



State of Louisiana
Louisiana Department of Health
Office of the Secretary

VIA ELECTRONIC MAIL ONLY

June 8, 2017

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. 17-0009

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,

A handwritten signature in blue ink, consisting of a large, stylized 'R' followed by a horizontal line and a small flourish.

Rebekah E. Gee MD, MPH
Secretary

Attachments (4)

REG:JS:JH

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL		1. TRANSMITTAL NUMBER: 17-0009	2. STATE Louisiana
		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
FOR: HEALTH CARE FINANCING ADMINISTRATION		4. PROPOSED EFFECTIVE DATE April 20, 2017	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES			
5. TYPE OF PLAN MATERIAL (<i>Check One</i>): <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 (<i>Separate Transmittal for each amendment</i>)			
6. FEDERAL STATUTE/REGULATION CITATION: 1906 of the Social Security Act		7. FEDERAL BUDGET IMPACT: a. FFY <u>2017</u> \$(274,522) b. FFY <u>2018</u> \$(1,649,091)	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Section 4.22, Page 70 Attachment 4.22-C, Page 1		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (<i>If Applicable</i>): Same (TN 15-20) Same (TN 15-20)	
10. SUBJECT OF AMENDMENT: The SPA proposes to reinstate the Louisiana Health Insurance Premium Payment (LaHIPP) program in order to reduce Medicaid costs by establishing or maintaining a third party resource as the primary payer of the Medicaid recipient's medical expenses.			
11. GOVERNOR'S REVIEW (<i>Check One</i>): <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: Jen Steele, Medicaid Director State of Louisiana Department of Health 628 North 4th Street P.O. Box 91030 Baton Rouge, LA 70821-9030	
13. TYPED NAME: Rebekah E. Gee MD, MPH			
14. TITLE: Secretary			
15. DATE SUBMITTED: June 8, 2017			
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 #: 17-0009

TITLE: Eligibility - Reinstatement Louisiana Health Insurance Premium Payment Program

EFFECTIVE DATE: April 20, 2017

FISCAL IMPACT:
Decrease

year	% inc.	fed. match	*# mos	range of mos.	dollars
1st SFY 2017			2.33	April 20, 2017 - June 2017	\$123,392
2nd SFY 2018			12	July 2017- June 2018	(\$2,256,715)
3rd SFY 2019			12	July 2018 - June 2019	(\$3,586,842)

*#mos-Months remaining in fiscal year

Total Decrease in Cost FFY 2017

SFY 2017 \$123,392 for 2.33 months April 20, 2017 - June 2017 \$123,392

SFY 2018 (\$2,256,715) for 12 months July 2017- June 2018 = (\$564,179)
(\$2,256,715) / 12 X 3 months July 2018 - September 2018 (\$440,787)

FFP (FFY 2017) = (\$440,787) X 62.28% = (\$274,522)

Total Decrease in Cost FFY 2018

SFY 2018 (\$2,256,715) for 12 months July 2017- June 2018 = (\$1,692,536)
(\$2,256,715) / 12 X 9 months October 2018 - June 2019

SFY 2019 (\$3,586,842) for 12 months July 2018 - June 2019 = (\$896,711)
(\$3,586,842) / 12 X 3 months July 2019 - September 2019 (\$2,589,247)

FFP (FFY 2018) = (\$2,589,247) X 63.69% = (\$1,649,091)

Revision: HCFA-PM-94-1
FEBRUARY 1994

(MB)

State/Territory: LOUISIANA

Citation

4.22 (continued)

42CFR 433.151 (a)

- (f) The Medicaid agency has written cooperative agreements for the enforcement of rights to and collection of third party benefits assigned to the State as a condition of eligibility for medical assistance with the following: (Check as appropriate.)

☒ State title IV-D agency. The requirements of 42 CFR 433.152(b) are met.

☒ Other appropriate State agency(s):
IV-A
IV-E

☐ Other appropriate agency(s) of another state:

☐ Courts and law enforcement officials.

1902(a) (60) of the Act

- (g) The Medicaid agency assures that the State has in effect the laws relating to medical child support under section 1908 of the Act.

1906 of the Act

- (h) The Medicaid agency specifies the guidelines used in determining the cost effectiveness of an employer-based group health plan by selecting one of the following:

☐ The Secretary's method as provided in the State Method Manual, Section 3910.

☒ The State provides methods for determining cost-effectiveness ATTACHMENT 4.22-C

TN _____
Supersedes
TN _____

Approval Date _____

Effective Date _____

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State/Territory: LOUISIANA

Citation	Condition or Requirement
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1906 of the Act

State Method on Cost Effectiveness of Employer-Based Group Health Benefit Plans

Louisiana will utilize both Employer Sponsored Insurance (ESI) and Individual Health Insurance (IHI) under the appropriate authorities 1906 and 1905(a) as it relates to the HIPP program.

Louisiana will use a hybrid of the Secretary's model, replacing the average annual medical costs (AAMC) with per member per month (PMPM) cost associated with managed care organizations (MCO). Louisiana is using the PMPM amount because members not enrolled in LaHIPP will be enrolled into an MCO. The PMPM is the amount that Medicaid would be responsible for the given member, if Medicaid did not enroll them into LaHIPP.

The PMPM incorporates aid category type case breakdown by gender. Louisiana will also include a field for high deductibles in the cost effectiveness calculation to assistance in determining the cost-effectiveness of high deductible plans. Louisiana will also include a special condition to capture the "kick" payment associated with a delivery diagnosis.

Louisiana's intent is to apply appropriate third party liability (TPL) edits in place requiring members to utilize their TPL prior to Medicaid. The providers need to accept Medicaid as secondary. Louisiana will work with recipients and providers to help facilitate this effort. Louisiana pays the provider the actual patient responsibility for covered services.

TN _____
Supersedes
TN _____

Approval Date _____

Effective Date _____

HCFA ID: 7985 E