



P R O V I D E R B U L L E T I N

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To: All Home Health Providers**Subject: Home Health Rates for State Fiscal Year 2008****Overview**

The Office of Medicaid Policy and Planning (OMPP) is making changes to the home health reimbursement methodology that will impact home health rates for State fiscal years 2008 and 2009. This bulletin addresses the following:

- Changes to the home health reimbursement and the effective date of the rule change
- Changes to the reimbursement methodology that will be used to calculate rates for State fiscal year 2008 and 2009

Home Health Rule Changes

The changes to the home health reimbursement will affect the rates in State fiscal year 2008 (July 1, 2007, to June 30, 2008) and State fiscal year 2009 (July 1, 2008, to June 30, 2009). The home health rule has been submitted through the state of Indiana rule signature process.

The State fiscal year 2008 home health rates are not effective until the rule has been signed by the Secretary of State and that 30 days have passed since the signed rule was submitted to the Legislative Services Agency. Therefore, if the rule becomes effective August 1, 2007, that is the date the State fiscal year 2008 home health rates become effective. There is no mechanism for the rates to be retroactive to the start of the State's fiscal year. If necessary, mass adjustments will be performed.

Section 5 of the home health rule specifies that home health rates for State fiscal year 2008 will be calculated by adjusting the rates in effect June 30, 2007, by an inflationary adjustment using the Center for Medicare & Medicaid Services (CMS) Home Health Agency Market Basket Index. These inflated rates will be in effect through June 30, 2008, when the OMPP will re-establish reimbursement rates with the methodology outlined in Section 3 of the rule. At that time, Section 5 of the rule will expire.

Section 3 of the home health rule specifies that home health reimbursement will be based on a new rate-setting methodology that uses 95 percent of the unweighted median as the basis for rates, instead of the current weighted median payment formula. When rates are established for State fiscal year 2009, home health providers will be notified of these rate changes in a subsequent bulletin.

State Fiscal Year 2008 Rates

The following table specifies the home health rates for State fiscal year 2008:

Service	Rate
Registered Nurse (RN) – 99600 TD	\$31.80
Licensed Practical Nurse (LPN) – 99600 TE	\$22.69
Home Health Aide – 99600	\$15.58
Physical Therapy – G0151	\$14.37 per 15-minute increments
Occupational Therapy – G0152	\$13.42 per 15-minute increments
Speech Therapy – G0153	\$15.63 per 15-minute increments
Overhead	\$21.76

Contact Information

If you have questions about the content of this bulletin, contact EDS Customer Assistance at (317) 655-3240 in the Indianapolis local area, or toll-free at 1-800-577-1278.

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