

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



APR 02 2014

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 13-48

Dear Ms. Kennedy:

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid State plan submitted under transmittal number (TN) 13-48. Louisiana Department of Health and Hospitals submitted this amendment to reduce the amount appropriated from \$4,925,000 to \$1,000,000 for annual supplemental Medicaid payments for non-rural, non-state and private acute care hospitals that qualify as high Medicaid hospitals.

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 13-48 is approved effective November 20, 2013. We are enclosing the HCFA-179 and the new plan page.


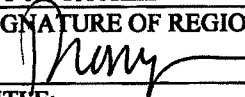
If you have any questions, please call Tamara Sampson at (214) 767-6431.

Sincerely,

A handwritten signature in black ink that reads "Cindy Mann". The signature is written in a cursive, flowing style.

Cindy Mann
Director

Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL		1. TRANSMITTAL NUMBER: 13-48	2. STATE Louisiana
FOR: HEALTH CARE FINANCING ADMINISTRATION		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 November 20, 2013	
5. TYPE OF PLAN MATERIAL (Check One): G NEW STATE PLAN G 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: 42 CFR 447 Subpart C		7. FEDERAL BUDGET IMPACT: a. FFY <u>2014</u> (\$3,469.72) b. FFY <u>2015</u> (\$4,154.53)	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-A, Item 1, Page 8b		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Same (TN 09-12)	
10. SUBJECT OF AMENDMENT: The purpose of this amendment is to reduce annual supplemental Medicaid payments to \$1,000,000 for qualifying non-rural, non-state acute care hospitals that qualify as high Medicaid hospitals.			
11. GOVERNOR=S REVIEW (Check One): G GOVERNOR=S OFFICE REPORTED NO COMMENT G COMMENTS OF GOVERNOR=S OFFICE ENCLOSED G NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL		<input checked="" type="checkbox"/> OTHER, AS SPECIFIED: The Governor does not review state plan material.	
12. SIGNATURE OF STATE AGENCY OFFICIAL: 		16. RETURN TO: State of Louisiana Department of Health and Hospitals 628 N. 4th Street PO Box 91030 Baton Rouge, LA 70821-9030	
13. TYPED NAME: Kathy H. Kliebert			
14. TITLE: Secretary			
15. DATE SUBMITTED: December 5, 2013			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: 6 December, 2013		18. DATE APPROVED: APR 02 2014	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: NOV 20 2013		20. SIGNATURE OF REGIONAL OFFICIAL: 	
21. TYPED NAME: Penny Thompson		22. TITLE: Deputy Director, Policy + Financial Mgt. (PMS)	
23. REMARKS:			

STATE OF LOUISIANA
PAYMENT FOR MEDICAL AND REMEDIAL CARE AND SERVICES

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES - IN-PATIENT HOSPITAL CARE

9. **Supplemental Payment for Non-Rural, Non-State Government Hospitals & Private Hospitals**

A non-rural, non-state hospital is a hospital which is owned and operated by either a private entity, a hospital service district or a parish and does not meet the definition of a rural hospital as set forth in Louisiana R.S. 40:1300.143.

a. **Acute Care Hospitals**

i. **Definition of Qualifying Hospitals**

A hospital is considered to be a "high Medicaid hospital" if it has a Medicaid inpatient utilization percentage greater than 30 percent based on the 12 month cost report ending in SFY 2006. For the purpose of calculating the Medicaid inpatient utilization percentage, Medicaid days shall include nursery and distinct part psychiatric unit days, but shall not include Medicare crossover days.

ii. **Reimbursement Methodology**

An annual supplemental payment will be issued to non-rural, non-state acute care hospitals that qualify as a high Medicaid hospital.

Payments shall be based on the annual upper payment limit calculation per state fiscal year. The annual supplemental payments will not exceed the allowable Medicaid inpatient charge differential per 42CFR 447.271. Maximum inpatient Medicaid payments shall not exceed the upper payment limit per 42CFR 447.272. Each eligible hospital will receive an annual supplemental payment which shall be calculated based on the pro rata share of each qualifying hospital's paid Medicaid days (including covered nursery and distinct part psychiatric unit days).

Effective for dates of service on or after November 20, 2013, the amount appropriated for annual supplemental payments to non-rural, non-state acute care hospitals that qualify as a high Medicaid hospital shall be reduced to \$1,000,000. Each qualifying hospital's annual supplemental payment shall be calculated based on the pro rata share of the reduced appropriation.

State: Louisiana
Date Received: 12-6-13
Date Approved: APR 02 2014
Date Effective: 11-20-13
Transmittal Number: LA 13-48

TN# 13-48
Supersedes
TN# 09-12

Approval Date APR 02 2014

Effective Date 11-20-13