John Bel Edwards
GOVERNOR

Rebekah E. Gee MD, MPH
SECRETARY

State of Louisiana

Department of Health and Hospitals
Bureau of Health Services Financing

VIA ELECTRONIC MAIL ONLY

May 4, 2016

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: Managed Care for Physical and Behavioral Health - Expansion Under the Affordable Care Act
Transmittal No. 16-0003

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.

Warmly,

Rebekah E. Gee MD, MPH
Secretary

Attachments (2)

REG:WJR:JH

DEPARTMENT OF HEALTH AND HUMAN SERVICES
HEALTH CARE FINANCING ADMINISTRATION

FORM APPROVED
OMB NO. 0938-0193

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL

FOR: HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER: **16-0003**

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: **July 1, 2016**

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:
Section 1932(a)(1)(A) of the Social Security Act

7. FEDERAL BUDGET IMPACT:
a. FFY **2016** **$0.00**
b. FFY **2017** **$0.00**

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 3.1-F Page 1a
Attachment 3.1-F Page 4
Attachment 3.1-F Page 7
Attachment 3.1-F Page 8a
Attachment 3.1-F Page 12

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT *(If Applicable)*:

Same (TN 15-0021)
Same (TN 15-0021)
Same (TN 15-0021)
Same (TN 15-0021)
Same (TN 15-0021)

10. SUBJECT OF AMENDMENT: **This SPA proposes to amend the provisions governing managed care for physical and behavioral health to enroll the new adult group into Bayou Health managed care organizations (MCOs).**

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:
Rebekah E. Gee MD, MPH

14. TITLE:
Secretary

15. DATE SUBMITTED:
May 4, 2016

16. RETURN TO:

Jen Steele, Interim 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:

FORM HCFA-179 (07-92)

Citation	Condition or Requirement

Effective December 1, 2015, Bayou Health will also enroll additional populations that had been exempt or excluded from enrollment in Bayou Health under the approved Section 1932(a) State Plan. These individuals will be enrolled in Bayou Health MCOs through the companion Bayou Health Section 1915(b) Waiver for either comprehensive (physical and behavioral health) benefits or specialized behavioral health-only benefits, depending upon the population. All children enrolled in the Section 1915(c) SED waiver will be enrolled Bayou Health MCOs through the Bayou Health 1915(b) Waiver, not the Section 1932(a) State Plan.

Bayou Health MCOs

The capitated MCO model is a managed care model in which entities establish a robust network of providers and receive a monthly per member per month (PMPM) payment for each enrollee to guarantee access to specified Medicaid State Plan services (referred to as core benefits and services) and care management services. The MCO will also provide additional services not included in the Medicaid State Plan and provide incentive programs to their network providers. All plans will be paid actuarially-determined, risk-adjusted rates; specialized behavioral health only rates, however, will not be risk-adjusted. PMPM payments related to pharmacy services will be adjusted to account for pharmacy rebates.

The state program includes significant administrative monitoring and controls to ensure that appropriate access, services and levels of quality are maintained, including sanctions for non-reporting or non-performance.

42 CFR 438.50(b)(2)
42 CFR 438.50(b)(3)

2. The payment method to the contracting entity will be:

____	i.	fee for service; (E-PCCM only)
X*	ii.	capitation; (MCO only)
_____	iii.	a case management fee; (E-PCCM only)
_____	iv.	a bonus/incentive payment; (E-PCCM only)
_____	v.	a supplemental payment, or
_____	vi.	other (Please provide a description below).

***The MCOs will be paid actuarially sound capitation rates subject to actuarial soundness requirements at 42 CFR 438.6(c).**

1905(t)
42 CFR 440.168
42 CFR 438.6(c)(5)(iii)(iv)

3. For states that pay a PCCM on a fee-for-service basis, incentive payments are permitted as an enhancement to the PCCM's case management fee, if certain conditions are met.

If applicable to this state plan, place a check mark to affirm the state has met ***all*** of the following conditions (which are identical to the risk incentive rules for managed care contracts published in 42 CFR 438.6(c)(5)(iv)).

__i. Incentive payments to the PCCM will not exceed 5 percent of the total

State: **Louisiana**

Citation	Condition or Requirement

D. Eligible groups

1932(a)(1)(A)(i) 1. List all eligible groups that will be enrolled on a **mandatory basis.**

- Children (under 19 years of age) including those eligible under Section 1931 poverty-level related groups and optional groups of older children;
- Parents, including those eligible under Section 1931 and optional groups of caretaker relatives;
- CHIP (Title XXI) children enrolled in Medicaid-expansion CHIP (LaCHIP Phase I, II, III, and V);
- CHIP (Title XXI) unborn option (Phase 4);
- Pregnant Women: Individuals whose basis of eligibility is pregnancy, who are only eligible for pregnancy-related services, and whose eligibility extends 60 days after the end of the pregnancy;
- Uninsured women under the age of 65 who have been screened through the Centers for Disease Control National Breast and Cervical Cancer Early Detection Program and identified as being in need of treatment for breast and/or cervical cancer, including pre-cancerous conditions and early stage cancer, and are not otherwise eligible for Medicaid;
- Non-dually eligible Aged, Blind & Disabled Adults age 19;
- Individuals and families who have more income than is allowed for Medicaid eligibility, but who meet the standards for the Regular Medically Needy Program;
- Persons eligible through the Tuberculosis Infected Individual Program; and
- Former foster children eligible under Section 1902(a)(10)(A)(i)(IX).
- Individuals from age 19 to 65 years old at or below 133 percent of the Federal Poverty Level with a 5 percent income disregard as provided in 42 CFR 435.119, hereafter referred to as the new adult group.

2. Mandatory exempt groups identified in 1932(a)(1)(A)(i) and 42 CFR 438.50.

Use a check mark to affirm if there is **voluntary enrollment** of any of the following mandatory exempt groups.

Individuals exempt under Section 1932(a) are not enrolled in Bayou Health under this State Plan authority. Individuals exempt under Section 1932(a) State Plan authority are enrolled in Bayou Health under the companion Bayou Health Section 1915(b) Waiver.

1932(a)(2)(B)
42 CFR 438(d)(1)
i. ____Recipients who are also eligible for Medicare
If enrollment is voluntary, describe the circumstances of enrollment.
(Example: Recipients who become Medicare eligible during mid-enrollment, remain eligible for managed care and are not disenrolled into fee-for-service.)

1932(a)(2)(C)
42 CFR 438(d)(2)
ii. __ An Indian Health program or urban Indian program operated by a tribe or tribal organization under a contract, grant, cooperative agreement or compact with the Indian Health Service.

All enrollees are informed through required member materials that if they are a member of a federally recognized Tribe they may self-identify, provide documentation of Tribal membership, and request disenrollment through the enrollment broker.

1932(a)(2)(A)(i)
42 CFR 438.50(d)(3)(i)
iii. ___Children under the age of 19 years who are eligible for Supplemental Security Income (SSI) under title XVI.

State: **Louisiana**

Citation	Condition or Requirement

1932(a)(2)
42 CFR 438.50(d)

6. Describe how the state identifies the following groups who are exempt from mandatory enrollment into managed care: *(Examples: usage of aid codes in the eligibility system, self- identification).*

Individuals exempt from mandatory enrollment in managed care under the Section 1932(a) State Plan option can be identified by aid code, program participation and other identifiers. These exempt individuals are mandatorily enrolled in Bayou Health under the Bayou Health Section 1915(b) waiver.

42 CFR 438.50

F. List other eligible groups (not previously mentioned) who will be exempt (excluded) from mandatory enrollment.

N/A

Individuals exempt from mandatory enrollment in managed care under the Section 1932(a) State Plan option are mandatorily enrolled in Bayou Health under the Bayou Health Section 1915(b) waiver unless exempt as described in the 1915(b) waiver.

The following Medicaid and/or CHIP recipients are excluded altogether from participation in a Bayou Health MCO:

Individuals who:

- **reside in an ICF/DD (Adults);**
- **receive services through the Program of All-Inclusive Care for the Elderly (PACE);**
- **have a limited period of eligibility such as eligibility through the Spend-down Medically Needy Program or Emergency Services Only (excluding individuals in a presumptive eligibility period);**
- **Partial dual eligible; or**
- **Receive coverage under Louisiana's Take Charge Plus program.**

Citation	Condition or Requirement

ii. the relationship with providers that have traditionally served Medicaid recipients (as defined in H.2.ii).

All MCOs will contract with providers who have traditionally served Medicaid recipients and will be available for choice and default assignment. Preexisting relationships are a factor in the auto-assignment algorithm.

Recipients who fail to choose a MCO shall be automatically assigned to a MCO by the enrollment broker and the MCO shall be responsible to assign the member to a PCP if a PCP is not selected at the time of enrollment into the MCO.

Special Provisions for Medicaid Expansion

- Special Provisions for Medicaid Expansion. Individuals enrolled in the Take Charge Plus and /or the Greater New Orleans Health Connection (GNOCHC) Waiver program upon implementation of the new adult group will be auto assigned to an MCO by the enrollment broker as provided for in the Auto Assignment Process.

- Individuals transferred from take Charge Plus and / or GNOCHC will be given 90 days to change plans without cause following auto assignment to an MCO upon implementation of the new adult group.

The following is a summary listing of the core benefits and services that a MCO is required to provide:

1. Inpatient hospital services;
2. Outpatient hospital services;
3. Ancillary medical services;
4. Organ transplant-related services;
5. Family planning services as specified in 42 CFR §431.51(b)(2) (not applicable to MCO operating under a moral and religious objection as specified in the contract);
6. EPSDT/well-child visits (excluding Applied Behavioral Analysis services and Dental);
7. Emergency medical services;
8. Communicable disease services;
9. Durable medical equipment and certain supplies;
10. Prosthetics and orthotics;
11. Emergency and non-emergency medical transportation;(ambulance and non-ambulance);
12. Home health services;
13. Basic and Specialized behavioral health services;
14. School-Based health clinic services provided by the DHH Office of Public Health certified school-based health clinics;
15. Physician services;
16. Maternity services (including nurse midwife services);
17. Chiropractic services;
18. Rehabilitation therapy services (physical, occupational, and speech therapies);
19. Pharmacy services;
20. Hospice services;
21. Personal care services (Age 0-20);
22. Pediatric day healthcare services;
23. Audiology services;
24. Ambulatory Surgical Services;
25. Lab and X-ray Services;
26. Emergency and surgical dental services;
27. Clinic services;
28. Pregnancy-related services;
29. Pediatric and Family Nurse Practitioner services;
30. Licensed mental health professional services (including Advanced Practice Registered Nurse services);
31. FQHC/RHC Services;
32. ESRD services;
33. Optometrist services;
34. Podiatry services;
35. Rehabilitative services (including Crisis Stabilization);
36. Respiratory services; and
37. Other services as required which incorporate the benefits and services covered under the Medicaid State Plan, including the essential health benefits provided in 42 CFR 440.347.