



**State of Louisiana**  
Department of Health and Hospitals  
Bureau of Health Services Financing

**VIA ELECTRONIC MAIL ONLY**

May 13, 2014

Bill Brooks  
Centers for Medicare and Medicaid Services  
Division of Medicaid and Children's Health Operations  
Dallas Regional Office  
1301 Young Street, Suite 833  
Dallas, TX 75202

**RE: LA SPA 13-43 ICF-DD - Public Facilities. Reimbursement Methodology-RAI Response**

*Bj*  
Dear Mr. Brooks:

Please refer to our proposed amendment to the Medicaid State Plan submitted under transmittal number (TN) 13-43 with a proposed effective date of October 1, 2013. The SPA proposes to revise the reimbursement methodology for public intermediate care facilities for persons with developmental disabilities (ICF/DDs) to redefine the period of transition governing transitional rates. We are providing the following additional information as requested in your RAI correspondence dated January 27, 2014.

**FORM-179**

1. Form 179 - Box 7: How was the federal budget impact for FFYs 2014 and 2015 determined? Please provide a detailed analysis of how this determination was made and provide supporting documentation of the calculation.

**Response: The State is currently paying these providers at this rate. Therefore, we are asking to extend the transitional rates for one more year. This extension will allow us more time for transition and taking this step will help us ensure that we will not have an increase in expenditures. The State has attached the Provider Inquiry File as supporting documentation for the Transitional Rates calculation. Attachment 1, shows the homes with CEAs that were already receiving Transitional Rates.**

**UPPER PAYMENT LIMIT (UPL)**

2. Please submit an Upper Payment Limit (UPL) Demonstration for ICF/DD as per SMD letter #13-003. In November 2013, additional guidance on the other UPLs (clinic, physician, and ICF/MRs) was placed on the CMS web-site.

Please note that the State should also keep all source documentation on file for review. Please include a detailed narrative description of the methodology for calculating the upper payment limit in the funding questions.

**Response: Please see the ICF UPL Calculation (Attachment 2-Excel File) and the ICF Demonstration Binder (Attachment 3- PDF file).**

**STATE PLAN LANGUAGE**

3. Please provide a list of ICF/DD facilities that will be affected by this change.

**Response: Please see the ICF/DD facilities list provided below.**

**ICF/DD Community Homes**

<b>Community Homes</b>	<b>Providers</b>
Arms Community Home	South LA Community Homes
Fairway Community Home	South LA Community Homes
Labadieville Community Home	South LA Community Homes
Thibodaux Community Home	South LA Community Homes
Melbrook Community Home	Crossroads Louisiana, Inc.
Redwood Home	Arc of Acadiana
Arthur Community Home	Crossroads Louisiana, Inc.
C B's Place Home	Harmony Center
Smith and Cook Home	Harmony Center
Julia Street Community Home	Evergreen Life Services
Edgewood Community Home	Colwell Interest
McMillian Avenue Community Home	Evergreen Life Services
Plaquemine Street Community Home	Evergreen Life Services
Oak Run Community Home	Colwell Interests
Amanda Rock Community Home	Evergreen Life Services
Ray Charles Smith Community Home ***	Evergreen Life Services
Ivy Springs Community Home	Evergreen Life Services

**CEA Large ICF/DD**

<b>Facility Name</b>	<b>Former Name</b>	<b>Provider</b>
Arc of Acadiana – Iota	Acadiana Region SSC	Arc of Acadiana
Evergreen North Lake Division	North Lake SSC	Evergreen Life Services
Arc of Acadiana – Northwest	Northwest SSC	Arc of Acadiana

4. Please provide the most current copy of a CEA for public intermediate care facilities for the developmentally disabled (ICF/DD) for CMS review. Once we receive a copy we would like to schedule a conference call to discuss this amendment.

**Response: Attached is a copy of a CEA for public intermediate care facilities for the developmentally disabled (ICF/DD) for CMS review (See Attachment 4).**

5. As discussed during the conference call held on January 16, please provide a summary document concerning the history of CEA arrangements, the transitional Medicaid rates, the funding arrangements, and the cost components.

Please note that CMS has concerns that such financial arrangements may meet the definition of non-bona fide provider donations as described in federal statute and regulations.

**Response: Please see attached the CEAs–Historical Summary Report. (See Attachment 4).**

Please substitute the attached revised State Plan pages for the pages originally submitted with this SPA. Please consider this a formal request to begin the 90-day clock. It is anticipated that this additional information will be sufficient to result in the approval of the pending plan amendment. We look forward to negotiating with CMS to ensure approval. If further information is required, you may contact Darlene Adams at [Darlene.Adams@la.gov](mailto:Darlene.Adams@la.gov) or by phone (225)342-3881.

We appreciate the assistance of Tamara Sampson in resolving these issues.

Sincerely,



J. Ruth Kennedy  
Medicaid Director

RK/DA/ye

Attachments