

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
1301 Young Street  
Dallas, Texas 75202



## Regional Operations Group

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March 27, 2019

Our Reference: SPA LA 19-0004

Ms. Jen Steele, State Medicaid Director  
Department of Health  
628 North 4<sup>th</sup> St.  
Post Office Box 91030  
Baton Rouge, LA 70821-9030  
Attention: Karen Barnes

Dear Ms. Steele:

We have reviewed the State's proposed amendment to the Louisiana State Plan submitted under Transmittal Number 19-0004 dated February 6, 2019. This state plan amendment proposes to amend the provisions governing the reimbursement methodology for Rural Health Clinics (RHCs) in order to implement an alternative payment methodology to allow RHCs to be reimbursed a separate perspective payment system (PPS) rate for behavioral health and dental services, which is at the same rate as the existing all-inclusive encounter PPS rate when such services are rendered on the same day as a medical visit.

Based on the information submitted, we have approved the amendment for incorporation into the official Louisiana State Plan with an effective date change of April 1, 2019. A copy of the CMS-179 and approved plan pages are enclosed with this letter.

If you have any questions, please contact Cheryl Rupley at (214) 767-6278 or by email at [Cheryl.Rupley@cms.hhs.gov](mailto:Cheryl.Rupley@cms.hhs.gov).

Sincerely,

A handwritten signature in black ink that reads "Bill Brooks". The signature is written in a cursive, slightly slanted style.

Bill Brooks  
Director  
Centers for Medicaid & CHIP Services  
Regional Operations Group

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE &amp; MEDICAID SERVICES</b>	1. TRANSMITTAL NUMBER <b>19-0004</b>	2. STATE <b>Louisiana</b>
	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	

TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE <b>April 1, 2019</b>
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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 <b>42 CFR 447.201 and Section 1902(bb) of the Social Security Act</b>	7. FEDERAL BUDGET IMPACT a. FFY <u>2019</u> \$ <u>405,068</u> b. FFY <u>2020</u> \$ <u>1,023,707</u>
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8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT <b>Attachment 4.19-B, Item 2b, Pages 3a</b>	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) <b>None (new page)</b>
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10. SUBJECT OF AMENDMENT **The purpose of this SPA is to amend the provisions governing the reimbursement methodology for Rural Health Clinics (RHCs) in order to implement an alternative payment methodology to allow RHCs to be reimbursed a separate perspective payment system (PPS) rate for behavioral health and dental services, which is at the same rate as the existing all-inclusive encounter PPS rate when such services are rendered on the same day as a medical visit.**


11. GOVERNOR'S REVIEW (Check One)  
 GOVERNOR'S OFFICE REPORTED NO COMMENT       OTHER, AS SPECIFIED  
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED      The Governor does not review State Plan material.  
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL 	16. RETURN TO <b>Jen Steele, Medicaid Director State of Louisiana Department of Health 628 North 4<sup>th</sup> Street P.O. Box 91030 Baton Rouge, LA 70821-9030</b>
13. TYPED NAME <b>Rebekah E. Gee MD, MPH</b>	
14. TITLE <b>Secretary</b>	
15. DATE SUBMITTED <b>February 6, 2019</b>	

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED 2-06-19	18. DATE APPROVED 3-27-19
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PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL 4-01-19	20. SIGNATURE OF REGIONAL OFFICIAL 
21. TYPED NAME Bill Brooks	22. TITLE Director, Centers for Medicaid & CHIP Services Regional Operations Group

23. REMARKS

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:

CITATION

42 CFR 447.201 and

Section 1902(bb) of the Social Security Act

Medical and Remedial Care and Services

Item 2.b.

**Long-Acting Reversible Contraceptives**

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). This alternate methodology will include the PPS rate, plus reimbursement for the device.

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.

**Behavioral Health and Dental Services**

Effective for dates of service on or after April 1, 2019, the Medicaid Program shall establish an alternative payment methodology for behavioral health services provided in RHCs by one of the following practitioners:

1. Physicians with a psychiatric specialty;
2. Nurse practitioners or clinical nurse specialist with a psychiatric specialty;
3. Licensed clinical social workers; or
4. Clinical psychologists.

The reimbursement for behavioral health services will equal the all-inclusive encounter PPS rate on file for fee-for-service on the date of service. This reimbursement will be in addition to any all-inclusive PPS rate on the same date for a medical/dental visit.

Dental services shall be reimbursed at the all-inclusive PPS rate on file for fee-for-service on the date of service. This reimbursement will be in addition to any all-inclusive PPS rate made on the same date for a medical/behavioral health visit.

The Alternative Payment Methodology (APM) will be agreed to by the Department and the RHC, and will result in payment to the RHC of an amount that is at least equal to the Prospective Payment System (PPS) rate.

State: Louisiana  
Date Received: 2-06-19  
Date Approved: 3-27-2019  
Date Effective: 4-01-19  
Transmittal Number: 19-0004