



**STATE OF INDIANA  
Department of Correction**

Indiana Government Center—South

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**Eric J. Holcomb**  
Governor

**Robert E. Carter Jr.**  
Commissioner

June 12, 2019

**County Reimbursement Policy for Felony 6 and Other Diversions**

**TO: Indiana Association of Counties**

**FROM: Indiana Department of Correction**

The Department of Correction is changing the way counties are reimbursed for felony diversions. Rather than periodic billing that requires tracking each convicted level 6 felon incarcerated in jail throughout the year, the Department will be distributing these funds in a single lump sum payment at the start of the fiscal year. We reviewed reimbursements made to the county for offenders incarcerated during state fiscal year 2016-2017 and 2017-2018. Each county's distribution will be based on the higher of those two amounts, as well as their percentage of level 6 felons compared to the statewide total.

This new method of F6 reimbursement is intended to support the following outcomes:

- (1) By not requiring the convicted person to remain incarcerated in jail for a county to receive full funding, this method encourages greater collaboration between jail, community corrections, probation, and other treatment and diversion programs;
- (2) No longer requires counties to develop detailed periodic billings, and will not require the gathering of court and jail records needed to track and validate billings;
- (3) Every county will receive an increase over past annual reimbursement amounts, and future amounts will be foreseeable with respect to amount and time received; and
- (4) Eliminates the risk of future bills not being reimbursed should the appropriation reach zero balance (the Budget Bill expressly states the appropriation is the maximum amount the Department may spend on the F6 diversion program.)

All per diem-based billing will end June 20, 2019. From that point forward, every county will receive its reimbursement for felony 6 diversion by way of the lump sum payment received at the start of the fiscal year.

The Department will still reimburse counties for those sentenced to the Department of Correction awaiting transfer to a DOC facility and treatment costs relating to a jail-incarcerated level 6 felon's serious medical need. Reimbursements should continue to be submitted on the appropriate billing form with supporting documentation attached. However, this reimbursement will only be to the extent that this cost cannot be covered by Medicaid, Medicare, insurance, or other available health care reimbursement program or plan not paid for by the county.

Best,

A handwritten signature in black ink, appearing to read "Rob Carter", is written over a faint, larger version of the same signature.

Rob Carter, Commissioner  
Indiana Department of Correction