

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



Division of Medicaid & Children's Health, Region VI

June 30, 2014

Our Reference: SPA LA 13-16A

Ms. Ruth Kennedy, State Medicaid Director
Department of Health and Hospitals
628 North 4th St.
P.O. Box 91030
Baton Rouge, LA 70821-9030

Attention: Darlene A. Budgewater
Jodie Hebert

Dear Ms. Kennedy:

We have reviewed the proposed amendment to your Medicaid State Plan submitted under Transmittal Number 13-16A. This state plan amendment establishes a supplemental payment for state-owned and operated behavioral health providers.

Transmittal Number 13-16A is approved with an effective date of January 20, 2013 as requested. A copy of the HCFA-179, Transmittal No. 13-16A dated March 27, 2013 is enclosed along with the approved plan pages.

If you have any questions, please contact Ford Blunt III at ford.blunt@cms.hhs.gov or by phone at (214) 767-6381.

Sincerely,

A handwritten signature in black ink that reads "Bill Brooks". The signature is written in a cursive, slightly slanted style.

Bill Brooks
Associate Regional Administrator

Enclosures

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:

EPSDT Rehabilitation and Other Licensed Practitioner's Behavioral Health Services

Methods and Standards for Establishing Payment Rates (cont)

New Therapeutic Group Homes and Change of Ownership of Existing Facilities

- A. Changes of ownership (CHOW) exist if the beds of a new owner have previously been certified to participate in the Medicaid program under the previous owner's provider agreement. The acceptance of a CHOW will be determined solely by DHH. Reimbursement will continue to be based on the Medicaid reimbursement rate. The rate adjustment process will be determined using the previous owners cost report information for the applicable time periods.
- B. New providers are those entities whose beds have not previously been certified to participate in the Medicaid program. New providers will be reimbursed, depending on provider type, in accordance with the Therapeutic Group Home Unit of Service section of the State Plan.

Therapeutic Group Home Providers with Disclaimed Cost Reports or Non-Filer Status

- A. Providers with disclaimed cost reports are those providers that receive a disclaimer of opinion from the DHH audit contractor after conclusion of the audit process.
- B. Providers with non-filer status are those providers that fail to file a complete cost report in accordance with the Therapeutic Group Home (TGH) Cost Reporting Requirements section of the State Plan.
- C. Providers with disclaimed cost reports, or providers with non-filer status will not receive any additional reimbursement through the rate adjustment process. These providers will however be subject to the recoupment of Medicaid payments equal to the provider with the greatest recoupment of Medicaid payments in the State of Louisiana for the applicable fiscal year.

Effective for dates of service on or after July 1, 2012, the reimbursement rates for the following behavioral health services provided to children/adolescents shall be reduced by 1.44 percent of the rates in effect on June 30, 2012:

- 1. Therapeutic services;
- 2. Rehabilitation services; and
- 3. Crisis intervention services.

Effective for dates of service on or after January 20, 2013, supplemental Medicaid payments for state-owned and operated behavioral health providers shall be made in accordance with the payment methodology as described under **Attachment 4.19-B, Item 13d, page 8.**

TN# 13-16A Approval Date 6-30-14
Supersedes
TN# 12-37 Effective Date: 1-20-13

State: Louisiana
Date Received: 3-27-13
Date Approved: 6-30-14
Date Effective: 1-20-13
Transmittal Number: 13-16A

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:

SUPPLEMENTAL PAYMENTS:

A. Qualifying Criteria:

Effective for dates of service on or after January 20, 2013, providers of behavioral health services may qualify for supplemental payments for services rendered to Medicaid recipients. To qualify for the supplemental payment, the behavioral health provider must be:

- 1) licensed as necessary by the state of Louisiana;
- 2) enrolled as a Medicaid provider; and
- 3) a government-owned and operated entity.

B. The following providers shall be eligible to receive supplemental payments:

- 1) Medical Psychologists;
- 2) Licensed Psychologists;
- 3) Licensed Clinical Social Workers;
- 4) Licensed Professional Counselors;
- 5) Licensed Marriage and Family Therapists;
- 6) Licensed Addiction Counselors; and
- 7) Advanced Registered Practical Nurses (specializing in mental health services).

Qualifying entities are limited to the following:

- 1) Acadiana Area Human Services District;
- 2) Capital Area Human Services District;
- 3) Central Louisiana Human Services District;
- 4) Florida Parishes Human Services Authority;
- 5) Imperial Calcasieu Human Services Authority;
- 6) Jefferson Parish Human Services Authority;
- 7) Metropolitan Human Services District;
- 8) Northeast Delta Human Services Authority;
- 9) Northwest Louisiana Human Services District; and
- 10) South Central Louisiana Human Services Authority.

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C. Payment Methodology: The supplemental payment shall be calculated in a manner that will bring payments for these services up to the Medicare equivalent rate.

- 1) The state will align paid Medicaid claims with the Medicare fees for each CPT code for the provider and calculate the Medicare payment amounts for those claims. The payment will be based upon the Medicare fee schedule that is in place January 1st of each year.
- 2) For each quarter the state will extract paid Medicaid claims for each qualifying behavioral health service provider for that quarter.
- 3) The state will then calculate the amount Medicare would have paid for those claims by aligning the claims with the Medicare fee schedule by CPT code. The Medicare fees will be the most currently available national non-facility fees.
- 4) The amount Medicaid actually paid for those claims is subtracted from the amount determined in C3 to establish the supplemental payment amount for the behavioral health service provider for that quarter.

TN# 13-16A

Approval Date 6-30-14

Effective Date 1-20-13

Supersedes

TN# New page

	<p>Section 1902(a)(3) of the Social Security Act 42 CFR 447.200, regarding payments and consistent with economy, efficiency and quality of care. Provider enrollment and retention will be reviewed periodically to ensure that access to care and adequacy of payments are maintained. The Medicaid fee schedule will be equal to or less than the maximum allowable under the same Medicare rate, where there is a comparable Medicare rate. Room and board costs are not included in the Medicaid fee schedule. Except as otherwise noted in the Plan, the State-developed fee schedule is the same for both governmental and private individual providers and the fee schedule and any annual/periodic adjustments to the fee schedule are published in (specify where published including website location). The Agency’s 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 agency’s website at www.lamedicaid.com.</p> <p>The fee development methodology will primarily be composed of provider cost modeling, though Louisiana provider compensation studies, cost data and fees from similar State Medicaid programs may be considered, as well. The following list outlines the major components of the cost model to be used in fee development.</p> <ul style="list-style-type: none"> • Staffing Assumptions and Staff Wages • Employee-Related Expenses – Benefits, Employer Taxes (e.g., FICA, unemployment, and workers compensation) • Program-Related Expenses (e.g., supplies) • Provider Overhead Expenses • Program Billable Units <p>The fee schedule rates will be developed as the ratio of total annual modeled provider costs to the estimated annual billable units.</p> <p>Effective for dates of service on or after January 20, 2013, supplemental Medicaid payments for state-owned and operated behavioral health providers shall be made in accordance with the payment methodology as described under Attachment 4.19-B, Item 13d, page 8.</p> <p>B. Standards for Payment</p> <ol style="list-style-type: none"> 1. Providers must meet provider participation requirements including certification and licensure of agencies and clinic, 2. All services must be prior authorized and provided in accordance with the approved Plan of Care. 3. Providers must comply with all state and federal regulations regarding subcontracts.
<input type="checkbox"/>	<p>HCBS Clinic Services (whether or not furnished in a facility for CMI)</p>

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