



Via email: HIP@fssa.IN.gov

September 3, 2026

Family and Social Services Administration
Office of Medicaid Policy and Planning
Attention: Secretary E. Mitchell (Mitch) Roob
402 West Washington Street, Room W374
Indianapolis, Indiana 46204

COMMENT RE: HEALTHY INDIANA PLAN (HIP) 3.0 SECTION 1115 WAIVER APPLICATION

Indiana Rural Health Association (IRHA) appreciates the opportunity to provide comments on the Indiana Family and Social Services Administration's proposed Healthy Indiana Plan (HIP) 3.0 Section 1115 Waiver Application. IRHA represents rural hospitals, Rural Health Clinics, providers, and other organizations working to improve the health of Hoosiers living in rural areas. We appreciate FSSA's commitment to maintaining coverage for Indiana's Medicaid expansion population while addressing the program's long-term sustainability. As HIP 3.0 moves forward, IRHA encourages FSSA to ensure that implementation reflects the realities of rural healthcare delivery. IRHA asks FSSA to protect coverage continuity for rural Hoosiers, clarify the proposed Rural Health Clinic copayment exemption, and incorporate a meaningful rural lens into the demonstration's evaluation.

IRHA's primary concern is preserving coverage and access for rural Hoosiers who depend on HIP. The waiver does not propose a fixed enrollment cap today, but it contemplates that Indiana could pursue a future amendment to limit enrollment or terminate expansion coverage if available funding becomes insufficient. If fiscal circumstances require an enrollment cap, the application states that FSSA would submit an operational protocol to CMS at least six months before implementation. IRHA recognizes the fiscal constraints facing the program; however, any future enrollment limitation should include a specific rural impact assessment before implementation. This assessment needs to evaluate projected coverage losses by county and rurality, effects on uncompensated care and continuity of treatment, and the potential impact on rural hospitals and other safety-net providers. Rural stakeholders should also have an opportunity to provide input before an enrollment-limitation proposal is submitted to CMS.

As community engagement requirements are implemented, IRHA encourages FSSA to minimize avoidable coverage loss among otherwise eligible rural Hoosiers by providing clear notices, practical reporting options, leveraging existing State data whenever possible, and maintaining straightforward exemption processes. The waiver anticipates that approximately 20% of the non-medically frail expansion population may disenroll due to noncompliance, making it important to distinguish true noncompliance from administrative barriers. Similarly, transitions between Medicaid programs, including movement from HIP to Hoosier Healthwise during pregnancy and back to HIP when eligible, should occur without coverage gaps and with timely eligibility information for providers. In rural communities, disruptions caused by administrative errors can quickly lead to delayed care, denied claims, prescription access issues, and additional burden on provider staff.

IRHA strongly supports the waiver's proposed exemption from copayments for services furnished by FQHCs, CCBHCs, and RHCs. However, the application refers to an RHC as a "Rural Health Center." We request that FSSA correct this terminology in the final application to "Rural Health Clinic," the federally recognized provider designation, and ensure that the exemption is consistently reflected in managed care systems, provider guidance, beneficiary communications, and claims processes. More broadly,

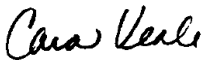
implementation of the proposed cost-sharing structure should give both members and providers clear information about what a member owes, whether an exemption applies, whether the 5% quarterly cost-sharing limit has been reached, and whether the member qualifies for reduced copayments. Without reliable information at the point of service, the proposal could create unnecessary confusion for patients and administrative burden for registration, billing, and collection staff.

IRHA also supports the goal of encouraging preventive care through the Healthy Incentive Initiative, under which members who complete at least three qualifying preventive-care or chronic-disease-management activities may receive reduced copayments after those activities are verified through claims. FSSA should ensure members can easily determine which activities have been credited and should consider whether rural members have reasonable access to the services necessary to earn the incentive. Provider shortages, appointment delays, travel distance, or claims-processing delays should not unintentionally prevent rural members from qualifying for reduced cost sharing.

Finally, IRHA encourages FSSA to incorporate an explicit rural lens into the demonstration evaluation. The proposed evaluation appropriately examines preventive care, utilization, health outcomes, appointment availability, provider participation, copayment collection, and uncompensated care. However, statewide measures alone may obscure significant differences in rural communities. FSSA should stratify appropriate outcomes by rurality, county, and provider type, including enrollment and disenrollment, coverage churn, uncompensated care, appointment availability, provider participation, and access to primary and specialty care. Where coverage ends because of community engagement requirements, the evaluation should also identify whether the cause was failure to meet the requirement or difficulty completing the associated administrative process. The evaluation should allow FSSA and CMS to determine not only what happened, but why it happened, to whom, and where.

IRHA appreciates FSSA's consideration of these recommendations and looks forward to continued collaboration to ensure HIP remains a sustainable source of coverage while protecting access to care for rural Hoosiers. For any questions or additional information please contact IRHA's Senior Director of Government Affairs, Dan Hardesty, at dhardesty@indianarha.org.

Sincerely,



Cara Veale, DHS, FACHE
Chief Executive Officer
Indiana Rural Health Association