LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS
FISCAL IMPACT STATEMENT

LS 6626 | **NOTE PREPARED:** Feb 3, 2026
BILL NUMBER: SB 222 | **BILL AMENDED:** Feb 3, 2026

SUBJECT: Family and Social Services Administration Matters.

FIRST AUTHOR: Sen. Charbonneau | **BILL STATUS:** CR Adopted - 2nd House
FIRST SPONSOR: Rep. Barrett

FUNDS AFFECTED: X GENERAL | **IMPACT:** State
DEDICATED
X FEDERAL

Summary of Legislation: (Amended) *First Responders*: This bill adds the 9-8-8 crisis response center and a mobile crisis team as first responders.

Child Care: This bill extends the expiration of the Micro Facility Pilot Program.

DDARS: This bill changes the name of the Division of Disability and Rehabilitative Services to the Division of Disability, Aging, and Rehabilitative Services (DDARS). This bill repeals the Division of Aging and moves existing statutes and administrative rules to other locations. This bill renames the Bureau of Aging and In-Home Services to the Bureau of Better Aging (Bureau) and designates the Bureau to perform certain duties once performed by the Division of Aging. The bill also authorizes the Legislative Services Agency to prepare any legislation necessary to conform with the changes made.

DMHA: This bill requires certified peers to be trained and certified by the Division of Mental Health and Addiction (DMHA) or an approved nationally accredited certification body. It requires rules to be adopted concerning the implementation and administration of certification requirements for specified entities and amends standards.

Medicaid: This bill amends the definition of "qualified provider" concerning the Medicaid program, requires the Office of the Secretary of Family and Social Services (FSSA) to limit presumptive eligibility determinations to qualified providers, and sets forth requirements. This bill also eliminates the requirement of a preferred drug list report.

Home Health Agencies: This bill allows a home health agency that meets certain conditions to continue to provide services to a Medicaid recipient and receive Medicaid reimbursement while the home health agency's application for Medicare enrollment is pending if the home health agency submitted the application or initiated the enrollment process before April 1, 2026.

Effective Date: (Amended) Upon passage; July 1, 2026.

Explanation of State Expenditures: *DDARS:* The repeal of the Division of Aging and the shifting of duties to the DDARS will decrease state General Fund expenditures by an estimated $30,000 and state expenditures of federal funding by an estimated $270,000 per year due to personnel cost efficiencies and IT system consolidations. FSSA implemented the shift of all Division of Aging functions into DDARS effective July 1, 2025.

Medicaid: The elimination of one preferred drug list report currently submitted to the Drug Utilization Review Board will decrease state General Fund expenditures by $25,000 and state expenditures of federal funding by an estimated $25,000. The bill's presumptive eligibility provisions are technical corrections that align Indiana Code with current FSSA practices.

DMHA: The bill codifies current practice regarding certification requirements and standards for various provider types. No DMHA workload or expenditure increase is expected.

Child Care: The bill extends the current expiration date of Micro Facility Pilot Program by one year, from January 1, 2027 to January 1, 2028. FSSA will be able to implement this requirement within existing staff and resource levels.

Additional Information: Medicaid and the Children's Health Insurance Program (CHIP) are jointly funded between the state and federal governments. The state share of costs for most Medicaid medical services for FFY 2026 is 35%, 10% for the age 19 to 64 expansion population within the Healthy Indiana Plan (HIP), and 25% for CHIP. The state share of administrative costs is 50%. The state share of most Medicaid and CHIP expenditures is paid from General Fund appropriations, and state dedicated funds primarily cover HIP costs.

HEA 1001-2025 appropriated $124.7 M annually to the Division of Aging for the FY 2026-2027 biennium.

Explanation of State Revenues:

Explanation of Local Expenditures:

State Agencies Affected: Family and Social Services Administration.

Local Agencies Affected:

Information Sources: Liza Sherman, FSSA;
iga.in.gov/pdf-documents/124/2025/house/bills/HB1001/HB1001.06.ENRS.pdf;
www.in.gov/medicaid/providers/business-transactions/qualified-provider-presumptive-eligibility-pe.

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