



## **Louisiana Department of Health and Hospitals Health Plan Advisory 13-17 October 15, 2013**

### **Issue: Rate Changes**

#### **Termination of Provider Exemption of Professional Services Fee Schedule Cuts**

On July 1, 2012, DHH reduced rates on the Professional Services fee schedule by 3.4 percent, and on February 1, 2013, it reduced them by an additional 1 percent. In anticipation of the implementation of the federally-mandated Affordable Care Act (ACA) enhanced reimbursement, DHH exempted from the July 2012 and February 2013 rate reductions those services identified in the proposed rule published by the Centers for Medicare and Medicaid Services (CMS) in May 2012 when rendered by physicians who chose a specialty or subspecialty in family medicine, general internal medicine, or pediatric medicine in the Medicaid provider enrollment process administered by Molina.

This exemption remained in place until DHH fully implemented the ACA enhanced reimbursement for claims paid by Molina in accordance with the final rule published by CMS in November 2012. The exemption was effective for dates of service July 1, 2012 through August 19, 2013. For dates of service on or after August 20, 2013, the exemption no longer applies.

While many providers met requirements for exemption from the State rate reductions, not all meet federal requirements for the ACA enhanced reimbursement. Providers who met requirements for exemption from the State rate reductions but do not meet federal requirements for the ACA enhanced reimbursement will see their reimbursement decrease for dates of service after the exemption to State rate reductions ended on August 19, 2013.