

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

July 23, 2018

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. 18-0010

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, appearing to read "Rebekah E. Gee".

Rebekah E. Gee MD, MPH

Secretary

Attachments (3)

REG:JS:MJ

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

FOR: HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER:

18-0010

2. STATE

Louisiana

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

4. PROPOSED EFFECTIVE DATE

July 5, 2018

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 C

7. FEDERAL BUDGET IMPACT:

a. FFY 2019 **\$(632,081)**
b. FFY 2020 **\$(391,338)**

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 4.19-D, Page 9.h.2.g

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 PAGE NUMBER OF THE SUPERSEDED PLAN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

Same (TN 10-76)

10. SUBJECT OF AMENDMENT: **The SPA proposes to amend the provisions governing the reimbursement methodology for nursing facilities in order to adopt provisions governing the transition of a private nursing facility to a state-owned or operated nursing facility through a change of ownership.**

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:

July 23, 2018

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:

LA TITLE XIX SPA

TRANSMITTAL #: 18-0010

TITLE: Nursing Facilities - Reimbursement Methodology - Transition of Private Facility to State-Owned or Operat

EFFECTIVE DATE: July 5, 2018

FISCAL IMPACT:

Decrease

	year	% inc.	fed. match	*# mos	range of mos.	dollars
1st SFY	2019		%	11.8	July 5, 2018- June 2019	-\$791,747
2nd SFY	2020		0.00%	12	July 2019- June 2020	-\$802,744
3rd SFY	2021		0.00%	12	July 2020 - June 2021	

*#mos-Months remaining in fiscal year

Total Increase or Decrease Cost FFY 2019

SFY 2019 (\$791,747) for 11.8 months July 5, 2018- June 2019 (\$791,747)

SFY 2020 (\$802,744) for 12 months July 2019- June 2020
 (\$802,744) / 12 X 3 = July 2018 - September 2018 = (\$200,686)
(\$992,433)

FFP (FFY 2019) = (\$992,433) X 63.69% = (\$632,081)

Total Increase or Decrease Cost FFY 2020

SFY 2020 (\$802,744) for 12 months July 2019- June 2020
 (\$802,744) / 12 X 9 = October 2018 - June 2019 = (\$602,058)

SFY 2021 \$0 for 12 months July 2020 - June 2021
 \$0 / 12 X 3 = July 2019 - September 2019 = \$0
(\$602,058)

FFP (FFY 2020)= (\$602,058) X 65.00% = (\$391,338)

STATE OF LOUISIANA

of section I.B. and the provisions contained in above sections iii. and iv. will no longer be applicable.

- vii. If additional data is needed, the Department may request that the facility submit Medicaid supplemental cost report schedules for those cost report period year ends for which the facility has not previously submitted Medicaid supplemental schedules.

11. Transition of Private Nursing Facility to a State-Owned or Operated Nursing Facility through a Change of Ownership

- A. Any private nursing facility that undergoes a CHOW to a state-owned or operated nursing facility will be exempt from the prospective reimbursement system for public nursing facilities during the transitional period.
 - 1. The transitional period will be effective from the date of the CHOW until the July 1 rate setting period following when the state-owned or operated nursing facility has an audited or reviewed 12 month or greater cost reporting period available for use in rate setting.
 - 2. After the transitional period, the nursing facility will be reimbursed pursuant to the requirements of the prospective reimbursement system for public nursing facilities.
- B. Effective for dates of service on or after July 5, 2018, the reimbursement amount paid to a public nursing facility during the transitional period shall be as follows:
 - 1. Public nursing facilities transitioning from private ownership shall receive a monthly interim payment based on occupancy, which shall be a per diem rate of \$365.68.
 - 2. For each cost reporting period ending during the transitional period a cost settlement process shall be performed. The cost settlement process shall ensure that Medicaid reimbursement for each public nursing facility transitioning from private ownership is equal to 100 percent of the nursing facility's Medicaid cost for the applicable cost reporting period.