

DECLARATION OF EMERGENCY

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

**Disproportionate Share Hospital Payments
Louisiana Low-Income Academic Hospitals
(LAC 50:V.2903 and Chapter 31)**

The Department of Health and Hospitals, Bureau of Health Services Financing repeals LAC 50:V.2903 and adopts LAC 50:Chapter 31 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 promulgated Emergency Rules which amended the provisions governing disproportionate share hospital (DSH) payments to hospitals participating in public-private partnerships in the south and north Louisiana areas (*Louisiana Register*, Volume 39, Numbers 7 and 10). As a result of the U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services' disapproval of the corresponding State Plan Amendments, the department has now determined that it is necessary to repeal the provisions of the July 6, 2013 and October 1, 2013 Emergency Rules governing DSH payments to the

hospitals participating in the south and north Louisiana area public-private partnerships.

The department now proposes to amend the provisions governing DSH payments in order to establish payments to Louisiana Low-Income Academic Hospitals. 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 have no fiscal impact for state fiscal year 2013-2014.

Effective May 24, 2014 the Department of Health and Hospitals, Bureau of Health Services Financing amends the provisions governing DSH payments to establish payments to participating Louisiana Low-Income Academic Hospitals.

TITLE 50

PUBLIC HEALTH-MEDICAL ASSISTANCE

Part V. Hospital Services

Subpart 3. Disproportionate Share Hospital Payments

Chapter 29. Public-Private Partnerships

§2903. Payment Methodology

~~A. — D.4. Reserved.~~

~~E. — Shreveport Area Cooperative Endeavor Agreement~~

~~1. — Effective for dates of service on or after~~

~~October 1, 2013, a state-owned or operated hospital in~~

~~Shreveport that has transferred its management and operations to~~

~~a non-state owned hospital participating in a public-private~~

~~partnership shall be eligible for payment of 100 percent of its uncompensated care costs.~~

~~2. Qualifying hospitals shall submit costs and patient specific data in a format specified by the department. Cost and lengths of stay will be reviewed for reasonableness before payments are made.~~

~~3. The first payment of each fiscal year will be made by October 25 and will be 85 percent of the annual estimate. The remainder of the payment will be made by June 30 of each year.~~

~~F. Monroe Area Cooperative Endeavor Agreement~~

~~1. Effective for dates of service on or after October 1, 2013, a state-owned or operated hospital in Monroe that has transferred its management and operations to a non-state owned hospital participating in a public-private partnership shall be eligible for payment of 100 percent of its uncompensated care costs.~~

~~2. Qualifying hospitals shall submit costs and patient specific data in a format specified by the department. Cost and lengths of stay will be reviewed for reasonableness before payments are made.~~

~~3. The first payment of each fiscal year will be made by October 25 and will be 85 percent of the annual estimate. The remainder of the payment will be made by June 30 of each year.~~

~~G. Bogalusa Area Cooperative Endeavor Agreement~~

~~1. Effective for dates of service on or after January 1, 2014, a state-owned or operated hospital in Bogalusa that has transferred its management and operations to a non-state-owned hospital participating in a public-private partnership shall be eligible for payment of 100 percent of its uncompensated care costs.~~

~~2. Qualifying hospitals shall submit costs and patient-specific data in a format specified by the department. Cost and lengths of stay will be reviewed for reasonableness before payments are made.~~

~~3. The first payment will be made by January 15, 2014 and will be 80 percent of one-half of the annual estimate. The first payment of each subsequent fiscal year will be made by October 15 and will be 80 percent of the annual estimate. The remainder of the payment will be made by June 30 of each year.~~ Repealed.

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 40:

Chapter 31. Louisiana Low-Income Academic Hospitals

§3101. Qualifying Criteria

A. Hospitals Located Outside of the Lake Charles Metropolitan Statistical Area

1. Effective for dates of service on or after May 24, 2014, a hospital may qualify for this category by:

a. being a private acute care general hospital that is located outside of the Lake Charles Metropolitan Statistical Area (MSA);

b. having uninsured patient utilization, as measured by allowable uninsured inpatient and outpatient charges, greater than 20 percent. Qualification shall be based on uninsured utilization data per the prior state fiscal year date of service time period; and

c. maintaining at least 15 unweighted intern and resident full-time equivalent positions, as reported on the Medicare Cost Report Worksheet E-4, Line 6.

B. Hospitals Located In the Lake Charles Metropolitan Statistical Area

1. Effective for dates of service on or after May 24, 2014, a hospital may qualify for this category by:

a. being a private acute care general hospital that is located in the Lake Charles MSA;

b. having uninsured patient utilization, as measured by allowable uninsured inpatient and outpatient charges, greater than 10 percent. To determine qualification in state fiscal year 2014, the first six month dates of service time period (July 1, 2013 through December 31, 2013) shall be used. In subsequent state fiscal years, qualification shall be

based on uninsured utilization data per the prior state fiscal year date of service time period; and

c. maintaining at least 20 unweighted intern and resident full-time equivalent positions, as reported on the Medicare Cost Report Worksheet E-4, Line 6.

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 40:

§3103. Payment Methodology

A. Each qualifying hospital shall be paid DSH adjustment payments equal to 100 percent of allowable hospital specific uncompensated care costs. Costs, patient specific data, and documentation that qualifying criteria is met shall be submitted in a format specified by the department. Costs and lengths of stay shall be reviewed by the department for reasonableness before payments are made.

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 40:

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 or by email to Medicaid.Policy@la.gov. Ms. Kennedy is responsible for responding to all inquiries regarding this Emergency Rule. A copy of this Emergency Rule is available for review by interested parties at parish Medicaid offices.

Kathy H. Kliebert

Secretary