

IC 12-15-20

Chapter 20. Indigent Care Trust Fund

IC 12-15-20-1

Fund defined

Sec. 1. As used in this chapter, "fund" refers to the Medicaid indigent care trust fund established by this chapter.

As added by P.L.2-1992, SEC.9.

IC 12-15-20-2

Establishment of fund; payments from fund; priority

Sec. 2. The Medicaid indigent care trust fund is established to pay the non-federal share of the following:

- (1) Enhanced disproportionate share payments to providers under IC 12-15-19-1.
- (2) Subject to subdivision (8), disproportionate share payments to providers under IC 12-15-19-2.1.
- (3) Medicaid payments for pregnant women described in IC 12-15-2-13 and infants and children described in IC 12-15-2-14.
- (4) Municipal disproportionate share payments to providers under IC 12-15-19-8.
- (5) Payments to hospitals under IC 12-15-15-9.
- (6) Payments to hospitals under IC 12-15-15-9.5.
- (7) Payments, funding, and transfers as otherwise provided in clauses (8)(D), (8)(F), and (8)(G).
- (8) Of the intergovernmental transfers deposited into the Medicaid indigent care trust fund, the following apply:
 - (A) The entirety of the intergovernmental transfers deposited into the Medicaid indigent care trust fund for state fiscal years ending on or before June 30, 2000, shall be used to fund the state's share of the disproportionate share payments to providers under IC 12-15-19-2.1.
 - (B) Of the intergovernmental transfers deposited into the Medicaid indigent care trust fund for the state fiscal year ending June 30, 2001, an amount equal to one hundred percent (100%) of the total intergovernmental transfers deposited into the Medicaid indigent care trust fund for the state fiscal year beginning July 1, 1998, and ending June 30, 1999, shall be used to fund the state's share of disproportionate share payments to providers under IC 12-15-19-2.1. The remainder of the intergovernmental transfers, if any, for the state fiscal year shall be used to fund the state's share of additional Medicaid payments to hospitals licensed under IC 16-21 pursuant to a methodology adopted by the office.
 - (C) Of the intergovernmental transfers deposited into the Medicaid indigent care trust fund, for state fiscal years

beginning July 1, 2001, and July 1, 2002, an amount equal to:

- (i) one hundred percent (100%) of the total intergovernmental transfers deposited into the Medicaid indigent care trust fund for the state fiscal year beginning July 1, 1998; minus
- (ii) an amount equal to the amount deposited into the Medicaid indigent care trust fund under IC 12-15-15-9(d) for the state fiscal years beginning July 1, 2001, and July 1, 2002;

shall be used to fund the state's share of disproportionate share payments to providers under IC 12-15-19-2.1. The remainder of the intergovernmental transfers, if any, must be used to fund the state's share of additional Medicaid payments to hospitals licensed under IC 16-21 pursuant to a methodology adopted by the office.

(D) The intergovernmental transfers, which shall include amounts transferred under IC 12-16-7.5-4.5, deposited into the Medicaid indigent care trust fund and the certifications of public expenditures deemed to be made to the Medicaid indigent care trust fund, for the state fiscal years ending after June 30, 2005, but before July 1, 2007, shall be used, in descending order of priority, as follows:

- (i) As provided in clause (B) of STEP THREE of IC 12-16-7.5-4.5(b)(1) and clause (B) of STEP THREE of IC 12-16-7.5-4.5(b)(2), to fund the amount to be transferred to the office.
- (ii) As provided in clause (C) of STEP THREE of IC 12-16-7.5-4.5(b)(1) and clause (C) of STEP THREE of IC 12-16-7.5-4.5(b)(2), to fund the non-federal share of the payments made under IC 12-15-15-9 and IC 12-15-15-9.5.
- (iii) To fund the non-federal share of the payments made under IC 12-15-15-1.1, IC 12-15-15-1.3, and IC 12-15-19-8.
- (iv) As provided under clause (A) of STEP THREE of IC 12-16-7.5-4.5(b)(1) and clause (A) of STEP THREE of IC 12-16-7.5-4.5(b)(2), for the payment to be made under clause (A) of STEP FIVE of IC 12-15-15-1.5(b).
- (v) As provided under STEP FOUR of IC 12-16-7.5-4.5(b)(1) and STEP FOUR of IC 12-16-7.5-4.5(b)(2), to fund the payments to be made under clause (B) of STEP FIVE of IC 12-15-15-1.5(b).
- (vi) To fund, in an order of priority determined by the office to best use the available non-federal share, the programs listed in clause (H).

(E) For state fiscal years ending after June 30, 2007, the total amount of intergovernmental transfers used to fund the non-federal share of payments to hospitals under IC 12-15-15-9 and IC 12-15-15-9.5 shall not exceed the

amount provided in clause (G)(ii).

(F) As provided in clause (D), for the following:

- (i) Each state fiscal year ending after June 30, 2003, but before July 1, 2005, an amount equal to the amount calculated under STEP THREE of the following formula shall be transferred to the office:

STEP ONE: Calculate the product of thirty-five million dollars (\$35,000,000) multiplied by the federal medical assistance percentage for federal fiscal year 2003.

STEP TWO: Calculate the sum of the amounts, if any, reasonably estimated by the office to be transferred or otherwise made available to the office for the state fiscal year, and the amounts, if any, actually transferred or otherwise made available to the office for the state fiscal year, under arrangements whereby the office and a hospital licensed under IC 16-21-2 agree that an amount transferred or otherwise made available to the office by the hospital or on behalf of the hospital shall be included in the calculation under this STEP.

STEP THREE: Calculate the amount by which the product calculated under STEP ONE exceeds the sum calculated under STEP TWO.

- (ii) The state fiscal years ending after June 30, 2005, but before July 1, 2007, an amount equal to thirty million dollars (\$30,000,000) shall be transferred to the office.

(G) Subject to IC 12-15-20.7-2(b), for each state fiscal year ending after June 30, 2007, the total amount in the Medicaid indigent care trust fund, including the amount of intergovernmental transfers of funds transferred, and the amounts of certifications of expenditures eligible for federal financial participation deemed to be transferred, to the Medicaid indigent care trust fund, shall be used to fund the following:

- (i) Thirty million dollars (\$30,000,000) transferred to the office for the Medicaid budget.
- (ii) An amount not to exceed the non-federal share of payments to hospitals under IC 12-15-15-9 and IC 12-15-15-9.5.
- (iii) An amount not to exceed the non-federal share of payments to hospitals made under IC 12-15-15-1.1 and IC 12-15-15-1.3.
- (iv) An amount not to exceed the non-federal share of disproportionate share payments to hospitals under IC 12-15-19-8.
- (v) An amount not to exceed the non-federal share of payments to hospitals under clause (A) of STEP FIVE of IC 12-15-15-1.5(c).
- (vi) An amount not to exceed the non-federal share of Medicaid safety-net payments.

(vii) An amount not to exceed the non-federal share of payments to hospitals made under clauses (C) or (D) of STEP FIVE of IC 12-15-15-1.5(c).

(viii) An amount not to exceed the non-federal share of payments to hospitals made under clause (F) of STEP FIVE of IC 12-15-15-1.5(c).

(ix) An amount not to exceed the non-federal share of disproportionate share payments to hospitals under IC 12-15-19-2.1.

(x) If additional funds are available after making payments under items (i) through (ix), to fund other Medicaid supplemental payments for hospitals approved by the office and included in the Medicaid state plan.

Items (ii) through (x) do not apply during the period that the office is assessing a hospital fee authorized by IC 16-21-10.

(H) This clause does not apply during the period that the office is assessing a hospital fee authorized by IC 16-21-10.

For purposes of clause (D)(vi), the office shall fund the following:

(i) An amount equal to the non-federal share of the payments to the hospital that is eligible under this item, for payments made under clause (C) of STEP FIVE of IC 12-15-15-1.5(b) under an agreement with the office, Medicaid safety-net payments and any payment made under IC 12-15-19-2.1. The amount of the payments to the hospital under this item shall be equal to one hundred percent (100%) of the hospital's hospital-specific limit for state fiscal year 2005, when the payments are combined with payments made under IC 12-15-15-9, IC 12-15-15-9.5, and clause (B) of STEP FIVE of IC 12-15-15-1.5(b) for a state fiscal year. A hospital is eligible under this item if the hospital was eligible for Medicaid disproportionate share hospital payments for the state fiscal year ending June 30, 1998, the hospital received a Medicaid disproportionate share payment under IC 12-15-19-2.1 for state fiscal years 2001, 2002, 2003, and 2004, and the hospital merged two (2) hospitals under a single Medicaid provider number, effective January 1, 2004.

(ii) An amount equal to the non-federal share of payments to hospitals that are eligible under this item, for payments made under clause (C) of STEP FIVE of IC 12-15-15-1.5(b) under an agreement with the office, Medicaid safety-net payments, and any payment made under IC 12-15-19-2.1. The amount of payments to each hospital under this item shall be equal to one hundred percent (100%) of the hospital's hospital-specific limit for state fiscal year 2004, when the payments are combined with payments made to the hospital under IC 12-15-15-9,

IC 12-15-15-9.5, and clause (B) of STEP FIVE of IC 12-15-15-1.5(b) for a state fiscal year. A hospital is eligible under this item if the hospital did not receive a payment under item (i), the hospital has less than sixty thousand (60,000) Medicaid inpatient days annually, the hospital either was eligible for Medicaid disproportionate share hospital payments for the state fiscal year ending June 30, 1998, or the hospital met the office's Medicaid disproportionate share payment criteria based on state fiscal year 1998 data and received a Medicaid disproportionate share payment for the state fiscal year ending June 30, 2001, and the hospital received a Medicaid disproportionate share payment under IC 12-15-19-2.1 for state fiscal years 2001, 2002, 2003, and 2004.

(iii) Subject to IC 12-15-19-6, an amount not less than the non-federal share of Medicaid safety-net payments in accordance with the Medicaid state plan.

(iv) An amount not less than the non-federal share of payments made under clause (C) of STEP FIVE of IC 12-15-15-1.5(b) under an agreement with the office to a hospital having sixty thousand (60,000) Medicaid inpatient days annually.

(v) An amount not less than the non-federal share of Medicaid disproportionate share payments for hospitals eligible under this item, and made under IC 12-15-19-6 and the approved Medicaid state plan. A hospital is eligible for a payment under this item if the hospital is eligible for payments under IC 12-15-19-2.1.

(vi) If additional funds remain after the payments made under (i) through (v), payments approved by the office and under the Medicaid state plan, to fund the non-federal share of other Medicaid supplemental payments for hospitals.

As added by P.L.2-1992, SEC.9. Amended by P.L.27-1992, SEC.23; P.L.24-1997, SEC.50; P.L.126-1998, SEC.15; P.L.273-1999, SEC.174; P.L.113-2000, SEC.19; P.L.283-2001, SEC.26; P.L.1-2002, SEC.53; P.L.120-2002, SEC.17; P.L.255-2003, SEC.22; P.L.212-2007, SEC.10; P.L.218-2007, SEC.20; P.L.229-2011, SEC.140; P.L.205-2013, SEC.203.

IC 12-15-20-3

Expenses of administration

Sec. 3. The expenses of administering the fund shall be paid from money in the fund.

As added by P.L.2-1992, SEC.9.

IC 12-15-20-4

Investment of fund money

Sec. 4. (a) The treasurer of state shall invest the money in the fund

not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested.

(b) Interest that accrues from investments shall be deposited in the fund.

As added by P.L.2-1992, SEC.9.

IC 12-15-20-5

Records; balance in fund; investment earnings

Sec. 5. The office shall maintain records that show the amount of money in the fund and the amount of investment earnings on that amount.

As added by P.L.2-1992, SEC.9. Amended by P.L.27-1992, SEC.24.

IC 12-15-20-6

Money not to revert to general fund

Sec. 6. Money in the fund at the end of a state fiscal year does not revert to the state general fund.

As added by P.L.2-1992, SEC.9.

IC 12-15-20-7

Use of fund money; availability of matching federal financial participation

Sec. 7. Money in the fund may only be used for the purposes listed in section 2 of this chapter to the extent that federal financial participation under Medicaid is available to match the state money.

As added by P.L.2-1992, SEC.9.

IC 12-15-20-8

Repealed

(Repealed by P.L.27-1992, SEC.30.)