

Report: ACT 381 of the 2019 Regular Session

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Disability Services Sustainability Act 2023 Annual Report

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Bureau of Health Services Financing

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Executive Summary

The Louisiana Department of Health (LDH or “the Department”) submits the enclosed annual report regarding the collaborative effort to study and evaluate the access to quality services for individuals with developmental, intellectual, adult-onset, or physical disabilities. This report is submitted to the House Committee on Appropriations, the Senate Committee on Finance, and the legislative committees on health and welfare in response to House Bill 390 of the 2019 Regular Legislative Session by Representative Malinda White. The bill became Act No. 381 when Governor John Bel Edwards signed it into law on June 20, 2019 with an effective date of August 1, 2019. Act 381, also known as the Disability Services Sustainability Act, provides for annual reporting for Medicaid-funded disability services.

Act 381 requires LDH to submit an annual report concerning disability service provider rates as detailed below:

- Any changes within the previous 12 months to the Medicaid rate methodology for disability services and the current Medicaid rates for those services
- The date of the last rebasing of Medicaid rates for intermediate care facilities for people with developmental disabilities and any future dates on which those rates are due to be rebased
- The amount of funding that would be required for an annual adjustment, based on the inflation index, to Medicaid rates for disability services
- The health market basket inflation index used in calculating the amount of funding that would be needed for an annual adjustment of Medicaid rates for disability services
- Any proposed changes to the methodology for determining Medicaid rates for disability services

As with previous studies, LDH has always valued the role of providers in our service delivery system, and has continued to work in tandem to identify viable solutions to address concerns regarding quality service and supports. The next few paragraphs indicate the specific commitments from LDH’s state fiscal year (FY) 2022 business *Together: Building a Stronger LDH and a Healthier Louisiana*, which addressed the service delivery for vulnerable residents and Medicaid rate reviews.

As demonstrated in several initiatives of the business plan, LDH prioritized persons with disabilities. For instance, the second goal of Initiative 6 (Increase and Strengthen Service Delivery for Vulnerable Residents) states that LDH aims to improve workforce capacity and competency for HCBS long-term supports and services by reducing turnover rate of direct support professionals by 2.5% in a one-year period and increasing the number of new direct support professionals by 5% in a one-year period. As shown in the Business Plan Outcomes Report, LDH successfully reduced the turnover rate by 2.5%, but did not increase the number of new direct support professionals by 5%. The Department remains committed to addressing these issues and is continuing its work to establish a methodology for ensuring provider rates address the need for recruitment and retention strategies, including establishment of a realistic wage floor for direct support workers.

Furthermore, Initiative 14 states that LDH seeks to develop and implement a Medicaid rate review in which provider rates will be reviewed and compared against current provider rates, the southern average, the national average, Medicare rates, and commercial rates (if available). These rate reviews will include all provider types on a staggered three-year cycle. The Department understands that sufficient rates can be a barrier to providers deciding to accept Medicaid, so LDH is committed to working in concert with the Administration and the Legislature to develop a collaborative process that accounts for changes in access,

cost of care, actuarial soundness and utilization across Medicaid services and providers. This goal was met with a provider rate review being completed for the first group of selected providers. The ICF's received a 3.2% rate increase for FY 22.

In 2023, LDH completed updates to the cost reporting template used by providers of home- and community- based services. This is an important step in the Medicaid rate review process to ensure that provider costs are accurately reflected and can be used in determining appropriate reimbursement rates.

In order to proactively address reimbursement rate concerns, Medicaid is scheduled to issue an annual rate review report to the Governor, Legislature, and stakeholders. These reports will help LDH and legislators make informed policy and appropriations decisions when considering provider rate adjustments. This information should assist in providing equity across provider types and result in an objective rate adjustment process.

The Department continues to build on the foundations outlined above while pursuing change and accountability with our stakeholders. For purposes of this report, we will specifically examine the five issues outlined above as required by Act 381.

Section 1 - Background

Sustainability of disability services continues to be the subject of many pieces of legislation (listed below) over the past eight years:

- SR 6 of 2016 RLS
- HR 205 of 2017 RLS
- HR 211 of 2017RLS
- HB 204 of 2021 RLS
- HCR 127 of 2021 RLS
- HCR 38 of 2022 RLS
- HCR 39 of 2022 RLS
- HCR 40 of 2022 RLS
- SB 39 RLS
- HR 209 of the 2023 RLS.

Subsection 1.1 – Definitions/Services:

The Centers for Medicare & Medicaid Services (CMS) defines “personal care” as non-skilled personal care, such as help with activities of daily living like bathing, dressing, eating, getting in and out of bed or chairs, moving around, and using the bathroom. For purposes of this report, in-home services are understood to mean those services licensed in Louisiana under the Personal Care Attendant (PCA) module of the Home and Community-Based Services (HCBS) license.

The Office for Citizens with Developmental Disabilities (OCDD) offers community-based services and supports for people with intellectual/developmental disabilities through Medicaid home and community-based waiver services. These waiver programs allow Louisiana residents to have greater flexibility to choose where they want to live as well as the waiver services and supports that best suit their needs, while still receiving Medicaid State Plan benefits. OCDD programs include four HCBS waivers: the New

Opportunities Waiver (NOW), Children’s Choice Waiver (CC), Residential Options Waiver (ROW), and the Supports Waiver (SW).

Services provided by intermediate care facilities for individuals with intellectual disabilities (ICF/IIDs) are designed for those individuals diagnosed as having developmental lags who are considered amendable to active treatment in a 24-hour managed care environment where the individual will achieve maximum growth. Individuals are admitted to an ICF/IID after an interdisciplinary professional team has determined that admission is the best available plan.

The Office of Aging and Adult Services (OAAS) offers Medicaid home and community-based services (HCBS) and supports to elders and persons with adult-onset disabilities. These programs provide supports and services to assist Louisiana residents with remaining in their home. OAAS programs include two HCBS waiver programs: Community Choices Waiver (CCW) and Adult Day Health Care (ADHC) Waiver. Additional OAAS HCBS programs include Long Term-Personal Care Services (LT-PCS), a Medicaid State plan service, and Program of All-Inclusive Care for the Elderly (PACE).

Medicaid State Plan services are provided to eligible persons under the following Medicaid programs: Early and Periodic, Screening, Diagnostic and Treatment-Personal Care Services (EPSDT-PCS); EPSDT-Case Management; Pediatric Day Health Care; Extended Home Health; and ICFs.

Louisiana’s Medicaid PCA services are financed through a combination of state general fund (SGF) appropriations and federal matching funds provided through CMS’s federal financial participation (FFP). Unlike other Medicaid services such as nursing homes and intermediate care facilities, PCA services currently have no other funding sources or mechanisms available.

Subsection 1.2 – History of LDH Actions in Response to Legislative Requests

In 2019, the funding was included in HB 105 and HB 392 to provide for both restoration and rebasing of rates as explained below:

Rate Restoration: Beginning in 2008, rates for HCBS waiver and state plan home-based services provided by licensed personal care attendant (PCA) providers were reduced over time. HB 392 addressed this issue and restored rates for these services to 2008 levels.

Rate Rebase: The last rate rebase for group homes and large facilities for people with developmental disabilities, also known ICF/IID facilities, occurred in 2007. This rate rebase also applies to ADHC centers for elders and people with adult-onset disabilities which had not been rebased since FY 2013.

HB 392/ACT 50 of 2019 Regular Legislative Session (supplemental appropriation for current FY 2019)

- Included funding of the rates for developmental disability home and community-based wavier services, which allowed LDH to increase rates of January 2019 through June 2019.
- Included full funding of the rates for two OAAS HCBS programs, LT-PCS and personal assistance services (PAS) under the Community Choices Waiver,

which were provided for the six-month period of January 2019 through June 2019.

- Included funding for rebasing rates for adult day health care (ADHC) providers.
- Included language, but not funding, that allows the Department to increase rates for ICF/IID facilities.

HB 105/ACT 10 of the 2019 Regular Legislative Session (appropriations for FY 2020)

–provided funding for the following services:

- ICF/IID facilities
- Services provided under Medicaid’s EPSDT program
- HCBS waiver services
- Medicaid State Plan LT-PCS, including services for elders and people with adult-onset disabilities
- ADHC providers

The Appropriations bill also required the Department, subject to CMS approval, to establish a rate schedule for providers of HCBS. This rate schedule must allow for increased wages for direct service workers (DSWs) who provide such HCBS.

HB 1 and HCR 127 of 2021 Regular Legislative Session (Appropriations for FY 2021) – Provided one-time funding from the New Opportunities Waiver Fund for the following

- Direct support worker wages
- October 1, 2021 per unit rate increase implemented
- Amount of the increase depended on the unit of service and ration of direct support worker to recipients.
- Equates to \$2.50 per hour rate increase for providers. Providers are expected to use the rate increase to increase wages to direct support workers.
- The new base minimum hourly compensation for any direct support worker providing care to any recipient of HCBS Waiver services is \$9 before the application of taxes and benefits.

HB390/ACT 381 of the 2019 Regular Legislative Session

House Bill 390/Act 381 of the 2019 Regular Legislative Session declared that reliable and sufficient Medicaid reimbursement rates for private providers are necessary to create and maintain a sustainable statewide system of services for eligible individuals with disabilities. The Act further declared that this statewide system of services is only sustainable if reimbursement rates are sufficient to enlist enough providers to allow an individual a choice among different providers who are capable of delivering quality services.

In 2020, during the COVID-19 Public Health Emergency (PHE), there were multiple provider requests submitted to the LDH across all provider types. Special accommodations and flexibilities were granted for HCBS waiver and ICF/IID recipients and providers, and flexibilities were enacted through Medicaid authorities. The Department focused on ensuring the continuity of care, and allowing as much funding to flow to these providers within the existing state appropriation as possible given federal guardrails and

efforts to avoid duplication. The Appendix K authorizations by CMS allowed states to authorize up to three episodes of retainer payments/hazard pay for an individual during the period of the disaster.

ADHC providers were mandated to close on March 23, 2020 due to the COVID-19 Public Health Emergency (PHE); however, many ADHC providers continued to stay in touch with their participants by telephone, performed wellness visits at the participant's home, and delivered meals and supplies.

- On June 2, 2020, ADHC providers received retroactive payments at a 50% increase from the base rate for their claims that were dated from January 27, 2020 through March 23, 2020. The LDH contractor automatically recycled these claims.
- During the week of August 17, 2020, ADHC providers began receiving retainer payments approved by CMS in March and July 2020. CMS approved OAAS to allow 100% retainer payments to ADHC providers for no more than 22 business days (from March 24, 2020 through April 22, 2020). The retainer payments allowed ADHCs to keep staff on payroll, cover fixed expenses, and re-open once the COVID-19 emergency ends.
- In August 2020, OAAS added two services to the ADHC waiver: Health Status Monitoring and Home Delivered Meals. These services allowed ADHC providers to bill for wellness checks and home delivered meals when their OAAS Waiver participants were unable to attend the ADHC centers.

On October 29, 2020, LDH approved a hazard pay rate for direct support workers (DSWs) providing in-home supports to COVID-19 positive participants, or quarantining participants, in the OCDD Waivers. This included back pay for those who worked with COVID-19 positive clients back to the date of the declared emergency. The hazard pay covered a period of up to 14 days for clients who were quarantined for COVID-19, or up to 40 days for those who test positive for COVID-19. The hazard pay was at a rate of \$0.79/15-minute unit, with a minimum of \$.50/15-minute unit going to the DSW.

On November 16, 2020, LDH approved a hazard pay rate for DSWs providing in-home supports to COVID-19 positive participants, or quarantining participants, in the two following OAAS programs/services: LT-PCS and the Community Choices Waiver-Personal Assistance Services (PAS). This included back pay for those who worked with COVID-19 positive participants back to the date of the declared PHE. The hazard pay covered a period of up to 14-days for participants who were quarantined for COVID-19, or up to 40 calendar days for those who tested positive for COVID-19. The hazard pay was at a rate of \$0.79/15-minute unit, with a minimum of \$.50/15-minute unit going to the DSW.

On December 15, 2020, OAAS'S CCW personal assistance providers received lump sum payments, increasing rates for services provided between October 1, 2019 and December 31, 2019 by \$0.35 per 15-minute unit of service.

On December 22, 2020, LDH approved a provider rate increase for OAAS'S CCW personal assistance services providers, CCW and ADHC Waiver, and support coordination agencies effective for dates of service on or after July 1, 2020. The rate for CCW personal assistance services increased from \$2.89/15-minute unit to \$3.25/15-minute unit. Rates for support coordination agencies for both the CCW and the ADHC Waiver programs were increased by \$15 per month. A retroactive rate adjustment (claims recycle)

was processed for services billed prior to December 22, 2020, with dates of service on or after July 1, 2020 to pay the difference.

During the week of April 5, 2021, OAAS'S LT-PCS providers received lump sum payments for retroactive rate increases of \$0.42 per 15-minute unit of LT-PCS claims paid during the dates of service between October 1, 2019 and December 31, 2019.

American Rescue Plan Act (ARPA)

Following authorization of the American Rescue Plan Act (ARPA) of 2021, CMS issued guidance on how states can receive enhanced funding to strengthen and increase access to home- and community-based services for Medicaid beneficiaries. This allowed states to leverage federal resources to increase health equity in Medicaid beneficiaries' access to community-based supports, positive health outcomes, and community integration. The additional federal funding made available allowed states to tailor HCBS enhancements based on the needs and priorities of its participants, while protecting and strengthening the HCBS workforce, safeguarding financial stability for HCBS providers, and accelerating long-term services and supports reform and innovation. States are provided with a temporary 10% increase to the federal medical assistance percentage (FMAP) for certain Medicaid HCBS from April 1, 2021 through March 31, 2022. States are able to spend this additional funding through March 31, 2025. Louisiana applied for this additional funding by submitting a spending plan to CMS for consideration of proposed activities to enhance, expand, and strengthen HCBS services in our state. The state received approval of its plan from CMS in May 2022. The plan allows LDH to provide wage and other non-wage benefits for OAAS direct service workers/professionals and workforce bonus payments for both OAAS and OCDD. The non-wage benefits may include the following:

- Increased wages (above the minimum wage floor of \$9 per hour);
- Bonuses;
- Paid vacation leave;
- Paid sick leave;
- Training;
- Employer paid/supplemental health care insurance; and/or
- Gas mileage reimbursement.

Stakeholders worked with LDH staff in preparing the ARPA spending plan activities. States are responsible for submitting quarterly spending plan updates to CMS. LDH will continue to collaborate with stakeholders on updates to the spending plan based on beneficiary and system needs.

Office of Aging and Adult Services

For OAAS, in recognition of the work of direct care service/support staff and support coordination agency (SCA) staff during the COVID-19 PHE from April 1, 2021 through October 31, 2022, the following providers/agencies were approved to receive bonus payments and received these payments in July through August 2023:

- LDH was approved to provide supplemental bonus payments to PAS and LT-PCS direct service providers and LT-PCS and ADHC providers in the amount of \$300 per month for every month that the direct care/support staff worked directly with the participants for at least 16 documented

hours for that month. Of the monthly \$300, \$250 must be paid directly to the direct support/care staff and the provider retains \$50.

- LDH was approved to provide bonus payments to self-direction PAS employees in the amount of \$250 per month for every month that the employee worked directly with the CCW participant for at least 16 documented hours for that month.
- LDH was approved to provide supplemental bonus payments to SCAs in the amount of \$300 per month for every month worked by the support coordination agency staff that had at least 10 documented contacts with waiver participants for the month. Of the monthly \$300, \$250 must be paid directly to the support coordination agency staff and the agency retains \$50.

Beginning July 31, 2022, direct service workers providing self-direction PAS through the CCW were paid a minimum wage floor of \$9 per hour.

In August 2022, OAAS increased the following providers' rates between 30%-42% with an effective date of October 1, 2021:

- Adult Day Health Care (ADHC) – 35%
- Personal Assistance Services (PAS) – 42%
- Long Term-Personal Care Services (LT-PCS) – 32%
- Support Coordination (SC) – 30%
- Transition Intensive Support Coordination (TISC) – 30%

Beginning September 1, 2022,, the following OAAS providers had to pay their direct service/support workers a minimum wage floor of \$9 per hour; beginning October 1, 2022,, these providers had to pass 70% of their rate increases directly to the workers in the form of the minimum wage floor of \$9 per hour AND in other wage and non-wage benefits (i.e. increased wages above the \$9 wage floor, bonuses, paid vacation and/or sick leave, training, employer paid/supplemented health care benefits, gas mileage reimbursement, uniforms for DSWs, etc.):

- ADHC providers
- Personal assistance services (PAS) providers under OAAS-CCW
- Long term-personal care services (LT-PCS) providers

OAAS was also able to identify funding to increase capitation rates for Program of All-inclusive Care for the Elderly (PACE) providers. Rates for Baton Rouge and New Orleans PACE providers have not been updated since 2013 and the Lafayette rates were set in 2016 when they opened for operations. In FY 23, PACE capitation rates were as low as 65% of the amount that would otherwise be paid for the participant in Medicaid (AWOP). Pending CMS approval, the FY24 rate adjustment will increase capitation payment to the southern regional average of 89% of AWOP.

[Office for Citizens with Developmental Disabilities](#)

OCDD implemented one-time bonus payments to direct support professionals and support coordinators. A one-time retroactive payment of \$300 was paid to provider agencies, with \$250 going directly to the direct support professional for all direct support professionals who:

- Worked directly with a home- and community-based service recipient between April 1, 2021 and October 31, 2022,
- Provided direct care services for at least 16 hours per month during the eligible months (April 2021 through October 2022), and
- Were still employed during the months of May through September 2023.

Bonus payments of \$300 were also issued to support coordination agencies for support coordinators who:

- Worked directly with a home- and community-based services participant between April 1, 2021 and October 31, 2022,
- Had at least 10 documented contacts with the waiver participants in the eligible months (April 2021 through October 2022), and
- Were still employed during the months of May through August 2023.

Approximately \$75,680,000 in bonus payments were paid to 17,790 direct support professionals and support coordinators.

OCDD has also used funding from ARPA to develop several initiatives to help with the sustainability of the disabilities services system. Those initiatives include:

- The Systematic Therapeutic Assessment Resources and Treatment (START) model assessment and pilot, which will allow Louisiana to bring in a team of experts to assess the current service delivery system and identify gaps in services for people with co-occurring behavioral health needs and I/DD.
- Infrastructure standup for the technology first initiative, which will fund the purchase of equipment to begin using technology supports within the waiver.
- Value based payments, which will allow the state to develop a system to pay providers incentive payments for providing quality supports based on predetermined value or performance indicators.
- Community practitioners training, which partners with the Louisiana Dental Association to provide continuing education for dentists who provide services to individuals with I/DD.
- Support coordination rate increase of 30%.
- University partnerships to develop a curriculum for providers in the I/DD system that will create:
 - A social services and nursing curriculum that focuses on the unique needs that are necessary to support individuals with I/DD, better preparing the workforce; and
 - A community college curriculum that will create a training program for direct support professionals.
- System modernization, which allows OCDD to develop an electronic assessment and person-centered plan that can be accessed by the families and participants, as well as the professionals working with the participants.

LDH continues to address the many issues outlined above, and is committed to developing strategies for ongoing monitoring and review of rates. LDH will also continue examining existing contract opportunities that include annual cost-based methodology reporting and rate rebasing and adjustments. Furthermore, LDH will continue to work with stakeholders in making funding requests to aid them in their ongoing efforts to create stability in the delivery of services to the state's most vulnerable citizens.

Section 2 – Disability Services Reporting

Subsection 2.1 – Any changes within the previous 12 months to the Medicaid rate methodology for disability services and the current Medicaid rates for those services

While some services received a rate increase and/or restoration, changes were not made to rate methodologies.

Rates can be found at:

https://www.lamedicaid.com/provweb1/fee_schedules/feeschedulesindex.htm

OCDD Information:

1. 2020 rate changes associated with COVID-19 response:
 - a. Retainer payments to day program providers due to mandatory closure
 - i. Spring: \$3 million total cost
 - ii. Fall: \$5.8 million total cost
 - b. Hazard payments – when staff work directly with someone impacted by COVID-19 (i.e. positive test result or quarantine), providers can bill an additional \$2/hour that must go to the worker
 - c. One-time rate adjustment – a one-time rate adjustment was given to all waiver providers for a total cost of approximately \$14 million
2. November 2020: Implemented complex care as a supplemental payment for providers supporting individuals with complex medical and/or behavioral support needs; provider can bill an additional \$38.88/day to assist with provision of needed services
3. October 2021: Increase of \$2.50/hour (or commensurate) for all OCDD HCBS Waiver services provided by a direct support worker; requirement that direct support workers are paid a minimum of \$9/hour; OCDD audited payroll records to ensure compliance; total budget is \$16 million from the NOW fund for total of approximately \$60 million with federal match
4. August 2022: Implemented a temporary 30% rate increase for support coordination services provided under the Children’s Choice Waiver (CC), Supports Waiver (SW), and the Residential Options Waiver (ROW). All claims provided on or after January 1, 2022 were paid at the new rates. The American Rescue Plan Act of 2021 (ARPA) provided this funding in FY 2022 and 2023. During the 2023 Regular Legislative Session, funding to continue the 30% rate increase was added to Medicaid’s base budget and this increase is no longer temporary.

OAAS Information:

1. 2020 Rate changes associated with COVID-19 response:
 - a. Retainer payments to adult day health care (ADHC) providers due to mandatory closure: \$784,907
 - b. Hazard payments – when staff work directly with someone impacted by COVID-19 (i.e. positive test result or quarantine), providers can bill an additional \$3.16 per hour, \$2 must go directly to the worker
 - c. One-time rate adjustment was given to ADHC providers for dates of service January 27, 2020 through March 23, 2020: \$429,563
 - d. Provider/support coordination agency rates increased for dates of service on or after July 1, 2020 for the following services, \$13 million:
 - i. CCW personal assistance services (PAS) providers – increased from \$2.89/15-minute unit to \$3.25/15-minute unit; and

- ii. Support coordination agencies (for both the CCW and the ADHC Waiver programs) – increased by \$15 per month.
2. 2021 rate changes associated with COVID-19 response:
 - a. One-time rate adjustment was given to LT-PCS and CCW PAS providers for dates of service October 1, 2019 through December 31, 2019: \$8 million
 - b. One-time rate adjustment was funded for CCW PAS, ADHC, LT-PCS, and OAAS-support coordination providers for dates of services October 1, 2021 through June 30, 2023 with funds from ARPA of 2021, \$163 million. With funding appropriated during the 2023 Legislative Session these rate are able to be sustained at this increased level, \$31 million (SGF).
 - i. Rate increase for LT-PCS providers with an effective date of October 1, 2021– new rate \$4.63 per 15 minutes
 - ii. Rate increase for ADHC providers with an effective date of October 1, 2021– new rate \$3.48 per 15 minutes plus provider specific transportation rate
 - iii. Rate increase for OAAS-CCW PAS providers with an effective date of October 1, 2021– new rate \$4.63 per 15 minutes
 - iv. Rate increase for OAAS support coordination services with an effective date of October 1, 2021– new rate \$202 per month
 - v. Rate increase for OAAS transition intensive support coordination (TISC) service with an effective date of October 1, 2021– new rate \$224 per month
3. 2024 Rate Changes:
 - a. Pending CMS approval, PACE rates will increase, effective July 1, 2023, to the southern regional average of 89% AWOP, \$5 million.

PACE Monthly Capitated Rate	Current	Pending Approval
Baton Rouge		
Medicaid Only	\$4,216	\$6,675
Dual Eligible, Medicaid/Medicare	\$2,616	\$3,621
New Orleans		
Medicaid Only	\$4,524	\$7,046
Dual Eligible, Medicaid/Medicare	\$2,711	\$3,498
Lafayette		
Medicaid Only	\$3,636	\$5,979
Dual Eligible, Medicaid/Medicare	\$3,292	\$3,657

Subsection 2.2 – The date of the last rebasing of Medicaid rates for intermediate care facilities for people with developmental disabilities and any future dates on which those rates are due to be rebased

The last rebase was effective for dates of service beginning July 1, 2022. The next rebase is scheduled for dates of service beginning July 1, 2025.

- 3.56% net reduction in the rate between FY 08 and FY 19.
- ICF/IID rates have seen either a rebase or inflationary adjust in FYs 20, 21, and 22.

- Overall, ICF/IID rates have increased since FY 08 an average of 12.91% across all bed and intensity types.
- March 2020: ICFs received a lump sum claims payment; Total cost was \$4.7 million to all private ICF facilities
- March 2021: ICFs received a lump sum claims payment; Total cost was \$7.5 million to all private ICF facilities
- January 2022: ICFs received an additional \$12 per day;
- June 2023: ICFs will receive a one-time lump sum claims payment: Total \$27.9 million to all private ICF facilities.
- FY 23: There is a budgeted \$6.2M in the FY 23 proposed budget for inflationary adjustments for ICFs.
- FY 24: There is a budgeted \$5.4M in the FY 24 proposed budget for inflationary adjustments for ICFs.

Subsection 2.3 – The amount of funding that would be required for an annual adjustment, based on the inflation index, to Medicaid rates for disability services

	TOTAL FUNDS NEEDED¹
TOTAL MEDICAID	\$10,539,067 ²
TOTAL OAAS	\$20,345,349
TOTAL OCDD	\$28,413,519

¹ Note that these figures are estimates and are subject to change based on future spending and adjustments to the applicable inflation factor used

² Medicaid services include EPSDT Personal Care Services and Case Management, Home Health Services, Pediatric Day Health Care, and ICF/IID services

Subsection 2.4 – The health market basket inflation index used in calculating the amount of funding that would be needed for an annual adjustment of Medicaid rates for disability services

Medicaid, OAAS, and OCDD are using the current 4.1% health market basket index for calculations of an annual adjustment of Medicaid rates for disability services.

For intermediate care facilities (ICFs): 1.0308% , the Skilled Nursing Facility without Capital Market Basket Index published by HIS Global Insight, Inc. (IGI), is being used.

Subsection 2.5 – Any proposed changes to the methodology for determining Medicaid rates for disability services.

LDH has no proposed changes to the methodology for determining Medicaid rates for disability services.

Louisiana Department of Health

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