

Bobby Jindal
GOVERNOR



Kathy H. Kliebert
SECRETARY

State of Louisiana
Department of Health and Hospitals
Office of the Secretary

March 18, 2014

Bill Brooks
Associate Regional Administrator
Division of Medicaid & Children's Health
DHHS/Centers for Medicare and Medicaid Services
1301 Young Street, Room #833
Dallas, Texas 75202

Dear Mr. Brooks:

RE: Louisiana Title XIX State Plan
Transmittal No. 14-08

I have reviewed and approved the enclosed Louisiana Title XIX State Plan material.

I recommend this material for adoption and inclusion in the body of the State Plan.

Sincerely,

A handwritten signature in blue ink, appearing to read "Kathy H. Kliebert", with the words "Approved for" written in blue ink across it.

Kathy H. Kliebert
Secretary

Attachments (4)

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

FOR: HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER:

14-08

2. STATE

Louisiana

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

February 13, 2014

5. TYPE OF PLAN MATERIAL (Check One):

NEW STATE PLAN AMENDMENT TO BE CONSIDERED AS NEW PLAN AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:

42 CFR 447.201, Subpart B

7. FEDERAL BUDGET IMPACT:

a. FFY 2014 **\$80.37**

b. FFY 2015 **\$131.73**

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

**Attachment 4.19-B Item 4b, Page1
Attachment 4.19-B Item 4b, Page 1a
Attachment 4.19-B Item 4b, Page 1b**

9. PAGE NUMBER OF THE SUPERSEDED PLAN
SECTION OR ATTACHMENT (If Applicable):

**Same (TN 08-26)
Same (TN 04-16)
Same (TN 04-16)**

10. SUBJECT OF AMENDMENT: **The SPA proposes to revise the reimbursement methodology for school based health centers in order to increase the reimbursement rates for physical and occupational therapy.**

11. GOVERNOR'S REVIEW (Check One):

GOVERNOR'S OFFICE REPORTED NO COMMENT
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

OTHER, AS SPECIFIED:

The Governor does not review state plan material.

12. SIGNATURE OF STATE AGENCY OFFICIAL:



13. TYPED NAME:

Kathy H. Kliebert

14. TITLE:

Secretary

15. DATE SUBMITTED:

March 18, 2014

16. RETURN TO:

**J. Ruth Kennedy, Medicaid Director
State of Louisiana
Department of Health and Hospitals
628 N. 4th Street
PO Box 91030
Baton Rouge, LA 70821-9030**

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

18. DATE APPROVED:

PLAN APPROVED – ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

20. SIGNATURE OF REGIONAL OFFICIAL:

21. TYPED NAME:

22. TITLE:

23. REMARKS:

LOUISIANA TITLE XIX STATE PLAN

TRANSMITTAL #: 14-08

TITLE: Rehabilitation Services-School Based Health Centers-Rehabilitation Services Rate Increa

EFFECTIVE DATE: February 13, 2014

FISCAL IMPACT:

Increase

	year	% inc.	fed. match		*# mos	range of mos.	dollars
1st SFY	2014			62.11%	4.5	February 13, 2014 - June 201	\$76,718
2nd SFY	2015			62.05%	12	July 2014 - June 2015	\$210,719
3rd SFY	2016			62.05%	12	July 2015 - June 2016	\$217,041

*#mos-Months remaining in fiscal year

Total Increase in Cost FFY 2014

SFY 2014 \$76,718 for 4.5 months February 13, 2014 - June 2014 \$76,718

SFY 2015 \$210,719 for 12 months
\$210,719 / 12 X 3

July 2014 - June 2015
July 2014 - September 2014 = \$52,680
\$129,398

FFP (FFY 2014) =

\$129,398 X 62.11% = \$80,369

Total Increase in Cost FFY 2014

SFY 2015 \$210,719 for 12 months
\$210,719 / 12 X 9

July 2014 - June 2015
October 2014 - June 2015 = \$158,039

SFY 2016 \$217,041 for 12 months
\$217,041 / 12 X 3

July 2015 - June 2016
July 2015 - September 2015 = \$54,260
\$212,299

FFP (FFY 2014) =

\$212,299 X 62.05% = \$131,732

PAYMENT OF MEDICAL AND REMEDIAL CARE AND SERVICES

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES – OTHER TYPES OF CARE OR SERVICE LISTED IN SECTION 1905(A) OF THE ACT THAT ARE INCLUDED IN THE PROGRAM UNDER THE PLAN ARE DESCRIBED AS FOLLOWS:

CITATION
42 CFR
447.201 and
447.304

Medical and Remedial Care and Services Item 4.b.

Early and Periodic Screening, Diagnosis, and Treatment of Individuals under 21 Years of Age are Reimbursed as follows:

I. Basic EPSDT Services

Governmental and non-governmental providers are reimbursed the same rate except as otherwise noted in the State Plan and/or approved federal waivers. Fee schedules are published on the Louisiana Medicaid website at www.lamedicaid.com unless stated in the State Plan.

- A. **Screening (Vision, Hearing, Dental, Medical) - Full and Interperiodic Screening** (including immunizations) is reimbursed according to a schedule of fees available in the EPSDT KidMed Provider Manual minus any third party coverage.
- B. **Consultation With Nurse, Dietitian, or Social Worker** is reimbursed according to a schedule of fees available in the EPSDT KidMed Provider Manual minus any third party coverage.
- C. **Reserved.**
- D. **Eyeglass Services** are reimbursed at the fee schedule for eyeglasses (including cataract eyeglasses and contact lenses) in effect for services provided on or after March 1, 2004.
- E. **Hearing Aid Services** are reimbursed at the lower of:
 - 1. the provider's actual charge for the services, or
 - 2. the allowable fee for similar services covered under the State Plan.
- F. **Rehabilitative Services** provided to recipients up to the age of three are reimbursed at the maximum allowable fee for occupational, physical, and speech therapy services according to the State's established schedule of fees available in the EPSDT Health Services Manual minus any third party coverage.

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Supersedes
TN# _____

Approval Date _____

Effective Date _____

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METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES – OTHER TYPES OF CARE OR SERVICE LISTED IN SECTION 1902(A) OF THE ACT THAT ARE INCLUDED IN THE PROGRAM UNDER THE PLAN ARE DESCRIBED AS FOLLOWS:

G. Rehabilitative School Based Health Services

Local Education Agencies will only be reimbursed for the following IDEA services: audiology, speech pathology, physical therapy, occupational therapy, and psychological services. Services provided by Local Education Agencies to recipients age 3 to 21 that are medically necessary and included on the recipient's Individualized Education Plan (IEP) are reimbursed according to the following methodology.

Effective for dates of service on or after February 13, 2014, reimbursement for physical and occupational therapy services provided by school based health centers (Provider Type 38) shall be 85 percent of the 2013 Medicare published rate.

Speech/language therapy services shall continue to be reimbursed at the flat fee in place as of February 13, 2014 and in accordance with the Medicaid published fee schedule for speech/language therapy services provided in school based health centers. The fee schedules for Medicaid providers can be found on the Louisiana Medicaid website at www.lamedicaid.com.

1. Special Rehabilitation Services Provided by Local Education Agencies

Summary of Payment Methodology

Payment is based on the most recent school year's actual cost as determined by desk review and/or audit for each Local Education Agency (LEA) provider, which is the parish or city. Each LEA shall determine cost annually by using DHH's Cost Report for Direct Service Cost (the Direct Service Cost Report) form as approved by CMS November 2005. Direct cost is limited to the amount of total compensation (salaries and fringe benefits) of current direct service providers as allocated to direct services for Medicaid special education recipients. The basis of allocation for direct service compensation cost is DHH's Direct Services Time Study Methodology approved by CMS November 2005. This time study incorporates the CMS approved Medicaid Administrative Claiming (MAC) methodology for direct service personnel and is used to determine the

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PAYMENT OF MEDICAL AND REMEDIAL CARE AND SERVICES

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES – OTHER TYPES OF CARE OR SERVICE LISTED IN SECTION 1902(A) OF THE ACT THAT ARE INCLUDED IN THE PROGRAM UNDER THE PLAN ARE DESCRIBED AS FOLLOWS:

percentage of time direct service personnel spend on direct IDEA/IEP services and General and Administrative (G&A) time.

There are no additional direct costs included in the rate. Indirect cost is derived by multiplying the cognizant agency indirect cost unrestricted rate assigned by the Department of Education to each LEA. There are no additional indirect costs included. The Direct Service Cost Report initially provides the total cost of all school based services provided, regardless of payer. To determine the amount of direct services cost that may be attributed to Medicaid, the ratio of Medicaid covered students with IEPs to all students with IEPs is multiplied by total direct cost. Cost data is subject to certification by each parish. This serves as the basis for obtaining Federal Medicaid funding.

For each of the IDEA related school based services other than specialized transportation services, the participating LEAs' actual cost of providing the services will be claimed for Medicaid FFP based on the methodology described in the steps below. The State will gather actual expenditure information for each LEA through its Payroll/Benefits and Accounts Payable System. These costs are also reflected in the Annual Financial Report (AFR) that all LEAs are required to certify and submit to the Department of Education. All costs included in the amount of cost to be certified and used subsequently to determine reconciliation and final settlement amounts as well as interim rates are identified on the CMS approved Direct Services Cost Report and are allowed in OMB Circular A-87. The State also will use other LEA specific information including the general fund budget and FTE counts.

Step 1: Develop Direct Cost-The Payroll Cost Base

Total annual salaries and benefits paid as well as contracted (vendor) payments are obtained initially from each LEA's Payroll/Benefits and Accounts Payable system. This data will be reported on DHH's Direct Services Cost Report form for all direct service personnel (i.e. all personnel providing LEA direct treatment services covered under the state plan).

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