

Bobby Jindal
GOVERNOR



Bruce D. Greenstein
SECRETARY

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

November 1, 2012

Mr. Bill Brooks
Associate Regional Administrator
Division of Medicaid & Children's Health
DHHS/Centers for Medicare and Medicaid Services
1301 Young Street, Room #833
Dallas, Texas 75202

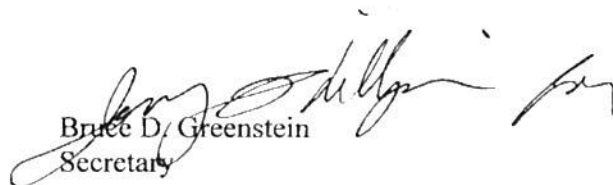
RE: Louisiana Title XIX State Plan
Transmittal No. 12-64

Dear Mr. Brooks,

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,


Bruce D. Greenstein
Secretary

Attachments

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

FOR: HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER:

12-64

2. STATE

Louisiana

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE
SOCIAL SECURITY ACT (MEDICAID)

4. PROPOSED EFFECTIVE DATE

November 1, 2012

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

5. TYPE OF PLAN MATERIAL (Check One):

☐ NEW STATE PLAN ☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN ☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:

42 CFR 447, Subpart F

7. FEDERAL BUDGET IMPACT:

a. FFY **2012** **\$0**

b. FFY **2013** **\$0**

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 4.19-A, Item 1, Pages 9 and 10

9. PAGE NUMBER OF THE SUPERSEDED PLAN
SECTION OR ATTACHMENT (If Applicable):

None (New Pages)

10. SUBJECT OF AMENDMENT: **The purpose of this SPA is to revise the reimbursement methodology for outpatient hospital services to establish supplemental Medicaid payments to encourage them to take over the operation and management of state-owned and operated hospitals that have terminated or reduced services.**

11. GOVERNOR'S REVIEW (Check One):

☐ GOVERNOR'S OFFICE REPORTED NO COMMENT

☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED

☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

☒ OTHER, AS SPECIFIED:

The Governor does not review state plan material.

12. SIGNATURE OF STATE AGENCY OFFICIAL:

13. TYPED NAME:

Bruce D. Greenstein

14. TITLE:

Secretary

15. DATE SUBMITTED:

November 1, 2012

16. RETURN TO:

J. Ruth Kennedy, Medicaid Director

State of Louisiana

Department of Health and Hospitals

628 N. 4th 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:

PAYMENT 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 ARE INCLUDED IN THE PROGRAM UNDER THE PLAN AS DESCRIBED AS FOLLOWS:

Public-Private Partnerships

A. Non-State Privately Owned Hospitals

Effective for dates of service on or after November 1, 2012, the Department of Health and Hospitals (the Department) shall provide supplemental Medicaid payments for outpatient hospital services rendered by non-state privately owned hospitals that meet the following conditions.

Qualifying Criteria

The hospital must be a non-state privately owned and operated hospital that enters into a cooperative endeavor agreement with the Department to increase its provision of outpatient Medicaid and uninsured hospital services by:

- a. Assuming the management and operation of services at a facility where such services were previously provided by a state owned and operated facility; or
- b. Providing services that were previously delivered and terminated or reduced by a state owned and operated facility.

Reimbursement Methodology

Payments to qualifying hospitals shall be made on a quarterly basis in accordance with 42 CFR 447.272.

B. Non-State Publicly Owned Hospitals

Effective for dates of service on or after November 1, 2012, the Department shall make supplemental Medicaid payments for outpatient hospital services rendered by non-state publicly owned hospitals that meet the following conditions.

PAYMENT 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 ARE INCLUDED IN THE PROGRAM UNDER THE PLAN AS DESCRIBED AS FOLLOWS:

Qualifying Criteria

The hospital must be a non-state publicly owned and operated hospital that enters into a cooperative endeavor agreement with the Department of Health and Hospitals to increase its provision of outpatient Medicaid and uninsured hospital services by:

- a. assuming the management and operation of services at a facility where such services were previously provided by a state owned and operated facility; or
- b. providing services that were previously delivered and terminated or reduced by a state owned and operated facility.

Reimbursement Methodology

Payments to qualifying hospitals shall be made on a quarterly basis in accordance with 42 CFR 447.321.

C. Non-State Free-Standing Psychiatric Hospitals

Effective for dates of service on or after November 1, 2012, the Department shall make supplemental Medicaid payments for outpatient psychiatric hospital services rendered by non-state privately or publicly owned hospitals that meet the following conditions.

Qualifying Criteria

The hospital must be a non-state privately or publicly owned and operated hospital that enters into a cooperative endeavor agreement with the Department of Health and Hospitals to increase its provision of outpatient Medicaid and uninsured psychiatric hospital services by:

- a. assuming the management and operation of services at a facility where such services were previously provided by a state owned and operated facility; or
- b. providing services that were previously delivered and terminated or reduced by a state owned and operated facility.

Reimbursement Methodology

Payments to qualifying hospitals shall be made on a quarterly basis in accordance with 42 CFR 447.321.

Bobby Jindal
GOVERNOR



Bruce D. Greenstein
SECRETARY

State of Louisiana
Department of Health and Hospitals
Bureau of Health Services Financing

October 29, 2012

Tricia Mestayer, Administrator
Chitimacha Health Clinic
3231 Chitimacha Trail
Charenton, LA 70523

Katie Hufstetler [Sent via e-mail]
Chitimacha Tribe of Louisiana
P. O. Box 640
Charenton, LA 70523

Anita Molo [Sent via e-mail]
Chitimacha Tribe of Louisiana
P. O. Box 640
Charenton, LA 70523

Earl J. Barbry, Sr., Chairman [Sent via e-mail]
Tunica-Biloxi Tribe of Louisiana
P. O. Box 1589
Marksville, LA 71351-1589

Kevin Sickey, Chairman [Sent via e-mail]
Coushatta Tribe of Louisiana
P. O. Box 818
Elton, LA 70532

Chief Christine Norris [Sent via e-mail]
The Jena Band of Choctaw Indians
P. O. Box 14
Jena, LA 71342

Dear Louisiana Tribal Contact:

RE: Notification of Proposed State Plan Amendments

In compliance with the provisions of the American Recovery and Reinvestment Act (ARRA) of 2009, the Department of Health and Hospitals, Bureau of Health Services Financing is taking the opportunity to notify you of proposed State Plan Amendments that may have an impact on your tribe.

Attached for your review and comments is a summary of the proposed State Plan Amendments. Please provide any comments you may have by November 28, 2012 to Ms. Keydra Singleton via email to keydra.singleton@la.gov or by postal mail to:

Department of Health and Hospitals
Bureau of Health Services Financing
Policy Development and Implementation
P.O. Box 9130
Baton Rouge, LA 70821-9030

Louisiana Tribal Notice
October 29, 2012
Page 2

Should you have additional questions about Medicaid policy, Ms. Singleton will be glad to assist you. You may reach her by email or phone at (225) 342-4294. Thanks for your continued support of the tribal consultation process.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Ruth Kennedy", with a stylized flourish at the end.

J. Ruth Kennedy
Medicaid Director

Attachment (1)

JRK/DY/JH

c: Ford J. Blunt III, CMS Health Insurance Specialist

**State Plan Amendments for Submittal to CMS
Request for Tribal Comments
October 29, 2012**

TN 12-58 Medicaid Audit Recovery Program

Effective Date: June 30, 2013

The SPA proposes to revise the implementation date of the Recovery Audit Contract (RAC) program to comply with the federal requirements under Section 6411 of the Affordable Care Act.

TN 12-59 Inpatient Hospital Services-Non-Rural, Non-State—Public Hospitals-Supplemental Payments

Effective Date: October 1, 2012

The SPA proposes to revise the reimbursement methodology for inpatient hospital services to provide for supplemental Medicaid payments to qualifying non-rural, non-state public hospitals.

12-60 Outpatient Hospital Services—Non-Rural, Non-State Public Hospitals, Supplemental Payments

Effective Date: October 1, 2012

The SPA proposes to revise the reimbursement methodology for outpatient hospital services to provide supplemental Medicaid payments to qualifying non-rural, non-state public hospitals for state fiscal year 2013.

12-61 Professional Services Program—Physician Services—Reclassification of Optometry Services

Effective Date: October 1, 2012

The SPA proposes to revise physician services in the Professional Services Program in order to reclassify optometry services as a mandatory physician service under the Medicaid State Plan.

12-62 Disproportionate Share Hospital Payments—Public-Private Partnerships

Effective Date: November 1, 2012

The SPA proposes to revise the reimbursement methodology for disproportionate share hospital (DSH) payments for non-state owned hospitals in order to encourage them to take over the operation and management of state-owned and operated hospitals that have terminated or reduced services.

12-63 Inpatient Hospital Services—Public-Private Partnerships—Supplemental Payments

Effective Date: November 1, 2012

The SPA proposes to revise the reimbursement methodology for inpatient hospital services to establish supplemental Medicaid payments to non-state owned hospitals in order to encourage them to take over the operation and management of state-owned and operated hospitals that have terminated or reduced services.

12-64 Outpatient Hospital Services—Public-Private Partnerships—Supplemental Payments

Effective Date: November 1, 2012

The SPA proposes to revise the reimbursement methodology for outpatient hospital services to establish supplemental Medicaid payments to non-state owned hospitals to encourage them to take over the operation and management of state-owned hospitals that have terminated or reduced services.

State Plan Amendments for Submittal to CMS
Request for Tribal Comments
October 29, 2012

12-65 Coordinated Care Network—Pharmacy Services Coverage

Effective Date: November 1, 2012

The SPA proposes to revise the provisions governing coordinated care networks to include pharmacy services as a covered service under the BAYOU HEALTH Program for recipients enrolled in pre-paid health plans.

12-66 Pharmacy Benefits Management Program-Methods of Payment

Effective Date: November 1, 2012

The SPA proposes to revise the provisions governing the methods of payment for prescription drugs and the dispensing fee.

36:2044 (September 2010), amended LR 37:3267 (November 2011), LR 38:

Implementation of the provisions of this Rule may be contingent upon the approval of the U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services (CMS), if it is determined that submission to CMS for review and approval is required.

Interested persons may submit written comments to J. Ruth Kennedy, Bureau of Health Services Financing, P.O. Box 91030, Baton Rouge, LA 70821-9030. She is responsible for responding to inquiries regarding this Emergency Rule. A copy of this Emergency Rule is available for review by interested parties at parish Medicaid offices.

Bruce D. Greenstein
Secretary

1211#094

DECLARATION OF EMERGENCY

Department of Health and Hospitals Bureau of Health Services Financing

Outpatient Hospital Services—Public-Private Partnerships Supplemental Payments (LAC 50:V.Chapter 67)

The Department of Health and Hospitals, Bureau of Health Services Financing adopts LAC 50:V.Chapter 67 in the Medical Assistance Program as authorized by R.S. 36:254 and pursuant to Title XIX of the Social Security Act. This Emergency Rule is promulgated in accordance with the provisions of the Administrative Procedure Act, R.S. 49:953(B)(1) et seq., and shall be in effect for the maximum period allowed under the Act or until adoption of the final Rule, whichever occurs first.

The Department of Health and Hospitals, Bureau of Health Services Financing proposes to amend the provisions governing outpatient hospital services to establish supplemental Medicaid payments to non-state-owned hospitals in order to encourage them to take over the operation and management of state-owned hospitals that have terminated or reduced services. Participating non-state-owned hospitals shall enter into a cooperative endeavor agreement with the department to support this public-private partnership initiative.

This action is being taken to promote the health and welfare of Medicaid recipients by maintaining recipient access to much needed hospital services. It is estimated that implementation of this Emergency Rule will be cost-neutral to the Medicaid Program for state fiscal year 2012-2013 as the supplemental payments to participating non-state-owned hospitals will be funded with the savings realized from the reduced payments (DSH and Medicaid) to state-owned and -operated hospitals.

Effective November 1, 2012, the Department of Health and Hospitals, Bureau of Health Services Financing adopts provisions to establish supplemental Medicaid payments for outpatient hospital services provided by non-state-owned hospitals participating in public-private partnerships.

Title 50

PUBLIC HEALTH—MEDICAL ASSISTANCE

Part V. Hospital Services

Subpart 5. Outpatient Hospital Services

Chapter 67. Public-Private Partnerships

§6701. Qualifying Hospitals

A. Non-State Privately Owned Hospitals. Effective for dates of service on or after November 1, 2012, the department shall provide supplemental Medicaid payments for outpatient hospital services rendered by non-state privately owned hospitals that meet the following conditions.

1. Qualifying Criteria. The hospital must be a non-state privately owned and operated hospital that enters into a cooperative endeavor agreement with the Department of Health and Hospitals to increase its provision of outpatient Medicaid and uninsured hospital services by:

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

b. providing services that were previously delivered and terminated or reduced by a state-owned and -operated facility.

B. Non-State Publicly Owned Hospitals. Effective for dates of service on or after November 1, 2012, the department shall make supplemental Medicaid payments for outpatient hospital services rendered by non-state publicly owned hospitals that meet the following conditions.

1. Qualifying Criteria. The hospital must be a non-state publicly owned and operated hospital that enters into a cooperative endeavor agreement with the Department of Health and Hospitals to increase its provision of outpatient Medicaid and uninsured hospital services by:

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

b. providing services that were previously delivered and terminated or reduced by a state-owned and -operated facility.

C. Non-State Free-Standing Psychiatric Hospitals. Effective for dates of service on or after November 1, 2012, the department shall make supplemental Medicaid payments for outpatient psychiatric hospital services rendered by non-state privately or publicly owned hospitals that meet the following conditions.

1. Qualifying Criteria. The hospital must be a non-state privately or publicly owned and operated hospital that enters into a cooperative endeavor agreement with the Department of Health and Hospitals to increase its provision of outpatient Medicaid and uninsured psychiatric hospital services by:

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

b. providing services that were previously delivered and terminated or reduced by a state-owned and -operated facility.

AUTHORITY NOTE: Promulgated in accordance with R.S. 36:254 and Title XIX of the Social Security Act.

HISTORICAL NOTE: Promulgated by the Department of Health and Hospitals, Bureau of Health Services Financing, LR 38:

§6703. Reimbursement Methodology

A. Payments to qualifying hospitals shall be made on a quarterly basis in accordance with 42 CFR 447.272.

AUTHORITY NOTE: Promulgated in accordance with R.S. 36:254 and Title XIX of the Social Security Act.

HISTORICAL NOTE: Promulgated by the Department of Health and Hospitals, Bureau of Health Services Financing, LR 38:

Implementation of the provisions of this Rule may be contingent upon the approval of the U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services (CMS), if it is determined that submission to CMS for review and approval is required.

Interested persons may submit written comments to J. Ruth Kennedy, Bureau of Health Services Financing, P.O. Box 91030, Baton Rouge, LA 70821-9030. She is responsible for responding to inquiries regarding this Emergency Rule. A copy of this Emergency Rule is available for review by interested parties at parish Medicaid offices.

Bruce D. Greenstein
Secretary

1211#009

DECLARATION OF EMERGENCY

**Department of Health and Hospitals
Bureau of Health Services Financing**

Outpatient Hospital Services—Small Rural Hospitals
Low Income and Needy Care Collaboration
(LAC 50:V.5311, 5511, 5711, 5911 and 6113)

The Department of Health and Hospitals, Bureau of Health Services Financing amends LAC 50:V.5311, 5511, 5711, 5911, and 6113 in the Medical Assistance Program as authorized by R.S. 36:254 and pursuant to Title XIX of the Social Security Act. This Emergency Rule is promulgated in accordance with the provisions of the Administrative Procedure Act, R.S. 49:953(B)(1) et seq., and shall be in effect for the maximum period allowed under the Act or until adoption of the final Rule, whichever occurs first.

In compliance with Act 327 of the 2007 Regular Session of the Louisiana Legislature, the Department of Health and Hospitals, Office of the Secretary, Bureau of Health Services Financing amended the reimbursement methodology governing state fiscal year 2009 Medicaid payments to small rural hospitals for outpatient hospital services (*Louisiana Register*, Volume 35, Number 5). The Department of Health and Hospitals, Bureau of Health Services Financing promulgated an Emergency Rule which amended the provisions governing the reimbursement methodology for outpatient hospital services to provide for a supplemental Medicaid payment to small rural hospitals that enter into an agreement with a state or local governmental entity for the purpose of providing healthcare services to low income and needy patients (*Louisiana Register*, Volume 37, Number 11). The department promulgated an Emergency Rule which amended the provisions of the October 20, 2011 Emergency Rule in order to clarify the qualifying criteria (*Louisiana Register*, Volume 37, Number 12). This Emergency Rule is being promulgated to continue the provisions of the

December 20, 2011 Emergency Rule. This action is being taken to secure new federal funding and to promote the public health and welfare of Medicaid recipients by ensuring sufficient provider participation in the Hospital Services Program.

Effective December 17, 2012, the Department of Health and Hospitals, Bureau of Health Services Financing amends the provisions governing the reimbursement methodology for outpatient hospital services rendered by small rural hospitals.

Title 50

PUBLIC HEALTH—MEDICAL ASSISTANCE

Part V. Hospital Services

Subpart 5. Outpatient Hospital Services

Chapter 53. Outpatient Surgery

Subchapter B. Reimbursement Methodology

§5311. Small Rural Hospitals

A. B.

C. Low Income and Needy Care Collaboration. Effective for dates of service on or after October 20, 2011, quarterly supplemental payments will be issued to qualifying non-state hospitals for outpatient surgery services rendered during the quarter. Maximum aggregate payments to all qualifying hospitals in this group shall not exceed the available upper payment limit per state fiscal year.

1. Qualifying Criteria. In order to qualify for the supplemental payment, the non-state hospital must be affiliated with a state or local governmental entity through a Low Income and Needy Care Collaboration Agreement

a. A non-state hospital is defined as a hospital which is owned or operated by a private entity.

b. A Low Income and Needy Care Collaboration Agreement is defined as an agreement between a hospital and a state or local governmental entity to collaborate for purposes of providing healthcare services to low income and needy patients.

2. Each qualifying hospital shall receive quarterly supplemental payments for the outpatient services rendered during the quarter. Payments shall be distributed quarterly based on Medicaid paid claims for service dates from the previous state fiscal year. Payments to hospitals participating in the Medicaid Disproportionate Share Hospital (DSH) Program shall be limited to the difference between the hospital's specific DSH limit and the hospital's DSH payments for the applicable payment period. Aggregate payments to qualifying hospitals shall not exceed the maximum allowable cap for the state fiscal year.

AUTHORITY NOTE: Promulgated in accordance with R.S. 36:254 and Title XIX of the Social Security Act.

HISTORICAL NOTE: Promulgated by the Department of Health and Hospitals, Office of the Secretary, Bureau of Health Services Financing, LR 35:956 (May 2009), amended by the Department of Health and Hospitals, Bureau of Health Services Financing, LR 38:

Chapter 55. Clinic Services

Subchapter B. Reimbursement Methodology

§5511. Small Rural Hospitals

A. - B. ...

C. Low Income and Needy Care Collaboration. Effective for dates of service on or after October 20, 2011, quarterly supplemental payments will be issued to qualifying non-state hospitals for outpatient hospital clinic services rendered during the quarter. Maximum aggregate payments to all

The newspapers of **Louisiana** make public notices from their printed pages available electronically in a single database for the benefit of the public. This enhances the legislative intent of public notice - keeping a free and independent public informed about activities of their government and business activities that may affect them. Importantly, Public Notices now are in one place on the web (www.PublicNoticeAds.com), not scattered among thousands of government web pages.

County: Orleans

Printed In: The Times-Picayune

Printed On: 2012/10/31

PUBLIC PROCESS NOTICE Department of Health and Hospitals Bureau of Health Services Financing Inpatient and Outpatient Hospital Services Public-Private Partnerships Supplemental Payments The Department of Health and Hospitals, Bureau of Health Services Financing proposes to amend the provisions governing inpatient and outpatient hospital services to establish supplemental Medicaid payments to non-state owned hospitals in order to encourage them to take over the operation and management of state-owned hospitals that have terminated or reduced services. Participating non-state owned hospitals shall enter into a cooperative endeavor agreement with the department to support this public-private partnership initiative. This action is being taken to promote the health and welfare of Medicaid recipients by maintaining recipient access to much needed hospital services. Effective November 1, 2012, the Department of Health and Hospitals, Bureau of Health Services Financing proposes to promulgate Emergency Rules to adopt provisions to establish supplemental Medicaid payments for inpatient and outpatient hospital services provided by non-state owned hospitals participating in public-private partnerships. Implementation of the provisions of this Rule may be contingent upon the approval of the U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services (CMS), if it is determined that submission to CMS for review and approval is required. Interested persons may submit written comments to J. Ruth Kennedy, Bureau of Health Services Financing, P.O. Box 91030, Baton Rouge, LA 70821-9030. She is responsible for responding to inquiries regarding this public notice. The deadline for receipt of all written comments is December 3, 2012 by 4:30 p.m. A copy of this public notice is available for review by interested parties at parish Medicaid offices. Bruce D. Greenstein Secretary

Public Notice ID: 19519656