

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



DIVISION OF MEDICAID & CHILDREN'S HEALTH - REGION VI

February 18, 2016

Our Reference: SPA LA 15-0038

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

Attention: Darlene Budgewater

Dear Ms. Steele:

We have reviewed the proposed amendment to your Medicaid State Plan submitted under Transmittal Number 15-0038. This State Plan Amendment (SPA) adopts the provisions governing coverage and reimbursement for labor and delivery services rendered by free-standing birthing centers (FSBCs).



Transmittal Number 15-0038 is approved with an effective date of November 20, 2015 as requested. A copy of the CMS-179, Transmittal No. 15-0038 dated December 29, 2015 is enclosed along with the approved plan pages.

If you have any questions regarding this letter, please contact Ford Blunt at 214-767-6381 by phone or by e-mail at ford.blunt@cms.hhs.gov.

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

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL		1. TRANSMITTAL NUMBER: 15-0038	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, 2015	
5. TYPE OF PLAN MATERIAL (Check One): <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> 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 Section 1396d(l)(3)B		7. FEDERAL BUDGET IMPACT: a. FFY <u>2016</u> \$(23.38) \$116.83 b. FFY <u>2017</u> \$(27.30) \$205.73	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 3.1-A, Item 27, Page 13 Attachment 4.19-B, Item 27, Page 1 Attachment 4.19-B, Item 28(i), Page 1		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): SAME (TN 12-09) NONE - New Page NONE - New Page	
10. SUBJECT OF AMENDMENT: The SPA proposes to adopt the provisions governing coverage and reimbursement for labor and delivery services rendered by free-standing birthing centers (FSBCs).			
11. GOVERNOR'S REVIEW (Check One): <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input checked="" type="checkbox"/> OTHER, AS SPECIFIED: <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED The Governor does not review state plan material. <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF STATE AGENCY OFFICIAL: 		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	
13. TYPED NAME: Kathy H. Kliebert			
14. TITLE: Secretary			
15. DATE SUBMITTED: December 29, 2015			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: December 29, 2015		18. DATE APPROVED: February 18, 2016	
PLAN APPROVED – ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: November 20, 2015		20. SIGNATURE OF REGIONAL OFFICIAL: 	
21. TYPED NAME: Bill Brooks		22. TITLE: Associate Regional Administrator Division of Medicaid and Children's Health	
23. REMARKS: The State requests a pen and ink change to boxes 7, 8 and 9 above.			

State: Louisiana
Date Approved: 02/18/16
Date Received: 11/18/15
Date Effective: 11/20/15
Transmittal Number: LA 15-0038

Attachment 3.1A: Freestanding Birth Center Services

28. (i) Licensed or Otherwise State-Approved Freestanding Birth Centers

Provided: No limitations With limitations None licensed or approved

Please describe any limitations:

Stays for delivery at the free-standing birthing centers (FSBC) are typically less than 24 hours and the services rendered for labor and delivery are very limited in comparison to delivery services rendered during inpatient hospital stays. Services shall be provided by the attending practitioner from the time of the pregnant woman's admission through the birth and the immediate postpartum period.

The FSBC shall be located within a ground travel time distance from a general acute care hospital with which the FSBC shall maintain a contractual relationship, including a transfer agreement, that allows for an emergency caesarian delivery to begin within 30 minutes of the decision a caesarian delivery is necessary.

28. (ii) Licensed or Otherwise State-Recognized covered professionals providing services in the Freestanding Birth Center

Provided: No limitations with limitations (please describe below)

Not Applicable (there are no licensed or State approved Freestanding Birth Centers)

Please describe any limitations:

Free-standing birthing center staff shall not administer general or epidural anesthesia services.

Please check all that apply:

(a) Practitioners furnishing mandatory services described in another benefit category and otherwise covered under the State plan (i.e., physicians and certified nurse midwives).

(b) Other licensed practitioners furnishing prenatal, labor and delivery, or postpartum care in a freestanding birth center within the scope of practice under State law whose services are otherwise covered under 42 CFR 440.60 (e.g., lay midwives, certified professional midwives (CPMs), and any other type of licensed midwife). *

(c) Other health care professionals licensed or otherwise recognized by the State to provide these birth attendant services (e.g., doulas, lactation consultant, etc.).*

*For (b) and (c) above, please list and identify below each type of professional who will be providing birth center services:

Licensed midwives

STATE OF LOUISIANA
PAYMENT FOR 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 Section 1396d(1)(3)B

Free-Standing Birthing Centers
Methods and Standards for Establishing Payment Rates

Effective for dates of service on or after November 20, 2015, a free-standing birthing center (FSBC) shall be reimbursed a one-time payment for labor and delivery services at a rate equal to 90 percent of the average per diem rates of surrounding hospitals* providing the same services.

FSBCs shall be reimbursed for labor and low-risk delivery services provided to Medicaid eligible pregnant women by an obstetrician, family practitioner, certified nurse midwife, or licensed midwife. FSBC services are appropriate when a normal, uncomplicated labor and birth is anticipated.

Attending physicians shall be reimbursed for birthing services according to the published fee schedule rate for physician services rendered in the Professional Services program.

Certified nurse midwives providing birthing services within a FSBC shall be reimbursed at 80 percent of the published fee schedule rate for physician services rendered in the Professional Services program.

Licensed midwives providing birthing services within a FSBC shall be reimbursed at 75 percent of the published fee schedule rate for physician services in the Professional Services program.

A licensed midwife providing birthing services within the FSBC must:

1. Have passed the national certification exam through the North American Registry of Midwives; and
2. Hold a current, unrestricted state license with the Louisiana State Board of Examiners.

All rates are published on the Medicaid provider website using the following link:

http://www.lamedicaid.com/provweb1/fee_schedules/feeschedulesindex.htm

*Surrounding Hospital

- A. Urban areas: located within a 20-mile radius of the FSBC.
- B. Rural areas: located within a 30-mile radius of the FSBC.

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