicaid publishes a proposed rule overhauling its Medicaid program integrity requirements

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On October 4, 2018, the Indiana Family and Social Services Administration published a proposed rule ("LSA #18-251") that overhauls its Medicaid program integrity requirements. LSA #18-251 revises, clarifies, and adds new provisions affecting nearly all business aspects for Indiana Medicaid providers, including claims filing time limits, medical record retention, provider enrollment, sanctions, audits, and provider appeals. LSA #18-251 is now open for public comment until the public hearing, which is preliminarily scheduled for **October 26, 2018**. All Medicaid enrolled providers should review the proposed rule, and may submit public comments to Indiana Medicaid before it becomes final. A copy of the proposed rule is available at http://www.in.gov/legislative/iac/20181003-IR-405180251PRA.xml.pdf.

LSA #18-251 consolidates existing rules, clarifies requirements, and adds new program integrity requirements affecting Medicaid providers. Below is a general description of the more noteworthy proposed changes.

- 405 IAC 1-1-3. After January 1, 2019, providers must submit claims for payment within 180 days of the date of service or the claim will be denied. Under the current rule, providers have up to a year from the date of service to submit an original claim.
- 405 IAC 1-1.4-2. Providers will be subject to a new medical record retention period for financial records of 3 years following submission to Indiana Medicaid. Currently, financial records are not expressly subject to the Indiana Medicaid record retention policy.
- 405 IAC 1-1.4-3. The proposed rule consolidates and adds new provider enrollment requirements.
- 405 IAC 1-1.4-5. The proposed rule adds a new section describing the Medicaid payment suspension procedures authorized by Federal law.
- 405 IAC 1-1.4-6. The proposed rule adds a new section regarding provider exclusions and readmissions. In particular, the proposed rule lists the various offenses that could result in an exclusion and sets a duration of 3 years for such exclusion, which length could vary depending on the circumstances set forth in the proposed rule.
- 405 IAC 1-1.4-7. The proposed rule adds a new section describing the prepayment review processes and procedures, which were previously only available in agency manuals.
- 405 IAC 1-1.4-9. The proposed rule revises existing Medicaid overpayment provisions to align with changes in Indiana law. Notably, the proposed rule adds a 3-year audit lookback period for audits initiated after July

1, 2019, though this may be extended to 7 years under certain circumstances described in the proposed rule.

- 405 IAC 1-1.4-10 through 13. The proposed rule consolidates the administrative appeals procedures and makes changes to align them with Indiana law.

The proposed rule is broad in scope and concerns a complex subject matter that is important to all Medicaid providers. Please contact Brandon W. Shirley if you would like to discuss the proposed rule provisions, have compliance questions, or are interested in assistance with submitting a public comment.