

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
7500 Security Boulevard, Mail Stop S2-26-12  
Baltimore, Maryland 21244-1850



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DEC 02 2013

Ms. Ruth Kennedy, Director  
Bureau of Health Services Financing  
Department of Health and Hospitals  
Post Office Box 91030  
Baton Rouge, Louisiana 70821-9030

RE: Louisiana 13-41

Dear Ms. Kennedy:

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid State plan submitted under transmittal number (TN) 13-41. The purpose of this amendment is to exclude certain procedure codes (90791, 90792, 90832, 90834 and 90837) because of the Federal Sequestration that decreased the January 2013 Medicare rates. These procedure codes affect physicians rendering services in a Psychiatric Residential Treatment Facility (PRTF).

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30), 1903(a), and 1923 of the Social Security Act and the implementing Federal regulations at 42 CFR 447 Subpart C. As part of the review process the State was asked to provide information regarding funding of the State share of expenditures under Attachment 4.19-A.

Based upon your assurances, Medicaid State plan amendment 13-41 is approved effective September 1, 2013. We are enclosing the HCFA-179 and the new plan pages.

If you have any questions, please call Tamara Sampson at (214) 767-6431.

Sincerely,

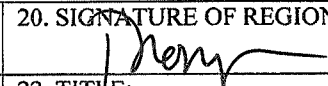
A handwritten signature in black ink, appearing to read "Cindy Mann", is written over the typed name.

Cindy Mann

Director

Center for Medicaid, CHIP, and Survey & Certification

Enclosures

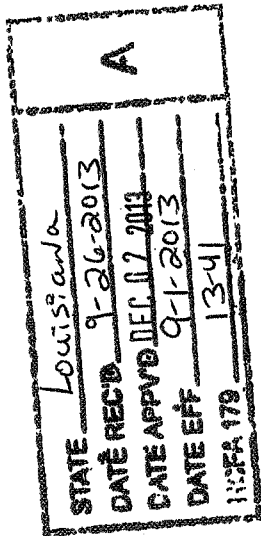
<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b>		1. TRANSMITTAL NUMBER: <b>13-41</b>	2. STATE <b>Louisiana</b>
<b>FOR: HEALTH CARE FINANCING ADMINISTRATION</b>		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE <b>September 1, 2013</b>	
5. TYPE OF PLAN MATERIAL (Check One): <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)			
6. FEDERAL STATUTE/REGULATION CITATION: <b>42 CFR 447, Subpart B, C, F</b>		7. FEDERAL BUDGET IMPACT: a. FFY <u>2013</u> <b>\$0</b> b. FFY <u>2014</u> <b>\$0</b>	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:  <b>Attachment 4.19-A, Item 16 Page 5</b> <b>Attachment 4.19-A, Item 16, Page 5a</b>		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):  <b>Pending (TN 13-27)</b> <b>Pending (TN 13-27)</b>	
10. SUBJECT OF AMENDMENT: <b>The SPA proposes to amend the provisions governing the reimbursement methodology for physician services covered under the Louisiana Behavioral Health Partnership (LBHP) to exclude certain procedure codes from the January 2013 Medicare rate changes due to the federal sequestration.</b>			
11. GOVERNOR'S REVIEW (Check One): <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input checked="" type="checkbox"/> OTHER, AS SPECIFIED: <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <b>The Governor does not review state plan material.</b> <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF STATE AGENCY OFFICIAL:		16. RETURN TO:	
13. TYPED NAME: <b>Kathy H. Kliebert</b>		<b>J. Ruth Kennedy, Medicaid Director</b> <b>State of Louisiana</b> <b>Department of Health and Hospitals</b> <b>628 N. 4<sup>th</sup> Street</b> <b>PO Box 91030</b> <b>Baton Rouge, LA 70821-9030</b>	
14. TITLE: <b>Secretary</b>			
15. DATE SUBMITTED: <b>September 26, 2013</b>			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: <b>9-26-2013</b>		18. DATE APPROVED: <b>DEC 02 2013</b>	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: <b>SEP 01 2013</b>		20. SIGNATURE OF REGIONAL OFFICIAL: 	
21. TYPED NAME: <b>Penny Thompson</b>		22. TITLE: <b>Deputy Director, Policy &amp; FINANCIAL Mgt CMES</b>	
23. REMARKS: <b>The State requests pen and ink changes to Blocks 8, 9 and 10 as noted above.</b>			

STATE OF LOUISIANA

AMOUNT, DURATION AND SCOPE OF MEDICAL AND REMEDIAL CARE AND SERVICES PROVIDED  
METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES – OTHER TYPES OF CARE OR  
SERVICE LISTED IN SECTION 1902(A) OF THE ACT THAT IS INCLUDED IN THE PROGRAM UNDER  
THE PLAN ARE DESCRIBED AS FOLLOWS:

I. Psychiatric Residential Treatment Facility (PRTF) Reimbursement

A. Covered inpatient psychiatric residential treatment facility (PRTF) activities for individuals under twenty-one years of age shall be reimbursed by Medicaid. Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers. The Louisiana Behavioral Health Partnership's (LBHP) fee schedule rate was set as of March 1, 2012 and is effective for services provided on or after that date. All rates are published on the Magellan agency's website @ [www.magellanhealth.com](http://www.magellanhealth.com). The following applies to private, State and Non-State PRTFs:



1. Free-standing PRTF services will be reimbursed using an interim Medicaid per diem reimbursement rate, which includes the following activities when provided by and in the PRTF when included on the patient's inpatient psychiatric active treatment plan of care:
  - a) Occupational Therapy / Physical Therapy / Speech Therapy
  - b) Laboratory
  - c) Transportation
2. For hospital-based Medicaid PRTF the per diem rate will also include the following activities provided by and in the PRTF when included in the inpatient psychiatric active treatment plan of care:
  - a) Dental
  - b) Vision
  - c) Diagnostics/radiology (x-ray)

B. Pharmaceuticals and physician activities provided to the youth in a PRTF, when provided by and in the PRTF and on the active treatment plan of care, are components of the Medicaid covered PRTF service. These activities will be paid directly to the treating pharmacy or physician, using Medicaid pharmacy and Louisiana Behavioral Health Partnership physician fee schedule rates excluded from the psychiatric residential treatment facility (PRTF) State of Louisiana interim Medicaid per diem reimbursement rates.

1. The reimbursement rates for physician services rendered under the LBHP shall be a flat fee for each covered service as specified on the established Medicaid fee schedule. The reimbursement rates shall be based on a

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Supersedes  
TN No. 13-27

STATE OF LOUISIANA

AMOUNT, DURATION AND SCOPE OF MEDICAL AND REMEDIAL CARE AND SERVICES PROVIDED  
METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES – OTHER TYPES OF CARE OR  
SERVICE LISTED IN SECTION 1902(A) OF THE ACT THAT IS INCLUDED IN THE PROGRAM UNDER  
THE PLAN ARE DESCRIBED AS FOLLOWS:

percentage of the Louisiana Medicare Region 99 allowable for a specified year.

Effective for dates of service on or after April 20, 2013, the reimbursement for behavioral health services rendered by a physician under the LBHP shall be 75 percent of the 2009 Louisiana Medicare Region 99 allowable for services rendered to Medicaid recipients.

Effective for dates of service on or after September 1, 2013, the reimbursement for procedure codes 90791, 90792, 90832, 90834 and 90837 shall be excluded from the January 2013 Medicare rate changes and shall remain at the Medicaid fee schedule on file as of December 31, 2012.

2. The interim Medicaid PRTF per diem reimbursement rates shall exclude such costs other than pharmaceutical and physician activities on the inpatient psychiatric active treatment plan unrelated to providing inpatient psychiatric care for individual less than twenty-one years of age including, but not limited to the following:
  - a) Group education including elementary and secondary education.
  - b) Medical services provided outside the PRTF.
  - c) Activities not on the inpatient psychiatric active treatment plan

II. In-State Publicly Owned and Operated Psychiatric Residential Treatment Facility (PRTF)

Reimbursement Rates

Publicly owned and operated psychiatric residential treatment facilities (PRTF) will be reimbursed for all reasonable and necessary costs of operation. These PRTFs will receive an interim State of Louisiana interim Medicaid per diem reimbursement rate for activities provided in and by the facility on the active treatment plan. The interim rate will be subject to retroactive cost settlement in accordance with Medicare allowable cost principles contained in the Provider Reimbursement Manual CMS Publication 15-1.

STATE <u>Louisiana</u>	A
DATE REC'D <u>9-26-2013</u>	
DATE APP'VD <u>DEC 02 2013</u>	
DATE EFF <u>9-1-2013</u>	
ISSFA 179 <u>13-41</u>	

TN No. 1341 Approval Date DEC 02 2013 Effective Date 9-1-2013  
Supersedes  
TN No. 13-27