

Bobby Jindal
GOVERNOR



Kathy H. Kliebert
SECRETARY

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

VIA ELECTRONIC MAIL ONLY

November 9, 2015

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. 15-0031**

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 be "Kathy H. Kliebert", with the word "Approved" written in blue ink next to it.

Kathy H. Kliebert
Secretary

Attachments (3)

KHK:WJR:JH

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

FOR: HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER:
15-0031

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
October 1, 2015

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 Subpart C

7. FEDERAL BUDGET IMPACT:
a. FFY 2016 **\$(264.44)**
b. FFY 2017 **\$(297.70)**

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:


Attachment 4.19-A, Item 1, Page 10h
Attachment 4.19-A, Item 1, Page 10l (1)(c)
Attachment 4.19-A, Item 1, Page 10l (1)(d)

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 PAGE NUMBER OF THE SUPERSEDED PLAN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

SAME (TN 12-05)
SAME (TN 12-04)
NONE – New Page

10. SUBJECT OF AMENDMENT: **The purpose of this SPA is to amend the provisions governing disproportionate share hospital payments to reduce the payments made to non-rural, non-state acute care hospitals for inpatient psychiatric services.**

11. GOVERNOR'S REVIEW (*Check One*):
 GOVERNOR'S OFFICE REPORTED NO COMMENT OTHER, AS SPECIFIED:
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED **The Governor does not review state plan material.**
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL:


13. TYPED NAME:
Kathy H. Kliebert

14. TITLE:
Secretary

15. DATE SUBMITTED:
November 9, 2015

16. RETURN TO:

J. Ruth Kennedy, Medicaid Director
State of Louisiana
Department of Health and Hospitals
628 N. 4th Street
P.O. 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 #: 15-0031

TITLE: Disproportionate Share Hospital Payments - Inpatient Psychiatric Services R

EFFECTIVE DATE: October 1, 2015

FISCAL IMPACT:
(Decrease)

year	% Inc.	fed. match	# mos	range of mos.	dollars
1st SFY 2016			8	October 1, 2015 - June 30, 2016	(\$307,425)
2nd SFY 2017	3.0%	0.00%	12	July 2016- June 2017	(\$474,972)
3rd SFY 2018	3.0%	0.00%	12	July 2017 - June 2018	(\$489,221)

*#mos-Months remaining in fiscal year

Total Decrease in Cost FFY 2016 for 8 months October 1, 2015 - June 30, 2016 (\$307,425)

SFY 2017 (\$474,972) for 12 X 3 months July 2016- June 2017 = (\$118,743)

(\$426,168)

FFP (FFY 2016) = (\$426,168) X 62.05% = (\$264,437)

Total Decrease in Cost FFY 2017 for 12 X 9 months July 2016- June 2017 = (\$356,229)

(\$474,972)

SFY 2018 (\$489,221) for 12 X 3 months July 2017 - June 2018 = (\$122,305)

(\$489,221)

FFP (FFY 2017) = (\$478,534) X 62.21% = (\$297,696)

(\$478,534)

STATE OF LOUISIANA
PAYMENT FOR MEDICAL AND REMEDIAL CARE AND SERVICES

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

3. Reimbursement Methodologies

Qualifying hospitals shall be reimbursed in accordance with only one of the following reimbursement methodology categories.

a) Inpatient Distinct Part Psychiatric Units

1. Effective for dates of service on or after February 10, 2012, a Medicaid enrolled non-state acute care hospital that enters into a Cooperative Endeavor Agreement (CEA) with the Department of Health and Hospitals, Office of Behavioral Health to provide inpatient psychiatric hospital services to Medicaid and uninsured patients, and which also assumes operation and management of a state owned and formerly state operated hospital distinct part psychiatric unit, shall be paid a per diem rate of \$581.11 per day for each uninsured inpatient.

Effective for dates of service on or after October 1, 2015, the prospective per diem rate paid to non-rural, non-state acute care hospitals that enter into a Cooperative Endeavor Agreement (CEA) with the Department of Health and Hospitals, Office of Behavioral Health to provide inpatient psychiatric hospital services to uninsured patients, shall be reduced by 5 percent of the per diem rate on file as of September 30, 2015 for distinct part psychiatric unit services. The new per diem rate shall be \$552.05 per day.

2. Qualifying hospitals must submit costs and patient specific data in a format specified by the Department. Cost and lengths of stay will be reviewed for reasonableness before payments are made.
3. Payments shall be made on a quarterly basis.

TN _____
Supersedes
TN _____

Approval Date _____

Effective Date _____

PAYMENT FOR MEDICAL AND REMEDIAL CARE AND SERVICES

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES – INPATIENT
HOSPITAL CARE

11. Effective for dates of service on or after October 1, 2009, the prospective per diem rate paid to non-rural, non-state distinct part psychiatric units shall be increased by 3 percent of the rate on file.
12. Effective for dates of service on or after February 3, 2010, the prospective per diem rate paid to non-rural, non-state distinct part psychiatric units shall be reduced by 5 percent of the rate on file as of February 2, 2010.
13. Effective for dates of service on or after August 1, 2010, the prospective per diem rate paid to non-rural, non-state distinct part psychiatric units shall be reduced by 4.6 percent of the rate on file as of July 31, 2010.
14. Effective for dates of service on or after January 1, 2011, the prospective per diem rate paid to non-rural, non-state distinct part psychiatric units shall be reduced by 2 percent of the rate on file as of December 31, 2010.
15. Effective for dates of service on or after February 10, 2012, a Medicaid enrolled non-state acute care hospital that enters into a Cooperative Endeavor Agreement (CEA) with the Department of Health and Hospitals, Office of Behavioral Health to provide inpatient psychiatric hospital services to Medicaid and uninsured patients, and which also assumes operation and management of a state owned and formerly state operated hospital distinct part psychiatric unit, shall be paid a per diem rate of \$581.11 per day.
16. Effective for dates of service on or after October 1, 2015, the prospective per diem rate paid to non-rural, non-state acute care hospitals that enter into a Cooperative Endeavor Agreement (CEA) with the Department of Health and Hospitals, Office of Behavioral Health to provide inpatient psychiatric hospital services to uninsured patients, shall be reduced by 5 percent of the per diem rate on file as of September 30, 2015 for distinct part psychiatric unit services. The new per diem rate shall be \$552.05 per day.

TN _____
Supersedes
TN _____

Approval Date _____

Effective Date _____

PAYMENT FOR MEDICAL AND REMEDIAL CARE AND SERVICES

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES – INPATIENT
HOSPITAL CARE

G. Transplant Services

Routine operating costs and ancillary charges associated with an approved transplant are carved out of the hospital's cost report. Reimbursement is limited to the lesser of cost or the hospital-specific per diem limitation for each type of transplant. Cost is defined as the hospital-specific ratio of cost to charges from the base period multiplied by the covered charges for the specific transplant type.

Per diem limitation is calculated by deriving the hospital's per diem for the transplant type from the hospital's base period trended forward using the Medicare target rate percentage for PPS-exempt hospitals each year.

The base period is the cost reporting period for the hospital fiscal year ending September 30, 1983 through August 31, 1984 or the first cost report filed subsequently that contains costs for that type of transplant.

TN _____
Supersedes
TN _____

Approval Date _____

Effective Date _____

awards from a single request for proposals. This action is being taken via Emergency Rule in order to enable the IT Strategic Sourcing Services request for proposal and other similar OTS solicitations to be posted in a timely manner and prevent a slowdown in providing IT services to the various state agencies. A slowdown in providing IT services could affect OTS' ability to effectuate OTS' statutory obligation to establish and coordinate all information technology services affecting the management and operations of the executive branch of state government. OTS has the sole authority and responsibility for defining and implementing the specific information technology systems and services, defining a state master information technology plan, and creating and managing information technology standards. The creation of OTS consolidates a wide variety of existing hardware platforms, operating systems, database management systems, networks, third party software, and custom applications. These legacy environments currently reside in multiple physical locations, and have been developed over many years under the direction of the each user agencies. OTS plans to apply the Information Technology Infrastructure Library/Control Objectives for Information Technology (ITIL/COBIT) process model to the task of organizing and consolidating the many separate environments; and of identifying and implementing process improvements designed to move the State to more efficient, streamlined, and cost-effective IT operations. Because there is a growing need for a flexible means of obtaining IT services quickly, efficiently, and cost effectively, the Strategic Sourcing Services RFP will be used to identify and award contracts to multiple potential contractors who will be able to provide IT services to user agencies as quickly and efficiently as possible.

It is estimated that implementation of this Emergency Rule will have no fiscal impact to the Division of Administrations' budget for state fiscal year 2015-2016.

Effective August 17, 2015, the Division of Administration, Office of Technology Services enacts provisions allowing the award of multiple contracts for consulting services.

Title 34

GOVERNMENT CONTRACTS, PROCUREMENT AND PROPERTY CONTROL

Part I. Purchasing

Subpart 3. Equipment-Lease-Purchase Program

Chapter 55. Procedures for Information Technology Hardware, Software, Software Maintenance and Support Services and Hardware Maintenance

§5521. Procurement of Information Technology Consulting Services, Information Consulting Systems, Information Technology Services, Information Technology Equipment Using Multiple Awards

A. A multiple award is an award of an indefinite quantity contract for one or more information technology (IT) consulting services, IT systems, IT services, IT equipment or similar service to more than one contractor through the request for proposals or invitation to bid process. A multiple award may be in the state's best interest when award to two or more contractors is needed for adequate delivery, service, or availability. In making a multiple award, care shall be exercised to protect and promote the principles of

competitive solicitation. Multiple awards shall not be made when a single award will meet the state's needs without sacrifice of economy or service. Awards shall not be made for the purpose of dividing the business or avoiding the resolution of tie proposals. Any such awards shall be limited to the least number of IT consultants, IT systems, IT services, or IT equipment necessary to meet the valid requirements of the Office of Technology Services. It shall be mandatory that the requirements of the Office of Technology Services that can be met under the contract be obtained in accordance with the contract, provided, that:

1. the state shall reserve the right to take solicitations separately if a particular service requirement arises which exceeds the scope specified in the contract;

2. the state shall reserve the right to take solicitations separately if the contract will not meet a nonrecurring or special need of the state;

3. the state reserves the right to use its own personnel to provide similar services when such services are available and satisfy the Office of Technology Services need.

AUTHORITY NOTE: Promulgated in accordance with R.S. 39:200(L).

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Office of Technology Services, LR 41:

§5523. Intent to Use

A. If a multiple award is anticipated prior to issuing a solicitation, the method of award should be stated in the solicitation.

AUTHORITY NOTE: Promulgated in accordance with R.S. 39:200(L).

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Office of Technology Services, LR 41:

§5525. Determination Required

A. The chief information officer shall make a written determination setting forth the reasons for a multiple award, which shall be made a part of the procurement file.

AUTHORITY NOTE: Promulgated in accordance with R.S. 39:200(L).

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Office of Technology Services, LR 41:

Richard Howze
Chief Information Officer

1509#003

DECLARATION OF EMERGENCY

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

Disproportionate Share Hospital Payments
Inpatient Psychiatric Services
Reimbursement Rate Reduction
(LAC 50:V.959 and 2709)

The Department of Health and Hospitals, Bureau of Health Services Financing amends LAC 50:V.959 and §2709 in the Medical Assistance Program as authorized by R.S. 36:254 and pursuant to Title XIX of the Social Security Act. This Emergency Rule is promulgated in accordance with the provisions of the Administrative Procedure Act, R.S.

49:953(B)(1) et seq., and shall be in effect for the maximum period allowed under the Act or until adoption of the final Rule, whichever occurs first.

The Department of Health and Hospitals, Bureau of Health Services amended the provisions governing the reimbursement methodology for inpatient hospital services in order to provide supplemental Medicaid payments to non-rural, non-state acute care hospitals that enter into a cooperative endeavor agreement with the department to provide inpatient psychiatric services (*Louisiana Register*, Volume 39, Number 2). The department amended the provisions governing disproportionate share hospital (DSH) payments to non-state distinct part psychiatric units that enter into a cooperative endeavor agreement with the department's Office of Behavioral Health (*Louisiana Register*, Volume 39, Number 3).

As a result of a budgetary shortfall in state fiscal year 2016, the department has determined that it is necessary to amend the provisions governing DSH payments to reduce the payments made to non-rural, non-state acute care hospitals for inpatient psychiatric services.

This action is being taken to avoid a budget deficit in the Medical Assistance Program. It is estimated that implementation of this Emergency Rule will reduce expenditures in the Medicaid Program by approximately \$307,425 for state fiscal year 2015-2016.

Effective October 1, 2015, the Department of Health and Hospitals, Bureau of Health Services Financing amends the provisions governing disproportionate share hospital payments to reduce the payments made to non-rural, non-state acute care hospitals for inpatient psychiatric services.

Title 50

PUBLIC HEALTH—MEDICAL ASSISTANCE

Part V. Hospital Services

Subpart 1. Inpatient Hospital Services

Chapter 9. Non-Rural, Non-State Hospitals

Subchapter B. Reimbursement Methodology

§959. Inpatient Psychiatric Hospital Services

A. - L. ...

M. Effective for dates of service on or after October 1, 2015, the prospective per diem rate paid to non-rural, non-state acute care hospitals that enter into a CEA with the Department of Health and Hospitals, Office of Behavioral Health to provide inpatient psychiatric hospital services to uninsured patients, shall be reduced by 5 percent of the per diem rate on file as of September 30, 2015. The new per diem rate shall be \$552.05 per day.

AUTHORITY NOTE: Promulgated in accordance with R.S. 36:254 and Title XIX of the Social Security Act.

HISTORICAL NOTE: Promulgated by the Department of Health and Hospitals, Office of the Secretary, Bureau of Health Services Financing, LR 34:876 (May 2008), amended by the Department of Health and Hospitals, Bureau of Health Services Financing, LR 35:1895 (September 2009), LR 36:1554 (July 2010), LR 36:2562 (November 2010), LR 37:2162 (July 2011), LR 39:94 (January 2013), LR 39:323 (February 2013), LR 41:

Subpart 3. Disproportionate Share Hospital Payments

Chapter 27. Qualifying Hospitals

§2709. Distinct Part Psychiatric Units

A. - C. ...

D. Effective for dates of service on or after October 1, 2015, the prospective per diem rate paid to non-rural, non-state acute care hospitals that enter into a CEA with the

Department of Health and Hospitals, Office of Behavioral Health to provide inpatient psychiatric hospital services to uninsured patients, shall be reduced by 5 percent of the per diem rate on file as of September 30, 2015 for distinct part psychiatric unit services. The new per diem rate shall be \$552.05 per day.

AUTHORITY NOTE: Promulgated in accordance with R.S. 36:254 and Title XIX of the Social Security Act.

HISTORICAL NOTE: Promulgated by the Department of Health and Hospitals, Office of the Secretary, Bureau of Health Services Financing, LR 34:1627 (August 2008), amended by the Department of Health and Hospitals, Bureau of Health Services Financing, LR 39:505 (March 2013), LR 41:

Implementation of the provisions of this Rule may be contingent upon the approval of the U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services (CMS), if it is determined that submission to CMS for review and approval is required.

Interested persons may submit written comments to J. Ruth Kennedy, Bureau of Health Services Financing, P.O. Box 91030, Baton Rouge, LA 70821-9030 or by email to Medicaid.Policy@la.gov. Ms. Kennedy is responsible for responding to all inquiries regarding this Emergency Rule. A copy of this Emergency Rule is available for review by interested parties at parish Medicaid offices.

Kathy H. Kliebert
Secretary

1509#062

DECLARATION OF EMERGENCY

Department of Health and Hospitals Bureau of Health Services Financing

Facility Need Review
(LAC 48:I.Chapter 125)

The Department of Health and Hospitals, Bureau of Health Services Financing amends LAC 48:I.Chapter 125 in the Medical Assistance Program as authorized by R.S. 36:254 and R.S. 40:2116. This Emergency Rule is promulgated in accordance with the provisions of the Administrative Procedure Act, R.S. 49:953(B)(1) et seq., and shall be in effect for the maximum period allowed under the Act or until adoption of the final Rule, whichever occurs first.

The Department of Health and Hospitals, Bureau of Health Services Financing amended the provisions governing the facility need review (FNR) process to adopt provisions governing the inclusion of outpatient abortion facilities in the FNR Program (*Louisiana Register*, Volume 38, Number 8). The department promulgated an Emergency Rule which amended the provisions governing the FNR Program in order to revise the definition for *home and community-based service providers* to include monitored in-home caregiving (MIHC) services, and to revise the provisions governing the service area for adult day health care providers (*Louisiana Register*, Volume 40, Number 11). The department now proposes to amend the provisions of the November 20, 2014 Emergency Rule to: 1) Clarify the definition of *adult residential care* providers; 2) provide a process for supplementing an FNR application that has been



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

VIA ELECTRONIC MAIL ONLY

October 8, 2015

Karen Matthews, Health Director
Chitimacha Health Clinic
3231 Chitimacha Trail
Jeanerette, LA 70544

Angela Martin
Chitimacha Tribe of Louisiana
P. O. Box 640
Jeanerette, LA 70544

Anita Molo
Chitimacha Tribe of Louisiana
P. O. Box 640
Jeanerette, LA 70544

Marshall Pierite, Chairman
Misty Hutchby, Health Director
Tunica-Biloxi Tribe of Louisiana
P. O. Box 1589
Marksville, LA 71351-1589

Lovelin Poncho, Chairman
Paula Manuel, Health Director
Coushatta Tribe of Louisiana
P. O. Box 818
Elton, LA 70532

Chief Beverly Cheryl Smith
Holly Vanhoozen, Health Director
The Jena Band of Choctaw Indians
P. O. Box 14
Jena, LA 71342

Dear Louisiana Tribal Contact:

RE: Notification of Louisiana Medicaid State Plan Amendments

In compliance with the provisions of the American Recovery and Reinvestment Act (ARRA) of 2009, the Department of Health and Hospitals, Bureau of Health Services Financing is taking the opportunity to notify you of State Plan amendments (SPAs) that may have an impact on your tribe.

Attached for your review and comments is a summary of the proposed State Plan amendments. Please provide any comments you may have by October 15, 2015 to Mrs. Darlene Budgewater via email to Darlene.Budgewater@la.gov or by postal mail to:

Department of Health and Hospitals
Bureau of Health Services Financing
Medicaid Policy and Compliance
P.O. Box 91030
Baton Rouge, LA 70821-9030

Louisiana Tribal Notice

October 8, 2015

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Should you have additional questions about Medicaid policy, Mrs. Budgewater will be glad to assist you. You may reach her by email or telephone at (225) 342-3881. Thanks for your continued support of the tribal consultation process.

Sincerely,

A handwritten signature in blue ink that reads "Marlene A. Budgewater".

for
J. Ruth Kennedy
Medicaid Director

Attachment (1)

JRK/DB/KS

c: Ford J. Blunt, III
Stacey Shuman

State Plan Amendment for submittal to CMS

Request for Tribal Comments

October 8, 2015

15-0030 Adult Mental Health Services- Covered Services and Recipient Qualifications Effective 12/01/15

The SPA proposes to revise the provisions governing adult behavioral health services in order to:

- Provide Medicaid coverage and reimbursement for license mental health professional services and mental health rehabilitative services to adult members enrolled in Bayou Health and terminate the behavioral health services rendered under the 1915(i) State Plan authority;
- Establish the recipient qualifications criteria; and
- Revise the assessment and plan of care requirements.

15-0031 Disproportionate Share Hospitals (DSH) - Inpatient Psychiatric Services- Reimbursement Rate Reduction (CEA Bed decrease) Effective October 1, 2015

The SPA proposes to revise the provisions governing DSH payments to reduce the payments made to non-rural, non-state acute care hospitals for inpatient psychiatric services.

15-0032 Inpatient Hospital-Non-Rural, Non-State Hospitals-Public Hospitals Supplemental Payments (East Jefferson) Effective October 1, 2015

The SPA proposes to revise the reimbursement methodology governing inpatient hospital services in order to amend the provisions governing supplemental Medicaid payments to qualifying non-rural, non-state public hospitals.