

**NOTICE OF INTENT**

**Department of Health  
Bureau of Health Services Financing**

**Inpatient Hospital Services  
Pre-Admission Certification  
(LAC 50:V.301)**

The Department of Health, Bureau of Health Services Financing proposes to repeal LAC 50:V.301 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.

Due to the implementation of managed care through the Healthy Louisiana program, pre-admission certification, concurrent review, and length of stay assignment are no longer required for admission of Medicaid recipients to non-state and state operated acute care general hospitals. The Department of Health, Bureau of Health Services Financing hereby amends the provisions governing inpatient hospital services in order to repeal provisions requiring pre-admission certification, concurrent review and length of stay assignment.

**Title 50**

**PUBLIC HEALTH—MEDICAL ASSISTANCE  
Part V. Hospital Services  
Subpart 1. Inpatient Hospitals**

**Chapter 3. Pre-Admission Certification**

**§301. General Provisions**

Repealed.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of Health and Hospitals, Bureau of Health Services Financing, LR 36:66 (January 2010), amended LR 38:824 (March 2012), repealed by the Department of Health, Bureau of Health Services Financing, LR 44:

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 will have no impact on family functioning, stability and autonomy as described in R.S. 49:972.

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 will have no impact on child, individual, or family poverty in relation to individual or community asset development as

described in R.S. 49:973.

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 cost 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 Jen Steele, Bureau of Health Services Financing, P.O. Box 91030, Baton Rouge, LA 70821-9030 or by email to MedicaidPolicy@la.gov. Ms. Steele is responsible for responding to inquiries regarding this proposed Rule. A public hearing on this proposed Rule is scheduled for Thursday, January 25, 2018 at 9:30 a.m. in Room 173, 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.

Rebekah E. Gee MD, MPH

Secretary

FISCAL AND ECONOMIC IMPACT STATEMENT  
FOR ADMINISTRATIVE RULES

Person

Preparing

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Rule Title: Inpatient Hospital Services  
Pre-Admission Certification

Date Rule Takes Effect: March 20, 2018

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 implementation of this proposed rule will have no programmatic fiscal impact to the state other than the cost of promulgation for FY 17-18. It is anticipated that \$324 (\$162 SGF and \$162 FED) will be expended in FY 17-18 for the state's administrative expense for promulgation of this proposed rule and the final rule.*

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

*It is anticipated that the implementation of this proposed Rule will not affect revenue collections other than the federal share of the promulgation costs for FY 17-18. It is anticipated that \$162 will be collected in FY 17-18 for the federal share of the expense for promulgation of this proposed rule and the final rule.*

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

*This proposed Rule amends the provisions governing inpatient hospital services in order to remove obsolete Legacy Medicaid language to align the Rule provisions with current Medicaid program operations and practices relative to pre-certification, concurrent review and length of stay assignment for admission of Medicaid recipients to inpatient acute care hospitals. Since the implementation of Medicaid managed care, recipients have received hospital services through managed care organizations who authorize the delivery of health care services, including inpatient hospital admissions; therefore, the Legacy Medicaid pre-certification language in the Louisiana Administrative Code is outdated as this process is governed under the managed care authority. It is anticipated that implementation of this proposed rule will not have economic costs or benefits to inpatient hospital service providers for FY 17-18, FY 18-19 and FY 19-20 since the requirement for precertification of inpatient hospital services for fee-for-service Medicaid recipients was discontinued with the implementation of managed care.*

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

*This rule has no known effect on competition and employment.*

Lana Holdsmith  
Signature of Agency Head  
or Designee

Evan Brasel, Staff Director  
Legislative Fiscal Officer  
or Designee

*for*  
Jen Steele, Medicaid Director  
Typed name and Title of  
Agency Head or Designee

12/7/17  
Date of Signature

  
LDH/BHST Budget Head

12-7-17  
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 amends the provisions governing inpatient hospital services in order to remove obsolete Legacy Medicaid language to align the Rule provisions with current Medicaid program operations and practices relative to pre-certification, concurrent review and length of stay assignment for admission of Medicaid recipients to inpatient acute care hospitals. Since the implementation of Medicaid managed care, recipients have received hospital services through managed care organizations who authorize the delivery of health care services, including inpatient hospital admissions; therefore, the Legacy Medicaid pre-certification language in the Louisiana Administrative Code is outdated as this process is governed under the managed care authority.*

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

*Due to the implementation of managed care through the Healthy Louisiana program, pre-admission certification, concurrent review, and length of stay assignment are no longer required for admission of Medicaid recipients to inpatient acute care general hospitals. The Department of Health, Bureau of Health Services Financing hereby amends the provisions governing inpatient hospital services in order to repeal provisions requiring pre-admission certification, concurrent review and length of stay assignment.*

- 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. It is anticipated that implementation of this proposed rule will have no programmatic fiscal impact to the state other than the cost of promulgation for FY 17-18. It is anticipated that \$324 will be expended in FY 17-18 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 17-18	FY 18-19	FY 19-20
PERSONAL SERVICES			
OPERATING EXPENSES	\$324	\$0	\$0
PROFESSIONAL SERVICES			
OTHER CHARGES			
REPAIR & CONSTR.			
POSITIONS (#)			
<b>TOTAL</b>	<b>\$324</b>	<b>\$0</b>	<b>\$0</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.

*In FY 17-18, \$324 will be spent 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 17-18	FY 18-19	FY 19-20
STATE GENERAL FUND	\$162	\$0	\$0
SELF-GENERATED			
FEDERAL FUND	\$162	\$0	\$0
OTHER (Specify)			
<b>Total</b>	<b>\$324</b>	<b>\$0</b>	<b>\$0</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 17-18	FY 18-19	FY 19-20
STATE GENERAL FUND			
AGENCY SELF-GENERATED			
RESTRICTED FUNDS*			
FEDERAL FUNDS	\$162	\$0	\$0
LOCAL FUNDS			
<b>Total</b>	<b>\$162</b>	<b>\$0</b>	<b>\$0</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.

*In FY 17-18, \$162 will be collected for the federal share of the administrative 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 amends the provisions governing inpatient hospital services in order to remove obsolete Legacy Medicaid language to align the Rule provisions with current Medicaid program operations and practices relative to pre-certification, concurrent review and length of stay assignment for admission of Medicaid recipients to inpatient acute care hospitals. Since the implementation of Medicaid managed care, recipients have received hospital services through managed care organizations who authorize the delivery of health care services, including inpatient hospital admissions; therefore, the Legacy Medicaid pre-certification language in the Louisiana Administrative Code is outdated as this process is governed under the managed care authority.*

- 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 not have economic costs or benefits to inpatient hospital service providers for FY 17-18, FY 18-19 and FY 19-20 since the requirement for precertification of inpatient hospital services for fee-for-service Medicaid recipients was discontinued with the implementation of managed care.*

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.

*This rule has no known effect on competition and employment.*