

Jeff Landry
GOVERNOR



Michael Harrington, MBA, MA
SECRETARY

State of Louisiana

Louisiana Department of Health

March 5, 2025

James G. Scott, Director
Division of Program Operations
Medicaid & CHIP Operations Group
601 East 12th Street, Room 0300
Kansas City, Missouri 64106-2898


RE: Louisiana Title XIX State Plan
Transmittal No. 25-0002

Dear Mr. Scott:

I have reviewed and approved the enclosed Louisiana Title XIX State Plan material.


I recommend this material for adoption and inclusion in the body of the State Plan.
Should you have any questions or concerns regarding this matter, please contact Marjorie
Jenkins at (225) 342-3881 or via email at Marjorie.Jenkins@la.gov.

Sincerely,

Signed by:

BAE5043244C645f...
Michael Harrington, MBA, MA
Secretary

Attachments (3)

MH:KS:KF

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES		1. TRANSMITTAL NUMBER 25-0002	2. STATE LA
TO: CENTER DIRECTOR CENTERS FOR MEDICAID & CHIP SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		3. PROGRAM IDENTIFICATION: TITLE <u>XIX</u> OF THE SOCIAL SECURITY ACT	
5. FEDERAL STATUTE/REGULATION CITATION 42 CFR 447 Subpart B		4. PROPOSED EFFECTIVE DATE July 1, 2025	
7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Attachment 4.19 B, Item 2c, Page 4a Attachment 4.19 B, Item 2c, Page 4b		6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars) a. FFY <u>2025</u> \$1,158,065 b. FFY <u>2026</u> \$4,639,595	
9. SUBJECT OF AMENDMENT The purpose of this SPA is to amend the provisions governing reimbursement for Federally Qualified Health Centers (FQHCs) in order to establish an alternative payment methodology to pay an add-on amount of \$50 per encounter in addition to the Prospective Payment System (PPS) rate on file for the date of service.		8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) Same (TN 23-0005) Same (TN 21-0019)	
10. GOVERNOR'S REVIEW (Check One)			
<input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT		<input checked="" type="checkbox"/> OTHER, AS SPECIFIED:	
<input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED		The Governor does not review State Plan material.	
<input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
11. SIGNATURE OF STATE AGENCY OFFICIAL Signed by: 		15. RETURN TO Kimberly Sullivan, J.D. Medicaid Executive Director Louisiana Department of Health 628 North 4th Street P.O. Box 91030 Baton Rouge, LA 70821-9030	
12. TYPED NAME Michael Harrington, MBA, MA			
13. TITLE Secretary			
14. DATE SUBMITTED March 5, 2025			
FOR CMS USE ONLY			
16. DATE RECEIVED		17. DATE APPROVED	
PLAN APPROVED - ONE COPY ATTACHED			
18. EFFECTIVE DATE OF APPROVED MATERIAL		19. SIGNATURE OF APPROVING OFFICIAL	
20. TYPED NAME OF APPROVING OFFICIAL		21. TITLE OF APPROVING OFFICIAL	
22. REMARKS			

LA TITLE XIX SPA

TRANSMITTAL #: 25-0002

TITLE: Federally Qualified Health Centers Alternative Payment Methodology

EFFECTIVE DATE: July 1, 2025

FISCAL IMPACT:

Increase

	year	% inc.	fed. match	*# mos	range of mos.	dollars
1st SFY	2026			12	July 2025 - June 2026	\$6,806,140
2nd SFY	2027			12	July 2026 - June 2027	\$6,941,712
3rd SFY						

*#mos-months remaining in fiscal year

Total increase or decrease cost FFY 2025

\$6,806,140 / 12 X 3 months July 2025 - September 2025 = \$1,701,535

\$1,701,535 X 68.06% = \$1,158,065

FFP (FFY 2025) =

\$1,158,065

Total increase or decrease cost FFY 2026

\$6,806,140 / 12 X 9 months October 2025 - June 2026 = \$5,104,605

\$5,104,605 X 67.83% = \$3,462,454

\$6,941,712 / 12 X 3 months July 2026 - September 2026 = \$1,735,428

\$1,735,428 X 67.83% = \$1,177,141

FFP (FFY 2026) =

\$4,639,595

STATE OF LOUISIANA

PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES -- OTHER TYPES OF CARE OR SERVICES LISTED IN SECTION 1905(a) OF THE ACT THAT IS INCLUDED IN THE PROGRAM UNDER THE PLAN ARE DESCRIBED AS FOLLOWS:

Behavioral Health and Dental Services

Effective for dates of service on or after April 1, 2019, Medicaid shall establish an alternative payment methodology for behavioral health services provided in FQHCs by one of the following practitioners:

1. Physicians with a psychiatric specialty;
2. Nurse practitioners or clinical nurse specialist with a psychiatric specialty;
3. Licensed clinical social workers; or
4. Clinical psychologist.

The reimbursement for behavioral health services will equal the all-inclusive PPS rate on file for the date of service. This reimbursement will be in addition to any all-inclusive PPS rate on the same date for a medical/dental visit.

Dental services shall be reimbursed at the all-inclusive encounter PPS rate on file for the date of service. This reimbursement will be in addition to any all-inclusive PPS rate made on the same date for a medical/behavioral health visit.

The alternative payment methodology (APM) will be agreed to by the Department and the FQHC, and must result in payment to the FQHC of an amount that is at least equal to the PPS rate.

Encounter Rate Adjustment

Effective for dates of service on or after July 20, 2023, Medicaid will increase payments by \$30 per encounter. This payment is to assist providers with increased cost associated with delivering services in underserved areas. This payment shall be reimbursed through an APM when these services are provided on the same date as a medical/dental/behavioral health visit that includes an evaluation and management procedure code as one of the detailed lines on the claim.

Effective for dates of service on or after July 1, 2025, Medicaid will increase FQHC payments by \$50 per encounter. This payment shall be reimbursed through an APM when these services are provided on the same date as a medical/dental/behavioral health visit that includes an evaluation and management procedure code as one of the detailed lines on the claim. This payment will only be allowed when the FQHC has a participating provider agreement with a managed care organization (MCO) contracted with the Department, the agreement includes a Category 3B designation as defined in the MCO's contract with the Department, and the provider agreement that includes the Category 3B designation has been in effect for no less than 12 months prior to June 30, 2025.

The APM must be agreed to by the Department and the FQHC and must result in a payment to the FQHC, which is at least the PPS rate on file for the date of service.

STATE OF LOUISIANA

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Managed Care Beneficiaries

An FQHC that furnishes services that qualify as an encounter to Medicaid beneficiaries pursuant to a contract with a managed care entity, as defined in Section 1932(a)(1)(B) of the Social Security Act, where the payment(s) from such entity is less than the amount the FQHC would be entitled to receive under PPS or APM, will be eligible to receive a wrap-around supplemental payment processed and paid by the Louisiana Department of Health. The wrap-around supplemental payment shall be made no less frequently than every four months and reconciled no less than annually. Payments related to annual reconciliations will be made within the two year payment requirements at 42 CFR Section 447.45 and 45 CFR Section 95, Subpart A.

Standards for Payment

1. The FQHC must meet the standards for participation outlined in Attachment 3.1-A, Item 2.c.
2. The FQHC provider shall maintain an acceptable fiscal record keeping system that will enable the services provided by a FQHC to be readily distinguished from each other type of service which that facility may provide.
3. The FQHC provider shall retain all records as are necessary to disclose fully the extent of services provided to beneficiaries; to furnish information regarding such records and regarding any payments claimed for providing such services as Medicaid of Louisiana, the Secretary, or the Medicaid Fraud Control Unit may request, for five years from date of service.
4. The FQHC provider shall abide by, and adhere to, all federal and state regulations, guidelines, policies, manuals, etc.