

**Bobby Jindal**  
GOVERNOR



**Kathy Kliebert**  
SECRETARY

**State of Louisiana**  
Department of Health and Hospitals  
Office of the Secretary

June 27, 2013

National Institutional Reimbursement Team  
Attention: Mark Cooley  
CMS, CMSO  
7500 Security Boulevard, M/S S3-13-15  
Baltimore, MD 21244-1850

Dear Mr. Cooley:

RE: Louisiana Title XIX State Plan  
Transmittal No. 13-23

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.

Sincerely,



Kathy Kliebert  
Secretary

Attachments

**TRANSMITTAL AND NOTICE OF APPROVAL OF  
STATE PLAN MATERIAL**

**FOR: HEALTH CARE FINANCING ADMINISTRATION**

1. TRANSMITTAL NUMBER: <b>13-23</b>	2. STATE <b>Louisiana</b>
3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	

TO: REGIONAL ADMINISTRATOR  
HEALTH CARE FINANCING ADMINISTRATION  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE  
**June 24, 2013**

5. TYPE OF PLAN MATERIAL *(Check One)*:

<input type="checkbox"/> NEW STATE PLAN	<input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN	<input checked="" type="checkbox"/> AMENDMENT
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COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT *(Separate Transmittal for each amendment)*

6. FEDERAL STATUTE/REGULATION CITATION:  
**42 CFR 447, Subpart B & C**

7. FEDERAL BUDGET IMPACT:

a. FFY <b>2013</b>	<b>\$0</b>
b. FFY <b>2014</b>	<b>\$0</b>

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:  
  
**Attachment 4.19-A, Item 1, Page 8c(5)**  
**Attachment 4.19-A, Item 1, Page 8c(6)**

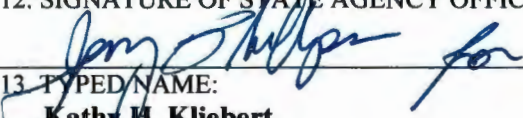
9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT *(If Applicable)*:  
**None (New Page)**  
**None (New Page)**

10. SUBJECT OF AMENDMENT: **The SPA proposes to implement supplemental Medicaid payments for inpatient hospital services provided by non-state owned hospitals participating in public-private partnership CEAs in New Orleans and Lafayette.**

11. GOVERNOR'S REVIEW *(Check One)*:

<input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT	<input checked="" type="checkbox"/> OTHER, AS SPECIFIED: <b>The Governor does not review state plan material.</b>
<input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED	
<input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL	

12. SIGNATURE OF STATE AGENCY OFFICIAL:



13. TYPED NAME:  
**Kathy H. Kliebert**

14. TITLE:  
**Secretary**

15. DATE SUBMITTED:  
**June 27, 2013**

16. RETURN TO:  
**J. Ruth Kennedy, Medicaid Director**  
**State of Louisiana**  
**Department of Health and Hospitals**  
**628 N. 4<sup>th</sup> Street**  
**PO Box 91030**  
**Baton Rouge, LA 70821-9030**

**FOR REGIONAL OFFICE USE ONLY**

17. DATE RECEIVED:

18. DATE APPROVED:

PLAN APPROVED – ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

20. SIGNATURE OF REGIONAL OFFICIAL:

21. TYPED NAME:

22. TITLE:

23. REMARKS:

STATE OF LOUISIANA  
PAYMENT FOR MEDICAL AND REMEDIAL CARE AND SERVICES

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METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES - IN-PATIENT HOSPITAL  
CARE

**1. New Orleans Area CEA**

**Qualifying Criteria**

The Department of Health and Hospitals shall enter into a cooperative endeavor agreement with Louisiana Children’s Medical Center to increase its provision of inpatient Medicaid hospital services by assuming the management and operation of services at a facility in New Orleans where such services were previously provided by a state owned and operated facility.

**Reimbursement Methodology**

Effective for dates of service on or after June 24, 2013, a quarterly supplemental payment shall be made to this qualifying hospital for inpatient services. Payments shall be made quarterly based on the annual upper payment limit calculation per state fiscal year. Payments shall not exceed the allowable Medicaid charge differential. The Medicaid inpatient charge differential is the Medicaid inpatient charges less the Medicaid inpatient payments (which includes both the base payments and supplemental payments).

The qualifying hospital will provide quarterly reports to DHH that will demonstrate that, upon implementation, the annual Medicaid inpatient quarterly payments do not exceed the annual Medicaid inpatient charges per 42CFR 447.271. Before the final quarterly payment for each state fiscal year the quarterly reports will be reviewed and verified with Medicaid claims data. The final quarterly payment for each state fiscal year will be reconciled and will be adjusted to assure that the annual payment does not exceed the allowable Medicaid inpatient charge differential. Maximum payments shall not exceed the upper payment limit per 42CFR 447.272.

**2. Lafayette Area CEA**

**Qualifying Criteria**

The Department of Health and Hospitals shall enter into a cooperative endeavor agreement with the Lafayette General Health System, Inc. to increase its provision of inpatient Medicaid hospital services by assuming

STATE OF LOUISIANA  
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METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES - IN-PATIENT HOSPITAL  
CARE

the management and operation of services at a facility in Lafayette where such services were previously provided by a state-owned and operated facility.

**Reimbursement Methodology**

Effective for dates of service on or after June 24, 2013, a quarterly supplemental payment shall be made to this qualifying hospital for inpatient services. Payments shall be made quarterly based on the annual upper payment limit calculation per state fiscal year. Payments shall not exceed the allowable Medicaid charge differential. The Medicaid inpatient charge differential is the Medicaid inpatient charges less the Medicaid inpatient payments (which includes both the base payments and supplemental payments).

The qualifying hospital shall provide quarterly reports to DHH that will demonstrate that, upon implementation, the annual Medicaid inpatient quarterly payments do not exceed the annual Medicaid inpatient charges per 42 CFR 447.271. Before the final quarterly payment for each state fiscal year the quarterly reports will be reviewed and verified with Medicaid claims data. The final quarterly payment for each state fiscal year will be reconciled and will be adjusted to assure that the annual payment does not exceed the allowable Medicaid inpatient charge differential.

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TN# \_\_\_\_\_ Approval Date \_\_\_\_\_ Effective Date \_\_\_\_\_  
Supersedes  
TN# \_\_\_\_\_