

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

September 7, 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. 18-0014

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,

A handwritten signature in blue ink that reads "Rebekah E. Gee".

Rebekah E. Gee MD, MPH
Secretary

Attachments (3)

REG:JS:MJ

LA TITLE XIX SPA

TRANSMITTAL #: 18-0014

TITLE: Rural Health Clinics – Reimbursement Methodology – Long-Acting Reversible Contract

EFFECTIVE DATE: January 1, 2019

FISCAL IMPACT:
Increase

	year	% inc.	fed. match	# mos	range of mos	dollars
1st SFY	2019		%	5*	January 2019- June 2019	\$54,972
2nd SFY	2020		0.00%	12	July 2019- June 2020	\$123,475
3rd SFY	2021		0.00%	12	July 2020 - June 2021	\$83,518

*5 months includes a 1-month claim lag

Total Increase or Decrease Cost FFY 2019

SFY	2019	\$54,972	for	5*	months	January 2019- June 2019		\$54,972	
SFY	2020	\$123,475	for	12	months	July 2019- June 2020			
		\$123,475 /		12 X 3		July 2018 - September 2018	=	\$30,869	
								<u>\$85,841</u>	
			FFP (FFY	2019) =		\$85,841	X	65.00% =	<u>\$55,797</u>

Total Increase or Decrease Cost FFY 2020

SFY	2020	\$123,475	for	12	months	July 2019- June 2020			
		\$123,475 /		12 X 9		October 2018 - June 2019	=	\$92,606	
SFY	2021	\$83,518	for	12	months	July 2020 - June 2021			
		\$83,518 /		12 X 3		July 2019 - September 2019	=	\$20,880	
								<u>\$113,486</u>	
			FFP (FFY	2020) =		\$113,486	X	66.05% =	<u>\$74,958</u>

STATE OF LOUISIANA

PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES -- OTHER TYPES OF CARE OR SERVICES LISTED IN SECTION 1905(A) OF THE ACT THAT IS INCLUDED IN THE PROGRAM UNDER THE PLAN ARE DESCRIBED AS FOLLOWS:

<u>CITATION</u> 42 CFR 447.201 and Section 1902(aa) of the Social Security Act	Medical and Remedial Care and Services Item 2.c.
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No interim or alternate payment methodologies will be developed by the State without prior notification to each enrolled Medicaid RHC.

Should an RHC increase or decrease its scope of services through new program development, program closure, program enhancement, etc., it is responsible for notifying the Bureau of Health Services Financing, Institutional Reimbursements Section of the scope of change in writing. The RHC shall include with this notification a budgetary presentation showing the impact on costs and Medicaid patient visits. The Institutional Reimbursements Section will be responsible for incorporating allowable costs and visits into the PPS per visit rate calculation and determining a new rate.

For an RHC which enrolls and receives approval to operate on or after January 1, 2001, the facility's initial PPS per visit rate will be determined first through comparison to other RHCs in the same town/city/parish. Scope of services will be considered in determining which proximate RHC most closely approximates the new provider. If no RHCs are available in the proximity, comparison will be made to the nearest RHC offering the same scope of services. The rate will be set to that of the RHC comparative to the new provider.

Beginning with Federal fiscal year 2002, the PPS per visit rate for each facility will be increased annually by the percentage increase in the published Medicare Economic Index (MEI) for primary care services. The MEI increase will be applied on July 1 of each year.

Effective for dates of services on or after February 21, 2011, the Medicaid Program shall provide reimbursement for diabetes self-management training (DSMT) services rendered by qualified health care professionals in the RHC encounter rate. Separate encounters for DSMT services are not permitted and the delivery of DSMT services alone does not constitute an encounter visit.

Alternate Payment Methodology

Effective for dates of service on or after October 21, 2007, the Medicaid Program shall provide for an alternate payment methodology. This alternate methodology will include the aforementioned PPS methodology plus an additional reimbursement for adjunct services provided by rural health clinics when these services are rendered during evening, weekend or holiday hours. Reimbursement is limited to services rendered between the hours of 5 p.m. and 8 a.m. Monday through Friday, on weekends and State legal holidays. (NOTE: A payment for adjunct services is not allowed when the encounter is for dental services only.)

Effective for dates of service on or after January 1, 2019, RHCs shall be reimbursed a separate payment outside of the PPS rate, accordingly, for long-acting reversible contraceptives (LARCs).

Reimbursement for LARCs shall be at the lesser of, the rate on file or the actual acquisition cost, for entities participating in the 340B program. RHCs eligible for 340B pricing must bill Medicaid at their 340B actual acquisition cost for reimbursement.