

NOTICE OF INTENT

Department of Health and Hospitals  
Bureau of Health Services Financing and  
Office of Behavioral Health

Behavioral Health Services  
Statewide Management Organization  
LaCHIP Affordable Plan Benefits Administration  
(LAC 50:XXXIII.103)

The Department of Health and Hospitals, Bureau of Health Services Financing and the Office of Behavioral Health propose to amend LAC 50:XXXIII.103 in the Medical Assistance Program as authorized by R.S. 36:254 and pursuant to Title XIX of the Social Security Act. This proposed Rule is promulgated in accordance with the provisions of the Administrative Procedure Act, R.S. 49:950 et seq.

The Department of Health and Hospitals, Bureau of Health Services Financing adopted provisions to implement a coordinated behavioral health services system under the Louisiana Medicaid Program to provide services through the utilization of a Statewide Management Organization that is responsible for the necessary administrative and operational functions to ensure adequate coordination and delivery of behavioral health services (*Louisiana Register*, Volume 38, Number 2).

The Department of Health and Hospitals, Bureau of Health Services Financing and the Office of Behavioral Health promulgated an Emergency Rule which amended the February 2012 Rule in order to include the administration of behavioral health services covered

under the LaCHIP Affordable Plan (Phase 5) (*Louisiana Register*, Volume 38, Number 12). LaCHIP Affordable Plan benefits, including behavioral health services, were administered by the Office of Group Benefits. The administration of these services was transferred to the statewide management organization under the Louisiana Behavioral Health Partnership. The department promulgated an Emergency Rule which amended the provisions of the January 1, 2013 Emergency Rule in order to revise recipient coverage under the LaCHIP Affordable Plan (*Louisiana Register*, Volume 40, Number 7). This proposed Rule is being promulgated in order to continue the provisions of the August 1, 2014 Emergency Rule.

## **Title 50**

### **PUBLIC HEALTH-MEDICAL ASSISTANCE** **Part XXXIII. Behavioral Health Services** **Subpart 1. Statewide Management Organization**

#### **Chapter 1. General Provisions**

##### **§103. Recipient Participation**

- A. The following Medicaid recipients shall be mandatory participants in the coordinated behavioral health system of care:
  - 1. - 5. ...
  - 6. children who receive foster care or adoption assistance (Title IV-E), or who are in foster care or who are otherwise in an out-of-home placement;
  - 7. Title XXI SCHIP populations, including:

- a. LaCHIP Phases 1 - 4; and
  - b. LaCHIP Affordable Plan (Phase 5);
8. recipients who receive both Medicare and Medicaid benefits; and
9. recipients enrolled in the LaMOMS program.

B. ...

C. Notwithstanding the provisions of Subsection A of this Section, the following Medicaid recipients are excluded from enrollment in the PIHP/SMO:

1. recipients enrolled in the Medicare Beneficiary Programs (QMB, SLMB, QDWI and QI-1);
2. adults who reside in an intermediate care facility for persons with intellectual disabilities (ICF/ID);
3. recipients of Refugee Cash Assistance;
4. recipients enrolled in the Regular Medically Needy Program;
5. recipients enrolled in the Tuberculosis Infected Individual Program;
6. recipients who receive emergency services only coverage;
7. recipients who receive services through the Program of All-Inclusive Care for the Elderly (PACE);
8. recipients enrolled in the Low Income Subsidy Program;

9. participants in the TAKE CHARGE Family Planning Waiver; and;

10. recipients enrolled in the LaMOMS Program.

11. - 12. 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 38:361 (February 2012), amended by the Department of Health and Hospitals, Bureau of Health Services Financing and the Office of Behavioral Health, LR 41:

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.

In compliance with Act 1183 of the 1999 Regular Session of the Louisiana Legislature, the impact of this proposed Rule on the family has been considered. It is anticipated that this proposed Rule may have a positive impact on family functioning, stability or autonomy as described in R.S. 49:972 by ensuring that families have adequate coordination and access to behavioral health services.

In compliance with Act 854 of the 2012 Regular Session of the Louisiana Legislature, the poverty impact of this proposed Rule has been considered. It is anticipated that this proposed Rule may have a positive impact on child, individual, or family poverty in relation to individual or community asset development as described in R.S. 49:973 by reducing health care costs to families through adequate coordination and access to behavioral health services.

In compliance with House Concurrent Resolution (HCR) 170 of the 2014 Regular Session of the Louisiana Legislature, the provider impact of this proposed Rule has been considered. It is anticipated that this proposed Rule will have no impact on the staffing level requirements or qualifications required to provide the same level of service, no direct or indirect cost to the provider to provide the same level of service, and will have no impact on the provider's ability to provide the same level of service as described in HCR 170.

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 [MedicaidPolicy@la.gov](mailto:MedicaidPolicy@la.gov). Ms. Kennedy is responsible for responding to inquiries regarding this proposed Rule. A public hearing on this proposed Rule is scheduled for Thursday, May 28, 2015 at 9:30 a.m. in Room 118, Bienville Building, 628 North Fourth Street, Baton Rouge, LA. At that time all interested persons will be afforded an opportunity

to submit data, views or arguments either orally or in writing. The deadline for receipt of all written comments is 4:30 p.m. on the next business day following the public hearing.

Kathy H. Kliebert

Secretary

FISCAL AND ECONOMIC IMPACT STATEMENT  
FOR ADMINISTRATIVE RULES

Person  
Preparing  
Statement: Robert Andrepon      Dept.: Health and Hospitals  
Phone: 342-1325      Office: Bureau of Health Services  
Financing

Return      P.O. Box 91030      Rule Title: Behavioral Health Services  
Address: Baton Rouge, LA      Statewide Management  
Organization  
LaCHIP Affordable Plan Benefits  
Administration

Date Rule Takes Effect: January 1, 2013

SUMMARY

In accordance with Section 953 of Title 49 of the Louisiana Revised Statutes, there is hereby submitted a fiscal and economic impact statement on the rule proposed for adoption, repeal or amendment. The following summary statements, based on the attached worksheets, will be published in the Louisiana Register with the proposed agency rule.

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS (SUMMARY)

*It is anticipated that the implementation of this proposed Rule will result in estimated state general fund programmatic savings of \$144,175 for FY 14-15, \$148,403 for FY 15-16 and \$152,855 for FY 16-17. It is anticipated that \$648 (\$324 SGF and \$324 FED) will be expended in FY 14-15 for the state's administrative expense for promulgation of this proposed Rule and the Final Rule. The numbers reflected above are based on a blended Federal Medical Assistance Percentage (FMAP) rate of 62.06 percent in FY 14-15 and 62.17 in FY 15-16. The enhanced rate of 62.11 percent for the first three months of FY 15 is the federal rate for disaster-recovery FMAP adjustment states.*

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

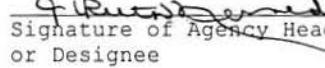
*It is anticipated that the implementation of this proposed Rule will reduce federal revenue collections by approximately \$236,040 for FY 14-15, \$243,886 for FY 15-16 and \$251,203 for FY 16-17. It is anticipated that \$324 will be expended in FY 14-15 for the federal administrative expenses for promulgation of this proposed rule and the Final Rule. The numbers reflected above are based on a blended Federal Medical Assistance Percentage (FMAP) rate of 62.06 percent in FY 14-15 and 62.17 in FY 15-16. The enhanced rate of 62.11 percent for the first three months of FY 15 is the federal rate for disaster-recovery FMAP adjustment states.*

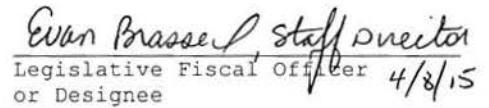
III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS (Summary)

*This proposed Rule continues the provisions of the January 1, 2013 and August 1, 2014 Emergency Rules which amended the provisions governing the statewide management organization that is responsible for behavioral health services in order to include the administration of behavioral health services covered under the LaCHIP Affordable Plan (Phase 5). It is anticipated that implementation of this proposed rule will reduce program expenditures in the Medicaid Program by approximately \$380,863 for FY 14-15, \$392,289 for FY 15-16 and \$404,058 for FY 16-17.*

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

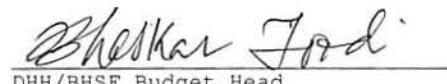
*It is anticipated that the implementation of this proposed rule will not have an effect on competition and employment.*

  
Signature of Agency Head  
or Designee

  
Evan Brassel, Staff Director  
Legislative Fiscal Officer 4/8/15  
or Designee

J. Ruth Kennedy, Medicaid Director  
Typed name and Title of  
Agency Head or Designee

4-7-15  
Date of Signature

  
DHH/BHSF Budget Head

04/07/15  
Date of Signature

FISCAL AND ECONOMIC IMPACT STATEMENT  
FOR ADMINISTRATIVE RULES

The following information is required in order to assist the Legislative Fiscal Office in its review of the fiscal and economic impact statement and to assist the appropriate legislative oversight subcommittee in its deliberations on the proposed rule.

A. Provide a brief summary of the content of the rule (if proposed for adoption or repeal) or a brief summary of the change in the rule (if proposed for amendment). Attach a copy of the notice of intent and a copy of the rule proposed for initial adoption or repeal (or, in the case of a rule change, copies of both the current and proposed rules with amended portions indicated).

*This proposed Rule continues the provisions of the January 1, 2013 and August 1, 2014 Emergency Rules which amended the provisions governing the statewide management organization that is responsible for behavioral health services in order to include the administration of behavioral health services covered under the LaCHIP Affordable Plan (Phase 5).*

B. Summarize the circumstances that require this action. If the action is required by federal regulations, attach a copy of the applicable regulation.

*The Department of Health and Hospitals, Bureau of Health Services Financing adopted provisions to implement a coordinated behavioral health services system under the Louisiana Medicaid Program to provide services through the utilization of a Statewide Management Organization that is responsible for the necessary administrative and operational functions to ensure adequate coordination and delivery of behavioral health services (Louisiana Register, Volume 38, Number 2).*

*The Department of Health and Hospitals, Bureau of Health Services Financing and the Office of Behavioral Health promulgated an Emergency Rule which amended the February 2012 Rule in order to include the administration of behavioral health services covered under the LaCHIP Affordable Plan (Phase 5) (Louisiana Register, Volume 38, Number 12). LaCHIP Affordable Plan benefits, including behavioral health services, were administered by the Office of Group Benefits. The administration of these services was transferred to the statewide management organization under the Louisiana Behavioral Health Partnership. The department promulgated an Emergency Rule which amended the provisions of the January 1, 2013 Emergency Rule in order to revise recipient coverage under the LaCHIP Affordable Plan (Louisiana Register, Volume 40, Number 7). This proposed Rule is being promulgated in order to continue the provisions of the August 1, 2014 Emergency Rule.*

C. Compliance with Act 11 of the 1986 First Extraordinary Session.

(1) Will the proposed rule change result in any increase in the expenditure of funds? If so, specify amount and source of funding.

*No, this proposed rule will result in a reduction in programmatic expenditures in the Medicaid Program by approximately \$380,215 for FY 14-15, \$392,289 for FY 15-16 and \$404,058 for FY 16-17. In FY 14-15, \$648 is included for the state's administrative expense for promulgation of this proposed rule and the final rule.*

(2) If the answer to (1) above is yes, has the Legislature specifically appropriated the funds necessary for the associated expenditure increase?

(a)  If yes, attach documentation.  
(b)  If no, provide justification as to why this rule change should be published at this time.

FISCAL AND ECONOMIC IMPACT STATEMENT  
WORKSHEET

I. A. COST OR SAVINGS TO STATE AGENCIES RESULTING FROM THE ACTION PROPOSED

1. What is the anticipated increase or (decrease) in cost to implement the proposed action?

COST	FY 14-15	FY 15-16	FY 16-17
PERSONAL SERVICES			
OPERATING EXPENSES	\$648	\$0	\$0
PROFESSIONAL SERVICES			
OTHER CHARGES	(\$380,863)	(\$392,289)	(\$404,058)
REPAIR & CONSTR.			
POSITIONS (#)			
<b>TOTAL</b>	<b>(\$380,215)</b>	<b>(\$392,289)</b>	<b>(\$404,058)</b>

2. Provide a narrative explanation of the costs or savings shown in "A.1.", including the increase or reduction in workload or additional paperwork (number of new forms, additional documentation, etc.) anticipated as a result of the implementation of the proposed action. Describe all data, assumptions, and methods used in calculating these costs.

*The expenses reflected above are the estimated reductions in expenditures in the Medicaid Program. In FY 14-15, \$648 is included for the state's administrative expense for promulgation of this proposed rule and the final rule.*

3. Sources of funding for implementing the proposed rule or rule change.

Source	FY 14-15	FY 15-16	FY 16-17
STATE GENERAL FUND	(\$144,175)	(\$148,403)	(\$152,855)
SELF-GENERATED			
FEDERAL FUND	(\$236,040)	(\$243,886)	(\$251,203)
OTHER (Specify)			
<b>Total</b>	<b>(\$380,215)</b>	<b>(\$392,289)</b>	<b>(\$404,058)</b>

4. Does your agency currently have sufficient funds to implement the proposed action? If not, how and when do you anticipate obtaining such funds?

*Yes, sufficient funds are available to implement this rule.*

B. COST OR SAVINGS TO LOCAL GOVERNMENTAL UNITS RESULTING FROM THIS PROPOSED ACTION.

1. Provide an estimate of the anticipated impact of the proposed action on local governmental units, including adjustment in workload and paperwork requirements. Describe all data, assumptions and methods used in calculating this impact.

*This proposed rule has no known impact on local governmental units.*

FISCAL AND ECONOMIC IMPACT STATEMENT  
WORKSHEET

2. Indicate the sources of funding of the local governmental unit that will be affected by these costs or savings.

*There is no known impact on the sources of local governmental unit funding.*

II. EFFECT ON REVENUE COLLECTIONS OF STATE AND LOCAL GOVERNMENTAL UNITS

A. What increase or (decrease) in revenues can be expected from the proposed action?

REVENUE INCREASE/DECREASE	FY 14-15	FY 15-16	FY 16-17
STATE GENERAL FUND			
AGENCY SELF-GENERATED			
RESTRICTED FUNDS*			
FEDERAL FUNDS	(\$236,040)	(\$243,886)	(\$251,203)
LOCAL FUNDS			
<b>Total</b>	<b>(\$236,040)</b>	<b>(\$243,886)</b>	<b>(\$251,203)</b>

*\*Specify the particular fund being impacted*

B. Provide a narrative explanation of each increase or decrease in revenue shown in "A". Describe all data, assumptions, and methods used in calculating these increases or decreases.

*The amounts reflected above are the estimated reductions in the federal share of Medicaid Program expenditures. In FY 14-15, \$324 is included for the federal expense for promulgation of this proposed rule and the final rule.*

III. COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS

A. What persons or non-governmental groups would be directly affected by the proposed action? For each, provide an estimate and a narrative description of any effects on costs, including workload adjustments and additional paperwork (number of new forms, additional documentation, etc.)

*This proposed Rule continues the provisions of the January 1, 2013 and August 1, 2014 Emergency Rules which amended the provisions governing the statewide management organization that is responsible for behavioral health services in order to include the administration of behavioral health services covered under the LaCHIP Affordable Plan (Phase 5).*

B. Also, provide an estimate of any revenue impact resulting from this rule or rule change to these groups.

*It is anticipated that implementation of this proposed rule will reduce program expenditures in the Medicaid Program by approximately \$380,863 for FY 14-15, \$392,289 for FY 15-16 and \$404,058 for FY 16-17.*

IV. EFFECTS ON COMPETITION AND EMPLOYMENT

Identify and provide estimates of the impact of the proposed action on competition and employment in the public and private sectors. Include a summary of any data, assumptions and methods used in making these estimates.

*It is anticipated that the implementation of this proposed rule will not have an effect on competition and employment.*