John Bel Edwards
GOVERNOR

Rebekah E. Gee MD, MPH
SECRETARY

State of Louisiana

Louisiana Department of Health
Office of the Secretary

VIA ELECTRONIC MAIL ONLY

March 29, 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. 17-0014

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

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: **17-0014**

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: **March 1, 2017**

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 **2017** ($3,892,500) ~~**$(3,892.50)**~~

b. FFY **2018** ($3,184,500) ~~**$(3,184.50)**~~

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 4.19-A, Item 1, Page 8b(3)
Attachment 4.19-A, Item 1, Page 8c

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT *(If Applicable)*:

Same (TN 09-23)
Same (TN 07-31) - RESERVED

10. SUBJECT OF AMENDMENT: **The SPA proposes to eliminate the total supplemental payments pool for graduate medical education payments to qualifying acute care hospitals.**

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:
March 29, 2017

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

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: The State requests a pen and ink change to box #7, above.

FORM HCFA-179 (07-92)

LA TITLE XIX SPA
TRANSMITTAL #: **17-0014**
TITLE: **Inpatient Hospital Services - Graduate Medical Education - Supplement**
EFFECTIVE DATE: **March 1, 2017**

FISCAL IMPACT:
(Decrease)

	year	% inc.		fed. match	*# mos	range of mos.	dollars
1st SFY	2017			0.00%	4	March 2017 - June 2017	($5,000,000)
2nd SFY	2018			0.00%	12	July 2017- June 2018	($5,000,000)
3rd SFY	2019			0.00%	12	July 2018 - June 2019	($5,000,000)

*#mos-Months remaining in fiscal year

Total Decrease in Cost FFY **2017**

SFY 2017 ($5,000,000) for 4 months March 2017 - June 2017 ($5,000,000)

SFY 2018 ($5,000,000) for 12 months July 2017- June 2018
($5,000,000) / 12 X 3 July 2017 - September 2017 = ($1,250,000)
($6,250,000)

FFP (FFY 2017) = **($6,250,000)** **X** **62.28%** = **($3,892,500)**

Total Decrease in Cost FFY **2018**

SFY 2018 ($5,000,000) for 12 months July 2017- June 2018
($5,000,000) / 12 X 9 October 2017 - June 2018 = ($3,750,000)

SFY 2019 ($5,000,000) for 12 months July 2018 - June 2019
($5,000,000) / 12 X 3 July 2018 - September 2018 = ($1,250,000)
($5,000,000)

FFP (FFY 2018)= **($5,000,000)** **X** **63.69%** = **($3,184,500)**

occurs first. Payments distributed in the qualifying quarters will be calculated as follows using Medicaid paid days for state fiscal year 2008 service dates serving as a proxy for state fiscal years 2010 and 2011 service dates.

i. Qualifying hospitals with greater than 20,000 paid Medicaid days for state fiscal year 2008 service dates will be paid $60 per Medicaid paid day.

ii. Qualifying hospitals with greater than 2,500, but less than or equal to 20,000 paid Medicaid days for state fiscal year 2008 service dates will be paid $105 per Medicaid paid day.

iii. Qualifying hospitals with greater than 1,000, but less than or equal to 2,500 paid Medicaid days for state fiscal year 2008 service dates will be paid $225 per Medicaid paid day.

4) Hurricane Impacted Freestanding Rehabilitation and Long Term Acute Care Hospitals

Maximum aggregate payments to all qualifying hospitals in this group will not exceed $500,000.

a) Qualifying Criteria – Medicare designated freestanding rehabilitation hospital or long term acute hospital that is located in DHH Administrative Region 1 (New Orleans), 2 (Baton Rouge), 3 (Thibodaux), 5 (Lake Charles), or 9 (Mandeville), and had at least 100 paid Medicaid days for SFY 2008 dates of service.

b) Payment Methodology – Effective for dates of service on or after July 1, 2009, each eligible hospital shall receive quarterly supplemental payments. Payments distributed in the qualifying quarters will be calculated using Medicaid paid days for state fiscal year 2008 service dates serving as a proxy for state fiscal years 2010 and 2011 service dates multiplied by $40 per Medicaid paid day. Payments are applicable to Medicaid service dates provided during each quarter and will end on December 31, 2010 or when the $500,000 maximum payment limit for this group is reached, whichever occurs first.

STATE OF LOUISIANA

PAYMENT FOR MEDICAL AND REMEDIAL CARE AND SERVICES

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

c. RESERVED