

4 Things To Know About Indiana's Long-Term Care Reform Act

By **Edward Holloran, Madison Hartman and Ryan Torres** (June 20, 2023)

On May 1, Indiana Gov. Eric Holcomb signed House Enrolled Act 1461 into law. The act's provisions take effect on July 1, and significantly reform the long-term care landscape in Indiana, particularly with respect to the staffing of facility personnel and licensure of facility administrators.

This omnibus long-term care act touches on several key areas: licensure and training requirements, expansion of Medicaid facility reimbursement and individual eligibility, rural access, and temporary health care services agencies.

Licensure and Training Requirements

The act overhauls and codifies licensure and training requirements for health facility administrators and residential care administrators. Here are some key provisions in the act:

1. Licenses are required for residential care administrators, which the act defines as "an individual who administers, manages, supervises, or is in general administrative charge of a residential care facility."
2. Health facility administrators are now required to complete an administrator-in-training program, achieve a passing score on a state jurisprudence exam, successfully complete a national examination and possess either a bachelor's degree or an associate's degree, or complete a specialized course of study in long-term care administration.
3. The act also allows the board to issue a provisional health facility administrator license or a provisional residential care administrator for a specific health care facility or residential care facility if the individual already has at least two years of administrative experience in a licensed facility and has no prior convictions of a crime that directly affects the individual ability to practice competently.
4. The act also establishes an administrator-in-training program and allows licensed administrators to apply to be preceptors of trainees, allowing one administrator to supervise up to two trainees at one time.

Finally, health facility administrators are now required to complete 40 hours of continuing education during a two-year licensing period; residential care administrators are required to complete 20 hours during the same timeframe.

This language streamlines and reduces licensure and training requirements for health facility administrators and residential care administrators to help address Indiana's shortage of such professionals.

Long-term care providers lost disproportionately more employees than any other provider group during the COVID-19 pandemic. This legislation will create a larger pool of



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administrators from which providers may choose, further incentivizing increased quality of care.

Providers should revise their policies and procedures surrounding health facility administrator and residential care administrator employment qualifications to align with these new requirements.

Reimbursement and Individual Eligibility

The act requires the Office of Family and Social Services Administration, or FSSA, to reimburse providers for integrated health care coordination and transportation under the Medicaid aged disabled waiver.

Furthermore, it prohibits the FSSA from reducing the scope of services provided by an assisted living services provider under the waiver.

The FSSA must also provide one state wide option other than the area agencies to determine eligibility and level of care under the waiver, and the FSSA must reimburse providers for the increased level of care as of the date when the provider has documented the services for the increased level of care.

Finally, the act seeks transparency to ensure accelerated eligibility and level of care determinations by requiring the FSSA to report various metrics surrounding the same.

Under this language, the act seeks to increase reimbursement for home- and community-based service providers. While this language concribes the FSSA's conduct, it's in line with the FSSA's goal to convert 75% of Medicaid long-term care recipients to home- and community-based services. The increased reimbursement, coupled with the accelerated eligibility and level of care determinations will incentivize providers to enter this space.

Rural Access

Third, the act seeks to improved rural health for Indiana's aged population. Specifically, the act tasks the Indiana Housing and Community Development Authority to assess the feasibility of developing assisted living communities for low and middle income individuals in rural counties and determine funding for such development.

The IHCD is required to compile their findings in a report to the General Assembly for further review and potential action. Rural counties historically have less access to care, including assisted living facilities. The act's changes acknowledge and prepare for the coming need for increased access to such services in these areas.

Temporary Health Care Services Agencies

Finally, the act establishes licensure requirements, reporting and investigation of complaints, and oversight of temporary health care services agencies. The Indiana State Department of Health will create a registry of temporary health care services agencies and require such agencies to register and pay a fee to the ISDH.

The act provides comprehensive language regulating how these agencies conduct business. Of note, it forces these agencies to retain records for inspection for at least five years, and it also puts in place disciplinary penalties and creates a list of prohibited practices.

For example, they are no longer permitted to recruit potential health care personnel on the premises of a health care facility or restrict in any manner the employment opportunities of health care personnel. Finally, the act empowers the attorney general's Division of Consumer Protection to investigate and prosecute complaints against temporary health care services agencies.

Both long-term care providers and temporary health care agencies should review their policies and procedures to ensure they comply with applicable provisions, including to prevent prohibited conduct, abide by record retention policies, and follow reporting and disclosure requirements.

Conclusion

The act aims to solve many of the problems that have persisted in the long-term care space for decades by providing protections for providers and their patients.

First, it increases the pool of facility administrators and heightens the qualifications and training for these individuals.

Second, it expands eligibility for Medicaid reimbursement.

Third, it expands rural access to long-term care services, which will help to serve patients in these areas.

Finally, it puts in place greater oversight for temporary health care services agencies so that providers and their patients are contracting with personnel that are more fully vetted prior to working at the facility.

It is recommended that long-term care providers adapt their policies and procedures to align with the act's changes.

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