

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Dallas Regional Office
1301 Young Street, Suite 833
Dallas, Texas 75202



Division of Medicaid & Children's Health, Region VI

December 18, 2014

DEFERRAL LA/2014/3/E/03/MAP

Ms. Ruth Kennedy, Medicaid Director
Bureau of Health Services Financing
Department of Health and Hospitals (DHH)
628 North 4th Street
Baton Rouge, LA. 70821-9030

Dear Ms. Kennedy:

The Dallas Regional Office (RO) of the Centers for Medicare and Medicaid Services (CMS) has completed the review of expenditures claimed on the Quarterly Medicaid Statement of Expenditures for the Medical Assistance Program (Form CMS-64) for the quarter ended June 30, 2014. Based upon this review, we are deferring medical Prescribed Drugs expenditures of \$3,618,242 total computable, \$2,247,290 Federal Financial Participation (FFP) claimed as a current expenditure on Line 6 of the report.

The deferral represents the expenditures claimed for reimbursement related to disapproved State plan amendment 12-66B by the Department of Health and Hospitals (DHH). The CMS-64 Medicaid expenditure report contained expenditures under State plan amendments that have not been approved by CMS.

State Medicaid Director Letter #01-001, dated January 2, 2001, advises States that CMS will defer and/or disallow any claims for FFP submitted on Form HCFA-64 or Form HCFA-21 expenditure reports related to any pending State plan amendments. Therefore, in accordance with the Code of Federal Regulations (CFR) for Medicaid at 42 CFR 430.40 (b), DHH is hereby advised that payment of \$2,247,290 reported on line 6 as current expenditures to medical assistance payments, is being deferred.

Any further claims for FFP in these areas will be deferred until the amendments to the State plan have been approved. The deferral action will be reflected on your next grant award. In accordance with 42 CFR 430.40 (c)(1), you have 60 days from the receipt of this letter to submit further documentation to support the expenditures deferred in order to avoid a possible disallowance. If additional time is required to provide further documentation for our review, you may submit a written request for an extension of up to 60 days. Also, you should adjust your next PMS drawdown by the amount of the deferral.

If you have any questions, please contact Demetria Carter at 225-342-0203 or Michael Jones at 214-767-6279. Their respective email addresses are demetria.carter@cms.hhs.gov and michael.jones@cms.hhs.gov.

Sincerely,

Bill Brooks
Associate Regional Administrator
Division of Medicaid and Children's Health

cc via Email: Jeff Reynolds/DHH
Jen Steele/DHH
Pam Diez/ DHH