

INARF 2023 Legislative Agenda

Issue: Cost of Doing Business Challenges Coupled with Below-Market Medicaid Rates

Due to the pandemic, the business world looks very different than it ever has. The cost of doing business has increased substantially, and businesses have absorbed rising healthcare benefit costs, increased transportation costs, as well as new expenses like cyber security technology, and increased insurance coverage. In addition to inflation, compounded by the Great Resignation, Indiana's workforce has changed dramatically, making an already tough hiring environment for critical positions serving individuals with I/DD even tougher. As a result, we have seen prices for goods and services increase to keep pace with costs. While most businesses can adjust pricing to offset these market adjustments, providers are bound by stagnant Medicaid rates. The lack of pricing power puts I/DD providers at a massive disadvantage compared to most other industries. Medicaid rates have not increased in response to new market challenges and do not allow for providers to adequately provide the necessary services and supports for individuals with I/DD.

Ask: The pandemic showed us that it is impossible to predict our future. As such, in order to stabilize the I/DD industry on an on-going basis, INARF requests language in the budget to increase HCBS reimbursement rates comparable to ICF rate inflationary adjustments by the same percentage and on the same schedules as ICF rates.

INARF Supports

- Dedicated funding to reimburse providers for new-hire and on-going annual training time for Direct Support Professionals
- Increased CIH and FS waiver Case Management reimbursement rates. Case Management is the only service that every single person on a DDRS waiver is required to receive, however, Case Managers are constantly struggling with additional job responsibilities and larger caseloads due to dwindling staff.
- Increased First Steps rates to attract and retain Physical Therapists, Occupational Therapists, Speech Therapists and other vital services for early intervention in order to compete with clinical settings where rates are much higher.
- Increased Vocational Rehabilitation (VR) rates, in conjunction with the State's goal of employing more Hoosiers with disabilities