



**State of Louisiana**  
Louisiana Department of Health  
Office of the Secretary

**VIA ELECTRONIC MAIL ONLY**

September 30, 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: Louisiana Title XIX State Plan  
Transmittal No. 16-0020

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 (3)

REG:JS:JH

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

**FOR: HEALTH CARE FINANCING ADMINISTRATION**

1. TRANSMITTAL NUMBER:

**16-0020**

2. STATE

**Louisiana**

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE  
SOCIAL SECURITY ACT (MEDICAID)

4. PROPOSED EFFECTIVE DATE

**September 1, 2016**

TO: REGIONAL ADMINISTRATOR  
HEALTH CARE FINANCING ADMINISTRATION  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

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 B**

7. FEDERAL BUDGET IMPACT:

a. FFY **2016**

**\$(466.94)**

b. FFY **2017**

**\$(445.85)**

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

**Attachment 3.1-A, Item 4b, Page 12 – 12b**

**Attachment 4.19-B, Item 4b, Page 5**

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 PAGE NUMBER OF THE SUPERSEDED PLAN  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

**SAME (TN 14-09)**

**SAME (TN 12-27)**

10. SUBJECT OF AMENDMENT: **The SPA proposes to revise the provisions governing Pediatric Day Health Care services in order to clarify and revise the recipient criteria and reimbursement methodology.**

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:

16. RETURN TO:

13. TYPED NAME:

**Rebekah E. Gee MD, MPH**

14. TITLE:

**Secretary**

15. DATE SUBMITTED:

**September 30, 2016**

**Jen Steele, Medicaid Director**

**State of Louisiana**

**Department of Health**

**628 N. 4<sup>th</sup> 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:

LA TITLE XIX SPA

TRANSMITTAL #:

16-0020

TITLE: PDHC

EFFECTIVE DATE: September 1, 2016

FISCAL IMPACT:  
Decrease

1st SFY	2016	% Inc.	fed. match	*# mos	range of mos.	dollars
2nd SFY	2017	3.0%		10	September 2016- June 30, 2017	(\$572,764)
3rd SFY	2018	3.0%		12	July 2017- June 2018	(\$707,936)
				12	July 2018 - June 2019	(\$729,174)

\*#mos-Months remaining in fiscal year

Total Decrease in Cost FFY 2016

SFY 2016 (\$572,764) for 10 months September 2016- June 30, 2017 (\$572,764)

SFY 2017 (\$707,936) for 12 months July 2017- June 2018 (\$176,984)  
 (\$707,936) / 12 X 3 = (\$749,748)

FFP (FFY 2016 ) = (\$749,748) X 62.28% = (\$466,943)

Total Decrease in Cost FFY 2017

SFY 2017 (\$707,936) for 12 months July 2017- June 2018 (\$530,952)  
 (\$707,936) / 12 X 9 = (\$530,952)

SFY 2018 (\$729,174) for 12 months July 2018 - June 2019 (\$182,294)  
 (\$729,174) / 12 X 3 = (\$713,246)

FFP (FFY 2017 )= (\$713,246) X 62.51% = (\$445,850)



STATE OF LOUISIANA

AMOUNT, DURATION AND SCOPE OF MEDICAL AND REMEDIAL CARE AND SERVICES PROVIDED  
LIMITATIONS ON THE AMOUNT, DURATION AND SCOPE OF CERTAIN ITEMS OF PROVIDED MEDICAL  
SERVICES ARE DESCRIBED AS FOLLOWS:

<u>CITATION</u>	Medical and
42 CFR 441.57	Remedial Care
Section 1905 of the	and Services
Act. Section 6403 of	Item 4b (Cont'd)
OBRA 1989	

**Pediatric Day Health Care Program**

Pediatric day health care (PDHC) services are an array of services that are designed to meet the medical, social and developmental needs of children up to the age of 21 who have a complex medical condition which requires skilled nursing care and therapeutic interventions on an ongoing basis in order to:

- a. preserve and maintain health status;
- b. prevent death;
- c. treat/cure disease;
- d. ameliorate disabilities or other adverse health conditions; and/or
- e. prolong life.

PDHC services offer a community-based alternative to traditional long-term care services or extended nursing services for children with medically complex conditions.

These services are provided in a non-residential setting which is licensed as a PDHC facility and enrolled to participate in the Medicaid Program. These services are for the maximum reduction of physical or mental disability and restoration of the recipient to the best functioning level.

**Recipient Criteria**

In order to qualify for PDHC services, a Medicaid recipient must meet the following criteria. The recipient must:

1. be from birth up to 21 years of age;

TN \_\_\_\_\_  
Supersedes  
TN \_\_\_\_\_

Approval Date \_\_\_\_\_

Effective Date \_\_\_\_\_

STATE OF LOUISIANA

AMOUNT, DURATION AND SCOPE OF MEDICAL AND REMEDIAL CARE AND SERVICES PROVIDED  
LIMITATIONS ON THE AMOUNT, DURATION AND SCOPE OF CERTAIN ITEMS OF PROVIDED MEDICAL  
SERVICES ARE DESCRIBED AS FOLLOWS:

2. have a medically complex condition which involves one or more physiological or organ systems and requires skilled nursing and therapeutic interventions performed by a knowledgeable and experienced licensed professional registered nurse (RN) or licensed practical nurse (LPN) on an ongoing basis in order to:
  - a.. preserve and maintain health status;
  - b. prevent death;
  - c. treat/cure disease;
  - d. ameliorate disabilities or other adverse health conditions; and/or
  - e. prolong life;
3. have a signed physician's order and plan of care, not to exceed 90 days, for pediatric day health care by the recipient's physician specifying the frequency and duration of services; and
4. be stable for outpatient medical services in a home or community-based setting.

If the medical director of the PDHC facility is also the child's prescribing physician, the Department reserves the right to review the prescription for the recommendation of the child's participation in the PDHC Program.

Re-evaluation of PDHC services must be performed, at a minimum, every 90 days. This evaluation must include a review of the recipient's current medical plan of care and provider agency documented current assessment and progress toward goals.

TN \_\_\_\_\_  
Supersedes  
TN \_\_\_\_\_

Approval Date \_\_\_\_\_

Effective Date \_\_\_\_\_

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT  
MEDICAL ASSISTANCE PROGRAM

Attachment 3.1-A  
Item 4b, Page 12b

STATE OF LOUISIANA

AMOUNT, DURATION AND SCOPE OF MEDICAL AND REMEDIAL CARE AND SERVICES PROVIDED  
LIMITATIONS ON THE AMOUNT, DURATION AND SCOPE OF CERTAIN ITEMS OF PROVIDED MEDICAL  
SERVICES ARE DESCRIBED AS FOLLOWS:

A face-to-face evaluation shall be held every 90 days by the child's prescribing physician. Services shall be revised during evaluation periods to reflect accurate and appropriate provision of services for current medical status.

Physician's orders for services are required to individually meet the needs of each recipient and shall not be in excess of the recipient's needs. Physician orders prescribing or recommending PDHC services do not, in themselves, indicate services are medically necessary or indicate a necessity for a covered service. Eligibility for participation in the PDHC Program must also include meeting the medically complex provisions.

When determining the necessity for PDHC services, consideration shall be given to all of the services the recipient may be receiving, including waiver services and other community supports and services. This consideration must be reflected and documented in the recipient's treatment plan.

TN \_\_\_\_\_  
Supersedes  
TN \_\_\_\_\_

Approval Date \_\_\_\_\_

Effective Date \_\_\_\_\_



STATE OF LOUISIANA

PAYMENTS 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:

**Pediatric Day Health Care Program**

Effective July 21, 2010, reimbursement for PDHC services shall be a statewide fixed per diem rate which is based on the number of hours that a qualified recipient attends the PDHC facility.

- A full day of service is more than six hours, not to exceed a maximum of 12 hours per day.
- A partial day of service is six hours or less per day.

Reimbursement shall only be made for services authorized by the Medicaid Program or its approved designee.

The initial per diem rate for the Pediatric Day Health Care providers was set based on projections of the daily cost. The Department will require the PDHC providers to submit annual cost reports reflecting their actual costs and statistics related to providing care for this program. The costs would include all costs of the operation and segregate the cost into cost categories. The direct care cost category would include a breakdown of the nursing services and the different therapies. The statistics would include the daily census information as well as the encounters for each of the therapies.

These cost reports will be used by the Department to evaluate the cost effectiveness and the reasonableness of the daily rate paid to the providers. Rate adjustments may be made from time to time based on the data obtained through the cost reports or other sources.

Effective for dates of service on or after July 1, 2012, the reimbursement for pediatric day health care services shall be reduced by 3.7 percent of the rates in effect on June 30, 2012.

The fee schedule will be available through the Louisiana Medicaid provider website, [www.lamedicaid.com](http://www.lamedicaid.com).

TN \_\_\_\_\_  
Supersedes  
TN \_\_\_\_\_

Approval Date \_\_\_\_\_

Effective Date \_\_\_\_\_