



State of Louisiana
Louisiana Department of Health
Bureau of Health Services Financing

VIA ELECTRONIC MAIL ONLY

March 29, 2019

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: LA SPA TN 18-0020 RAI Response
Rural Health Clinics Mammography Separate Payments**

Please refer to our proposed amendment to the Medicaid State Plan submitted under transmittal number (TN) 18-0020 with the proposed effective date of January 1, 2019. The State Plan amendment (SPA) proposes amend the provisions governing the reimbursement methodology for rural health clinics (RHC) in order to implement a payment methodology to allow reimbursement for mammography screening and diagnosis services outside of the perspective payment system (PPS) rate. We are providing the following in response to your request for additional information (RAI) dated January 24, 2019.

General Comments/Questions

The state has proposed a methodology which would no longer consider mammography as an RHC service or as an RHC billable encounter, but would pay for mammography at a separate fee-for-service payment rate anytime mammography is provided by an RHC. This change is a departure from a long standing state policy that mammography is an RHC service and such services qualify as an encounter in the RHC. The PPS rate is an all-inclusive encounter rate which includes cost of all of the RHC services the RHC provides, as is stated in the Louisiana state plan (Att. 4.19 B, Item 2c, Page 2). States have flexibility to define a billable encounter, but states have an obligation to review and modify the PPS rate when there is a change in scope of services.

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The statute requires all in-scope RHC services to be paid under the PPS methodology. States cannot redefine RHC services to exclude items that have long been considered RHC services. In order to proceed with this plan amendment, the state has the following options:

1. The state may withdraw the SPA.

RESPONSE:

The State does not wish to withdraw or amend the SPA at this time.

2. Pay the PPS rate for FQHC services including mammography, which may or may not include a review of change in scope of services.

RESPONSE:

The State currently utilizes the PPS rate for RHC services, which includes mammography and will continue this method while we explore an Alternative Payment Methodology (APM).

3. Allow the providers to be paid under an Alternative Payment Methodology (APM), where mammography is a billable encounter eligible for PPS. When provided on the same day as another FQHC service, the state could pay an add-on rate. Mammography delivered as a stand-alone encounter would receive PPS.

RESPONSE:

The State is exploring an APM for mammography billable encounters for our RHC providers as a viable option; however, this option requires time to develop and solicit additional information from our stakeholders before we can determine its viability. We do not expect completion in the near term. The State does not wish to amend the SPA (18-0020) at this time.

As always, we appreciate the assistance of Cheryl Rupley in resolving these issues. If further information is required, you may contact Karen H. Barnes at Karen.Barnes@la.gov or by phone (225) 342-3881.

Sincerely,



For Jen Steele
Medicaid Director

JS: KHB: RJ

c: Karen H. Barnes
Cheryl Rupley
Tamara Sampson