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, 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

RE: Louisiana Title XIX State Plan
Transmittal No. 19-0005

Dear Mr. Brooks:

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. Should you have any questions or concerns regarding this matter, please contact Karen Barnes at (225) 342-3881 or via email at Karen.Barnes@la.gov.

Warmly,

Cindy River, designee for
Rebekah E. Gee MD, MPH
Secretary

Attachments (3)

REG:JS:MJ

DEPARTMENT OF HEALTH AND HUMAN SERVICES
CENTERS FOR MEDICARE & MEDICAID SERVICES

FORM APPROVED
OMB No. 0938-0193

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL

FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES

1. TRANSMITTAL NUMBER: **19-0005**

2. STATE: **Louisiana**

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
March 20, 2019

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
Section 1905 of the Social Security Act
42 CFR 440.130d
42 CFR 441.57

7. FEDERAL BUDGET IMPACT
a. FFY 2019 **$ 0.00**
b. FFY 2020 **$ 3,868,520**

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT
Please see attached

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (*If Applicable*)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

10. **SUBJECT OF AMENDMENT: The purpose of this SPA is to amend the provisions governing school-based medical services covered in the Early and Periodic Screening, Diagnosis and Treatment Program and school-based behavioral health services in order to: 1) add services categorized as 504 plans, individual health plans or otherwise medically necessary in addition to those covered by an individual education plan, to the services available for school-based Medicaid claiming; 2) amend the reimbursement methodology to expand allowable billing providers for direct/therapy and nursing services; and 3) add applied behavioral analysis, personal care services and transportation to allowable Medicaid billing.**

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
Cindy Rives

13. TYPED NAME
Cindy Rives, designee for Rebekah E. Gee MD, MPH

14. TITLE
Secretary

15. DATE SUBMITTED
March 29, 2019

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

Instructions on Back

8. Page Number of the Plan Section or Attachment	9. Page Number of the Superseded Plan Section or Attachment (if applicable)
Attachment 3.1-A, Item 4b, Pages 9h and 9h(1)	SAME (TN 15-0024)
Attachment 3.1-A, Item 4b, Pages 9h(2)	NONE – New page
Attachment 3.1-A, Item 4b, Page 18	SAME (TN 10-48)
Attachment 3.1-A, Item 4b, Page 18a	NONE - New page
Attachment 3.1-A, Item 4b, Page 18b	NONE - New page
Attachment 3.1-A, Item 4b, Pages 19-19a	SAME (TN 15-0019)
Attachment 3.1-A, Item 4b, Page 19b	NONE – New page
Attachment 3.1-A, Item 4b, Page 19c, 19d, and 19e	NONE – New pages
Attachment 4.19-B, Item 4b, Pages 1, 1a, and 1b	SAME (TN 14-08)
Attachment 4.19-B, Item 4b, Pages 1c and 1d	SAME (TN 04-16)
Attachment 4.19-B, Item 4b, Pages 1e, 1f, 1g	SAME (TN 04-16)
Attachment 4.19-B, Item 4b, Page 1h	SAME (TN 04-16)
Attachment 4.19-B, Item 4b Pages 3e, 3f, and 3g	SAME (TN 15-0024)
Attachment 4.19-B, Item 4b Page 3h	NONE – New page
Attachment 4.19-B. Item 4b, Page 6	SAME (TN 15-0019)
Attachment 4.19-B, Item 4b, Pages 7-9	SAME (TN 12-02)
Attachment 4.19-B, Item 4b, Pages 9a, 9b, 9c and 9d	NONE – New pages
Attachment 4.19-B, Item 13d, Pages 5-7	SAME (TN 15-0024)

STATE OF LOUISIANA

PAYMENT OF MEDICAL AND REMEDIAL CARE AND SERVICES

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

H. EPSDT Services Provided by Office of Public Health

For the following EPSDT services provided by the Office of Public Health are paid an enhanced fee as follows:

Lead Poisoning Follow-up	$45.56
Physician Diagnosis and Treatment	$51.62
Clinic Visit for Handicapped Child	$84.68
Diagnosis/Treatment by Physician/Nurse	$51.62
Speech and Hearing Evaluation	$50.27
Initial Screen by Physician	$73.95
Initial Screen by Nurse	$73.95
Periodic Screen by Nurse	$73.95
Interperiodic Screen-child	$46.40
Interperiodic Screen-adolescent	$65.25
Vision Screen	$5.80
Vaccines	$13.70
Screening, Pure Tone, Air only	$5.22

STATE OF LOUISIANA

AMOUNT, DURATION AND SCOPE OF MEDICAL AND REMEDIAL CARE AND SERVICES PROVIDED
LIMITATIONS ON THE AMOUNT, DURATION, AND SCOPE OF CERTAIN ITEMS OF PROVIDED MEDICAL AND REMEDIAL CARE AND SERVICES ARE DESCRIBED AS FOLLOWS:

Medical and Remedial Care and Services
Item 4.b, EPSDT services (Cont'd)

Behavioral Health Services Provided by Local Education Agencies

Medicaid shall provide coverage to eligible recipients for behavioral health services in schools, pursuant to §1905(a) of the Social Security Act which are addressed in the individualized service Plan (IEP), section 504 plan, individualized health plan (IHP), or individualized family service plan (IFSP) or otherwise medically necessary, that correct or ameliorate a child's health condition. Services are provided by or through a local education agency (LEA) to children with or suspected of having disabilities, who attend public school in Louisiana.

Services must be performed by qualified providers as set forth in this State Plan Amendment and who provide these services as part of their respective area of practice.

Services provided in a school setting will only be reimbursed for recipients who are at least three years of age and under 21 years of age, who have been determined eligible for Title XIX and the Individuals with Disabilities Education Act (IDEA), Part B services with a written IEP, section 504 plan, IHP, or IFSP, which contains medically necessary services recommended by a physician or other licensed practitioner, within the scope of his or her practice under state law.

Service Exclusions

1. These services are not covered if they are performed for educational purposes (e.g. academic testing) or as the result of the assessment and evaluation it is determined the service is not reflected in the IEP, section 504 plan, IHP, or IFSP or is not otherwise medically necessary.
2. Medicaid does not reimburse for social or educational needs or habilitative services.

Local Education Agency Responsibilities

1. Medicaid covered services shall be provided in accordance with the established service limitations.
2. The LEA shall ensure that its licensed and unlicensed behavioral health professionals are employed according to the requirements specified under the IDEA.

3. An LEA shall ensure that individual professional requirements are in compliance with Medicaid qualifications, Department of Education Bulletin 746, and Louisiana Standards for State Certification of School Personnel prior to an LEA billing for any services of a clinician under Medicaid.
4. Anyone providing behavioral health services must operate within their scope of practice license or certification under the supervision of a licensed professional. The provider shall create and maintain documents to substantiate that all requirements are met.

Other Licensed Professionals

The following providers may provide behavioral health services in schools under IEPs, section 504 plan, IHP, or IFSP, under the Early and Periodic Screening, Diagnosis and Treatment (EPSDT):

1. Medical Psychologists;
2. Licensed Psychologists;
3. Licensed Clinical Social Workers (LCSWs);
4. Licensed Professional Counselors (LPCs);
5. Licensed Marriage and Family Therapists (LMFTs);
6. Licensed Addiction Counselors (LACs);
7. Advanced Practice Registered Nurses (APRNs) must be a nurse practitioner specialist in Adult Psychiatric Mental Health, and Family Psychiatric and Mental Health or a Certified Nurse Specialist in Psychosocial, Gerontological Psychiatric Mental Health, Adult Psychiatric and Mental Health and Child-Adolescent Mental Health, and may practice to the extent that services are within the APRN's scope of practice;
8. Licensed Master Social Workers or Certified Master Social Workers practicing under the supervision of a Licensed Social Worker; and
9. Certified school psychologists practicing under the supervision of a Licensed Psychologist.

STATE OF LOUISIANA

AMOUNT, DURATION AND SCOPE OF MEDICAL AND REMEDIAL CARE AND SERVICES PROVIDED
LIMITATIONS ON THE AMOUNT, DURATION, AND SCOPE OF CERTAIN ITEMS OF PROVIDED MEDICAL AND REMEDIAL CARE AND SERVICES ARE DESCRIBED AS FOLLOWS:

Medical and Remedial Care and Services
Item 4.b, EPSDT services (Cont'd)

Applied Behavior Analysis-Based Services Provided by Local Education Agencies

Medicaid shall provide coverage to eligible recipients for applied behavior analysis-based (ABA) services in schools, pursuant to §1905(a) of the Social Security Act which are addressed in the individualized service Plan (IEP), section 504 plan, individualized health plan (IHP), or individualized family service plan (IFSP) or otherwise medically necessary, that correct or ameliorate a child's health condition. Services are provided by or through a local education agency (LEA) to children with, or suspected of having, emotional or behavioral disorders, who attend public school in Louisiana.

Applied behavior analysis-based (ABA) services rendered in school-based settings must be provided by, or under the supervision of, a behavior analyst currently licensed by the Louisiana Behavior Analyst Board, a licensed psychologist or licensed medical psychologist, hereafter referred to as the licensed professional. Payment for services must be billed by the licensed professional.

Applied behavior analysis means the design, implementation, and evaluation of systematic instructional and environmental modifications by a behavior analyst, to produce socially significant improvements in behavior.

STATE OF LOUISIANA

PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES PROVIDED

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES – OTHER TYPES OF CARE OR SERVICE LISTED IN SECTION 1902(A) OF THE ACT THAT IS INCLUDED IN THE PROGRAM UNDER THE PLAN ARE DESCRIBED AS FOLLOWS:

EPSDT Behavioral Health Services Provided by Local Education Agencies

Reimbursement Methodology

Cost Reporting. Settlement payments for EPSDT school-based behavioral health services shall be based on the most recent school year's actual cost as determined by desk review and/or audit for each LEA provider.

Each LEA shall determine cost annually by using LDH's cost report for behavioral health services cost form based on the direct services cost report.

Direct cost shall be limited to the amount of total compensation (salaries, vendor payments and fringe benefits) of current behavioral health services providers as allocated to behavioral health services for Medicaid special education recipients. The direct cost related to the electronic health record shall be added to the compensation costs to arrive at the total direct costs for behavioral health services. There are no additional direct costs included in the rate. The basis of allocation for direct service compensation cost is DHH's Direct Services Time Study Methodology approved by CMS November 2014. This time study incorporates the CMS approved Medicaid Administrative Claiming (MAC) methodology for direct service personnel and is used to determine the percentage of time direct service personnel spend on direct services and General and Administrative (G&A) time.

Indirect cost is derived by multiplying the cognizant agency indirect cost unrestricted rate assigned by the Department of Education to each LEA by the allowable costs. There are no additional indirect costs included.

To determine behavioral health services cost that may be attributed to Medicaid, the ratio of Medicaid covered students in the LEA is multiplied by total direct cost. Cost data is subject to certification by each LEA. This serves as the basis for obtaining federal Medicaid funding.

For behavioral health services, the participating LEAs' actual cost of providing the services shall be claimed for Medicaid federal financial participation (FFP) based on the following methodology:

1. Develop Direct Cost-The Payroll Cost Base
   Total annual salaries and benefits paid as well as contracted (vendor) payments are obtained initially from each LEA's Payroll/Benefits and Accounts Payable system. This data will be reported on LDH's direct services cost report form for all direct service personnel (i.e. all personnel providing LEA direct treatment services covered under the State Plan).

2. Adjust the Payroll Cost Base
   The payroll cost base shall be reduced for amounts reimbursed by other funding sources (e.g. federal grants). The payroll cost base shall not include any amounts for staff whose compensation is 100 percent reimbursed by a funding source other than state/local funds. This results in total adjusted salary cost.

3 Determine the Percentage of Time to Provide All Behavioral Health Services

A time study which incorporates the CMS-approved Medicaid Administrative Claiming (MAC) methodology for direct service personnel, shall be used to determine the percentage of time behavioral health services personnel spend on behavioral health services and general and administrative (G&A) time. This time study will assure there is no duplicate claiming The G and A percentage shall be reallocated in a manner consistent with the CMS-approved Medicaid administrative claiming methodology. Total G and A time shall be allocated to all other activity codes based on the percentage of time spent on each respective activity.

To reallocate G and A time to behavioral health services, the percentage of time spent on behavioral health services shall be divided by 100 percent minus the percentage of G and A time. This shall result in a percentage that represents the behavioral health services with appropriate allocation of G and A. This percentage shall be multiplied by total adjusted salary cost as determined by the adjusted payroll cost base to allocate cost to school based services. The product represents total direct cost.

A sufficient number of behavioral health services personnel shall be sampled to ensure results that will have a confidence level of at least 95 percent with a precision of plus or minus two percent overall.

4. Determine Indirect Cost

Indirect cost shall be determined by multiplying each LEA's indirect unrestricted rate assigned by the cognizant agency (the Department of Education) by total adjusted direct cost. No additional indirect cost shall be recognized outside of the cognizant agency indirect rate. The sum of direct cost and indirect cost shall be the total direct service cost for all students receiving behavioral health services.

5. Allocate Direct Service Cost to Medicaid

To determine the amount of cost that may be attributed to Medicaid, total direct service cost shall be multiplied by the ratio of Medicaid students in the LEA to all students in the LEA. This results in total cost that may be certified as Medicaid's portion of school-based behavioral health services cost.

Reconciliation of LEA Certified Costs and Medicaid Management Information System (MMIS) Paid Claims

Each LEA shall complete the applicable services cost report and submit the cost report(s) no later than five months after the fiscal year period ends (June 30), and reconciliation shall be completed within 12 months from the fiscal year end. All filed cost reports shall be subject to desk review by the Department's audit contractor. The Department shall reconcile the total expenditures (both state and federal share) for each LEA's services. The Medicaid certified cost expenditures from the cost report(s) will be reconciled against the MMIS paid claims data and the Department shall issue a notice of final settlement pending audit that denotes the amount due to or from the LEA. This reconciliation is inclusive of all services provided by the LEA.

Cost Settlement Process

As part of its financial oversight responsibilities, the Department shall develop audit and review procedures to audit and process final settlements for certain LEAs. The audit plan shall include a risk assessment of the LEAs using available paid claims data to determine the appropriate level of oversight.

a. The financial oversight of all LEAs shall include reviewing the costs reported on the behavioral health services cost reports against the allowable costs, performing desk reviews and conducting limited reviews.
b. The Department shall make every effort to audit each LEA at least every four years. These activities shall be performed to ensure that audit and final settlement occurs no later than two years from the LEA's fiscal year end for the cost reporting period audited. LEAs may appeal audit findings in accordance with LDH appeal procedures.
c. The Department shall adjust the affected LEA's payments no less than annually, when any reconciliation or final settlement results in significant underpayments or overpayments to any LEA. By performing the reconciliation and final settlement process, there shall be no instances where total Medicaid payments for services exceed 100 percent of actual, certified expenditures.
d. If the interim payments exceed the actual, certified costs of an LEA's Medicaid services, the Department shall recoup the overpayment in one of the following methods:
    i. offset all future claim payments from the affected LEA until the amount of the overpayment is recovered;
    ii. recoup an agreed upon percentage from future claims payments to the LEA to ensure recovery of the overpayment within one year; or
    iii. recoup an agreed upon dollar amount from future claims payments to the LEA to ensure recovery of the overpayment within one year.

If the actual certified costs of an LEA's Medicaid services exceed interim Medicaid payments, the Department will pay this difference to the LEA in accordance with the final actual certification agreement.

STATE OF LOUISIANA

PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES PROVIDED

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES – OTHER TYPES OF CARE OR SERVICE LISTED IN SECTION 1902(A) OF THE ACT THAT IS INCLUDED IN THE PROGRAM UNDER THE PLAN ARE DESCRIBED AS FOLLOWS:

Rehabilitative Services Provided by Local Education Agencies

Reimbursement Methodology

Cost Reporting
Settlement payments for EPSDT school-based rehabilitative services shall be based on the most recent school year's actual cost as determined by desk review and/or audit for each LEA provider.

Each LEA shall determine cost annually by using LDH's cost report for rehabilitative services cost form based on the direct services cost report.

Direct cost shall be limited to the amount of total compensation (salaries, vendor payments and fringe benefits) of current rehabilitative services providers as allocated to rehabilitative services for Medicaid special education recipients. The direct cost related to the electronic health record shall be added to the compensation costs to arrive at the total direct costs for rehabilitative services. There are no additional direct costs included in the rate. The basis of allocation for direct service compensation cost is DHH's Direct Services Time Study Methodology approved by CMS November 2014. This time study incorporates the CMS approved Medicaid Administrative Claiming (MAC) methodology for direct service personnel and is used to determine the percentage of time direct service personnel spend on direct services and General and Administrative (G&A) time.

Indirect cost is derived by multiplying the cognizant agency indirect cost unrestricted rate assigned by the Department of Education to each LEA by the allowable costs. There are no additional indirect costs included.

To determine rehabilitative services cost that may be attributed to Medicaid, the ratio of Medicaid covered students in the LEA is multiplied by total direct cost. Cost data is subject to certification by each LEA. This serves as the basis for obtaining federal Medicaid funding.

For rehabilitative services, the participating LEAs' actual cost of providing the services shall be claimed for Medicaid federal financial participation (FFP) based on the following methodology:

1. Develop Direct Cost-The Payroll Cost Base
   Total annual salaries and benefits paid as well as contracted (vendor) payments are obtained initially from each LEA's Payroll/Benefits and Accounts Payable system. This data will be reported on LDH's direct services cost report form for all direct service personnel (i.e. all personnel providing LEA direct treatment services covered under the State Plan).

2. Adjust the Payroll Cost Base
   The payroll cost base shall be reduced for amounts reimbursed by other funding sources (e.g. federal grants). The payroll cost base shall not include any amounts for staff whose compensation is 100 percent reimbursed by a funding source other than state/local funds. This results in total adjusted salary cost.

3 Determine the Percentage of Time to Provide All Rehabilitative Services

A time study which incorporates the CMS-approved Medicaid Administrative Claiming (MAC) methodology for direct service personnel, shall be used to determine the percentage of time rehabilitative services personnel spend on rehabilitative services and general and administrative (G&A) time. This time study will assure there is no duplicate claiming The G and A percentage shall be reallocated in a manner consistent with the CMS-approved Medicaid administrative claiming methodology. Total G and A time shall be allocated to all other activity codes based on the percentage of time spent on each respective activity. To reallocate G and A time to rehabilitative services, the percentage of time spent on rehabilitative services shall be divided by 100 percent minus the percentage of G and A time. This shall result in a percentage that represents the rehabilitative services with appropriate allocation of G and A. This percentage shall be multiplied by total adjusted salary cost as determined by the adjusted payroll cost base to allocate cost to school based services. The product represents total direct cost.

A sufficient number of rehabilitative services personnel shall be sampled to ensure results that will have a confidence level of at least 95 percent with a precision of plus or minus two percent overall.

4. Determine Indirect Cost

Indirect cost shall be determined by multiplying each LEA's indirect unrestricted rate assigned by the cognizant agency (the Department of Education) by total adjusted direct cost. No additional indirect cost shall be recognized outside of the cognizant agency indirect rate. The sum of direct cost and indirect cost shall be the total direct service cost for all students receiving rehabilitative services.

5. Allocate Direct Service Cost to Medicaid

To determine the amount of cost that may be attributed to Medicaid, total direct service cost shall be multiplied by the ratio of Medicaid students in the LEA to all students in the LEA. This results in total cost that may be certified as Medicaid's portion of school-based rehabilitative services cost.

Reconciliation of LEA Certified Costs and Medicaid Management Information System (MMIS) Paid Claims

Each LEA shall complete the applicable services cost report and submit the cost report(s) no later than five months after the fiscal year period ends (June 30), and reconciliation shall be completed within 12 months from the fiscal year end. All filed cost reports shall be subject to desk review by the Department's audit contractor. The Department shall reconcile the total expenditures (both state and federal share) for each LEA's services. The Medicaid certified cost expenditures from the cost report(s) will be reconciled against the MMIS paid claims data and the Department shall issue a notice of final settlement pending audit that denotes the amount due to or from the LEA. This reconciliation is inclusive of all services provided by the LEA.

Cost Settlement Process

As part of its financial oversight responsibilities, the Department shall develop audit and review procedures to audit and process final settlements for certain LEAs. The audit plan shall include a risk assessment of the LEAs using available paid claims data to determine the appropriate level of oversight.

a. The financial oversight of all LEAs shall include reviewing the costs reported on the rehabilitative services cost reports against the allowable costs, performing desk reviews and conducting limited reviews.
b. The Department shall make every effort to audit each LEA at least every four years. These activities shall be performed to ensure that audit and final settlement occurs no later than two years from the LEA's fiscal year end for the cost reporting period audited. LEAs may appeal audit findings in accordance with LDH appeal procedures.
c. The Department shall adjust the affected LEA's payments no less than annually, when any reconciliation or final settlement results in significant underpayments or overpayments to any LEA. By performing the reconciliation and final settlement process, there shall be no instances where total Medicaid payments for services exceed 100 percent of actual, certified expenditures.
d. If the interim payments exceed the actual, certified costs of an LEA's Medicaid services, the Department shall recoup the overpayment in one of the following methods:
    i. offset all future claim payments from the affected LEA until the amount of the overpayment is recovered;
    ii. recoup an agreed upon percentage from future claims payments to the LEA to ensure recovery of the overpayment within one year; or
    iii. recoup an agreed upon dollar amount from future claims payments to the LEA to ensure recovery of the overpayment within one year.

If the actual certified costs of an LEA's Medicaid services exceed interim Medicaid payments, the Department will pay this difference to the LEA in accordance with the final actual certification agreement.

STATE OF LOUISIANA

AMOUNT, DURATION AND SCOPE OF MEDICAL AND REMEDIAL CARE AND SERVICES PROVIDED

LIMITATIONS ON THE AMOUNT, DURATION AND SCOPE OF CERATIN ITEMS OF PROVIDED MEDICAL SERVICES ARE DESCRIBED AS FOLLOWS:

CITATION Medical and Remedial Care and Services Item 4b (Cont'd)
42 CFR 447.201
42 CFR 441.57

School-Based Medicaid Medical Direct Services

A. Effective July 1, 2019, EPSDT school-based medical services are provided to medically eligible recipients under 21 who are enrolled in a public school, pursuant to an IEP, a section 504 accommodation plan, an IHCP, an IFSP, or other medical need document. Services are provided by a licensed medical provider (physician, optometrist, respiratory therapist, registered nurse, licensed practical nurse, dentist, dental hygienist and chiropractor) within a local education agency (LEA). The goal of these services is to prevent or mitigate disease, enhance care coordination, and reduce costs by preventing the need for tertiary care. Providing these services in the school increases access to health care for children and youth resulting in a more efficient and effective delivery of care.

B. All medical service providers providing school-based medical services are required to maintain an active Louisiana state license that is necessary for the applicable service.

Covered Services

The following school-based medical services shall be covered:

1. **Chronic Medical Condition Management and Care Coordination**

Chronic medical condition management and care coordination is based on one of the following criteria:

The child has a chronic medical condition or disability requiring implementation of a health plan/protocol (examples would be children with asthma, diabetes, or cerebral palsy). There must be a written health care plan based on a health assessment performed by the medical services provider. The date of the completion of the plan and the name of the person completing the plan must be included in the written plan. Each health care service required and the schedule for its provision must be described in the plan.

a. Medication Administration
This service is scheduled as part of a health care plan developed by either the treating physician or the school LEA. Administration of medication will be at the direction of the physician and within the license of the individual provider and must be approved within the LEA policies.

b. Implementation of Physician's Orders
These services shall be provided as a result of receipt of a written plan of care from the child's physician or included in the student's IEP, IHP, 504 plan, IFSP or are otherwise necessary.

STATE OF LOUISIANA

AMOUNT, DURATION AND SCOPE OF MEDICAL AND REMEDIAL CARE AND SERVICES PROVIDED

LIMITATIONS ON THE AMOUNT, DURATION AND SCOPE OF CERATIN ITEMS OF PROVIDED MEDICAL SERVICES ARE DESCRIBED AS FOLLOWS:

2. Immunization Assessments

These services are nursing assessments of health status (immunizations) required by the Office of Public Health. This service requires a medical provider to assess the vaccination status of children in these cohorts once each year. This assessment is limited to the following children:

a. Children enrolling in school for the first time;
b. Pre-kindergarten children;
c. Kindergarten children;
d. Children entering sixth grade; or
e. Any student 11 years of age, regardless of grade.

3. EPSDT Program Periodicity Schedule for Screenings

Qualified individuals employed by the LEA may perform any of these screens within their licensure. The results of these screens must be made available as part of the care coordination plan of the LEA. The screens shall be performed according to the periodicity schedule including any inter-periodic screens.

4. EPSDT Assessment/Evaluation Services

A licensed provider employed by the LEA may perform services to protect the health status of children and correct health problems. These services may include health counseling and triage of childhood illnesses and conditions.

Consultations are to be face-to-face contact in one-on-one sessions. These are services for which a parent would otherwise seek medical attention at physician or health care provider's office. This service is available to all Medicaid individuals eligible for EPSDT.

STATE OF LOUISIANA

PAYMENT FOR MEDICAL AND REMEDIAL CARE AND SERVICES

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES – OTHER TYPES OF CARE OR SERVICE LISTED IN SECTION 1902(A) OF THE ACT THAT ARE INCLUDED IN THE PROGRAM UNDER THE PLAN ARE DESCRIBED AS FOLLOWS:

School-Based Medicaid Medical Direct Services

Services provided by Local Education Agencies to recipients age 3 to 21 that are medically necessary and included on the recipient's individualized service plan (IEP), a section 504 accommodation plan, an individualized health care plan, an individualized family service plan, or medical need documentation, are reimbursed according to the following methodology:

Effective for dates of service on or after July 1, 2019, reimbursement for services provided by school based service providers (Provider Type 70) shall be 85 percent of the Medicare published rate. The Medicare published rate shall be the rate in effect on July 1, 2019.

School-based Medicaid services shall continue to be reimbursed at the flat fee in place as of July 1, 2019, and in accordance with the Medicaid published fee schedule found on the Louisiana Medicaid website at www.lamedicaid.com.

Each LEA shall determine cost annually by using LDH's cost report form for applicable services.

Direct cost shall be limited to the amount of total compensation (salaries, vendor payments and fringe benefits) of current medical service providers as allocated to medical services for Medicaid recipients. The direct cost related to the electronic health record shall be added to the compensation costs to arrive at the total direct costs for medical services. There are no additional direct costs included in the rate. The basis of allocation for direct service compensation cost is LDH's Direct Services Time Study Methodology approved by CMS November 2014. This time study incorporates the CMS approved Medicaid Administrative Claiming (MAC) methodology for direct service personnel and is used to determine the percentage of time direct service personnel spend on medical direct services and General and Administrative (G&A) time.

Indirect cost is derived by multiplying the cognizant agency indirect cost unrestricted rate assigned by the Department of Education to each LEA by the allowable costs. There are no additional indirect costs included.

To determine medical services cost that may be attributed to Medicaid, the ratio of Medicaid covered students in the LEA is multiplied by total direct cost. Cost data is subject to certification by each LEA. This serves as the basis for obtaining federal Medicaid funding.

STATE OF LOUISIANA

PAYMENT FOR MEDICAL AND REMEDIAL CARE AND SERVICES

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES – OTHER TYPES OF CARE OR SERVICE LISTED IN SECTION 1902(A) OF THE ACT THAT ARE INCLUDED IN THE PROGRAM UNDER THE PLAN ARE DESCRIBED AS FOLLOWS:

For medical services, the participating LEAs' actual cost of providing the services shall be claimed for Medicaid federal financial participation (FFP) based on the following methodology:

1. Develop Direct Cost-The Payroll Cost Base
   Total annual salaries and benefits paid as well as contracted (vendor) payments are obtained initially from each LEA's Payroll/Benefits and Accounts Payable system. This data will be reported on LDH's direct services cost report form for all direct service personnel (i.e. all personnel providing LEA direct treatment services covered under the State Plan).

2. Adjust the Payroll Cost Base
   The payroll cost base shall be reduced for amounts reimbursed by other funding sources (e.g. federal grants). The payroll cost base shall not include any amounts for staff whose compensation is 100 percent reimbursed by a funding source other than state/local funds. This results in total adjusted salary cost.

3. Determine the Percentage of Time to Provide All Medical Services
   A time study which incorporates the CMS-approved Medicaid Administrative Claiming (MAC) methodology for direct service personnel, shall be used to determine the percentage of time medical service personnel spend on medical services and general and administrative (G&A) time. This time study will assure there is no duplicate claiming The G and A percentage shall be reallocated in a manner consistent with the CMS-approved Medicaid administrative claiming methodology. Total G and A time shall be allocated to all other activity codes based on the percentage of time spent on each respective activity. To reallocate G and A time to medical services, the percentage of time spent on medical services shall be divided by 100 percent minus the percentage of G and A time. This shall result in a percentage that represents the medical services with appropriate allocation of G and A. This percentage shall be multiplied by total adjusted salary cost as determined by the adjusted payroll cost base to allocate cost to school based services. The product represents total direct cost.

   A sufficient number of medical service personnel shall be sampled to ensure results that will have a confidence level of at least 95 percent with a precision of plus or minus two percent overall.

4. Determine Indirect Cost
   Indirect cost shall be determined by multiplying each LEA's indirect unrestricted rate assigned by the cognizant agency (the Department of Education) by total adjusted direct cost. No additional indirect cost shall be recognized outside of the cognizant agency indirect rate. The sum of direct cost and indirect cost shall be the total direct service cost for all students receiving medical services.

STATE OF LOUISIANA

PAYMENT FOR MEDICAL AND REMEDIAL CARE AND SERVICES

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES – OTHER TYPES OF CARE OR SERVICE LISTED IN SECTION 1902(A) OF THE ACT THAT ARE INCLUDED IN THE PROGRAM UNDER THE PLAN ARE DESCRIBED AS FOLLOWS:

5. Allocate Direct Service Cost to Medicaid
   To determine the amount of cost that may be attributed to Medicaid, total direct service cost shall be multiplied by the ratio of Medicaid students in the LEA to all students in the LEA. This results in total cost that may be certified as Medicaid's portion of school-based medical services cost.

Reconciliation of LEA Certified Costs and Medicaid Management Information System (MMIS) Paid Claims

Each LEA shall complete the applicable services cost report and submit the cost report(s) no later than five months after the fiscal year period ends (June 30), and reconciliation shall be completed within 12 months from the fiscal year end. All filed cost reports shall be subject to desk review by the Department's audit contractor. The Department shall reconcile the total expenditures (both state and federal share) for each LEA's services. The Medicaid certified cost expenditures from the cost report(s) will be reconciled against the MMIS paid claims data and the Department shall issue a notice of final settlement pending audit that denotes the amount due to or from the LEA. This reconciliation is inclusive of all services provided by the LEA.

Cost Settlement Process

As part of its financial oversight responsibilities, the Department shall develop audit and review procedures to audit and process final settlements for certain LEAs. The audit plan shall include a risk assessment of the LEAs using available paid claims data to determine the appropriate level of oversight.

a. The financial oversight of all LEAs shall include reviewing the costs reported on the medical services cost reports against the allowable costs, performing desk reviews and conducting limited reviews.
b. The Department shall make every effort to audit each LEA at least every four years. These activities shall be performed to ensure that audit and final settlement occurs no later than two years from the LEA's fiscal year end for the cost reporting period audited. LEAs may appeal audit findings in accordance with LDH appeal procedures.
c. The Department shall adjust the affected LEA's payments no less than annually, when any reconciliation or final settlement results in significant underpayments or overpayments to any LEA. By performing the reconciliation and final settlement process, there shall be no instances where total Medicaid payments for services exceed 100 percent of actual, certified expenditures.

STATE OF LOUISIANA

PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

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

d. If the interim payments exceed the actual, certified costs of an LEA's Medicaid services, the Department shall recoup the overpayment in one of the following methods:

   i. offset all future claim payments from the affected LEA until the amount of the overpayment is recovered;
   ii. recoup an agreed upon percentage from future claims payments to the LEA to ensure recovery of the overpayment within one year; or
   iii. recoup an agreed upon dollar amount from future claims payments to the LEA to ensure recovery of the overpayment within one year.

If the actual certified costs of an LEA's Medicaid services exceed interim Medicaid payments, the Department will pay this difference to the LEA in accordance with the final actual certification agreement.

STATE OF LOUISIANA

AMOUNT, DURATION AND SCOPE OF MEDICAL AND REMEDIAL CARE AND SERVICES PROVIDED

LIMITATIONS ON THE AMOUNT, DURATION AND SCOPE OF CERATIN ITEMS OF PROVIDED MEDICAL SERVICES ARE DESCRIBED AS FOLLOWS:

School-Based Medicaid Personal Care Services

A. EPSDT school-based personal care services (PCS) are provided within an LEA by a personal care assistant pursuant to an IEP, a section 504 accommodation plan, an individualized health care plan, an individualized family service plan, or are otherwise medically necessary. The goal of these services is to enable the recipient to be treated on an outpatient basis rather than an inpatient basis to the extent that services on an outpatient basis are projected to be more cost effective.

B. Personal care assistants providing school-based PCS shall not be a member of the recipient's immediate family. Immediate family includes father, mother, sister, brother, spouse, child, grandparent, in-law, or any individual acting as parent or guardian of the recipient. Personal care services may be provided by a person of a degree of relationship to the recipient other than immediate family, if the relative is not living in the recipient's home, or, if she/he is living in the recipient's home solely because her/his presence in the home is necessitated by the amount of care required by the recipient. Personal care assistants must meet all training requirements applicable under state law and regulations and successfully complete the applicable examination for certification for PCS.

C. School-based PCS shall be covered for all Medicaid recipients in the school system. Personal care services must meet medical necessity criteria as established by the Bureau of Health Services Financing (BHSF) which shall be based on criteria equivalent to at least an intermediate care facility I (ICF-1) level of care; and the recipient must be impaired in at least two of daily living tasks, as determined by BHSF.

D. EPSDT PCS must be prescribed by the recipient's attending physician initially and every 180 days thereafter (or rolling six months), and when changes in the plan of care occur. The plan of care shall be acceptable for submission to BHSF only after it has been signed and dated by the physician.

STATE OF LOUISIANA

AMOUNT, DURATION AND SCOPE OF MEDICAL AND REMEDIAL CARE AND SERVICES PROVIDED

LIMITATIONS ON THE AMOUNT, DURATION AND SCOPE OF CERATIN ITEMS OF PROVIDED MEDICAL SERVICES ARE DESCRIBED AS FOLLOWS:

Covered Services

The following school-based PCS shall be covered:

1. basic personal care, toileting and grooming activities, including bathing, care of the hair and assistance with clothing;
2. assistance with bladder and/or bowel requirements or problems, including helping the client to and from the bathroom or assisting the client with bedpan routines, but excluding catheterization;
3. assistance with eating and food, nutrition, and diet activities, including preparation of meals for the recipient only;
4. performance of incidental household services essential to the client's health and comfort in her/his environment; and
5. accompanying, but not transporting, the recipient to and from his/her physician and/or medical facility for necessary medical services.

EPSDT PCS are not:

1. to be provided to meet childcare needs nor as a substitute for the parent in the absence of the parent;
2. allowable for the purpose of providing respite care to the primary caregiver; and
3. reimbursable when provided in an educational setting if the services duplicate services that are or must be provided by the Department of Education.

Documentation for EPSDT PCS provided shall include at a minimum, the following:

1. documentation of approval of services by BHSF or its designee;
2. daily notes by PCS provider denoting date of service, services provided (checklist is adequate);
3. total number of hours worked;
4. time period worked;
5. condition of recipient;
6. service provision difficulties;
7. justification for not providing scheduled services; and
8. any other pertinent information.

STATE OF LOUISIANA

AMOUNT, DURATION AND SCOPE OF MEDICAL AND REMEDIAL CARE AND SERVICES PROVIDED

LIMITATIONS ON THE AMOUNT, DURATION AND SCOPE OF CERATIN ITEMS OF PROVIDED MEDICAL SERVICES ARE DESCRIBED AS FOLLOWS:

There must be a clear audit trail between:

1. the prescribing physician;
2. the local education agency;
3. the individual providing the PCS to the recipient; and
4. the services provided and reimbursed by Medicaid.

STATE OF LOUISIANA

PAYMENT OF MEDICAL AND REMEDIAL CARE AND SERVICES

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES – OTHER TYPES OF CARE OR SERVICE LISTED IN SECTION 1902(A) OF THE ACT THAT ARE INCLUDED IN THE PROGRAM UNDER THE PLAN ARE DESCRIBED AS FOLLOWS:

EPSDT School-Based Personal Care Services

Reimbursement Methodology

Services provided by Local Education Agencies to recipients age 3 to 21 that are medically necessary and included on the recipient's individualized service plan (IEP), a section 504 accommodation plan, an individualized health care plan, an individualized family service plan, or medical need documentation, are reimbursed according to the following methodology:

Effective for dates of service on or after July 1, 2019, reimbursement for services provided by school based service providers (Provider Type 70) shall be 85 percent of the Medicare published rate. The Medicare published rate shall be the rate in effect on July 1, 2019.

School-based Medicaid services shall continue to be reimbursed at the flat fee in place as of July 1, 2019, and in accordance with the Medicaid published fee schedule found on the Louisiana Medicaid website at www.lamedicaid.com.

Cost Reporting

Settlement payments for EPSDT school-based PCS shall be based on the most recent school year's actual cost as determined by desk review and/or audit for each LEA provider.

Each LEA shall determine cost annually by using LDH's cost report for personal care services cost form based on the direct services cost report.

Direct cost shall be limited to the amount of total compensation (salaries, vendor payments and fringe benefits) of current PCS providers as allocated to PCS for Medicaid special education recipients.

The direct cost related to the electronic health record shall be added to the compensation costs to arrive at the total direct costs for PCS. There are no additional direct costs included in the rate. The basis of allocation for direct service compensation cost is DHH's Direct Services Time Study Methodology approved by CMS November 2014. This time study incorporates the CMS approved Medicaid Administrative Claiming (MAC) methodology for direct service personnel and is used to determine the percentage of time direct service personnel spend on PCS and General and Administrative (G&A) time.

STATE OF LOUISIANA

PAYMENT OF MEDICAL AND REMEDIAL CARE AND SERVICES

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES – OTHER TYPES OF CARE OR SERVICE LISTED IN SECTION 1902(A) OF THE ACT THAT ARE INCLUDED IN THE PROGRAM UNDER THE PLAN ARE DESCRIBED AS FOLLOWS:

Indirect cost is derived by multiplying the cognizant agency indirect cost unrestricted rate assigned by the Department of Education to each LEA by the allowable costs. There are no additional indirect costs included.

To determine PCS cost that may be attributed to Medicaid, the ratio of Medicaid covered students in the LEA is multiplied by total direct cost. Cost data is subject to certification by each LEA. This serves as the basis for obtaining federal Medicaid funding.

For PCS, the participating LEAs' actual cost of providing the services shall be claimed for Medicaid federal financial participation (FFP) based on the following methodology:

1. Develop Direct Cost-The Payroll Cost Base
   Total annual salaries and benefits paid as well as contracted (vendor) payments are obtained initially from each LEA's Payroll/Benefits and Accounts Payable system. This data will be reported on LDH's direct services cost report form for all direct service personnel (i.e. all personnel providing LEA direct treatment services covered under the State Plan).

2. Adjust the Payroll Cost Base
   The payroll cost base shall be reduced for amounts reimbursed by other funding sources (e.g. federal grants). The payroll cost base shall not include any amounts for staff whose compensation is 100 percent reimbursed by a funding source other than state/local funds. This results in total adjusted salary cost.

3 Determine the Percentage of Time to Provide All Personal Care Services
   A time study which incorporates the CMS-approved Medicaid Administrative Claiming (MAC) methodology for direct service personnel, shall be used to determine the percentage of time PCS personnel spend on PCS and general and administrative (G&A) time. This time study will assure there is no duplicate claiming The G and A percentage shall be reallocated in a manner consistent with the CMS-approved Medicaid administrative claiming methodology.

   Total G and A time shall be allocated to all other activity codes based on the percentage of time spent on each respective activity. To reallocate G and A time to PCS, the percentage of time spent on PCS shall be divided by 100 percent minus the percentage of G and A time. This shall result in a percentage that represents the PCS with appropriate allocation of G and A. This percentage shall be multiplied by total adjusted salary cost as determined by the adjusted payroll cost base to allocate cost to school based services. The product represents total direct cost.

STATE OF LOUISIANA

PAYMENT OF MEDICAL AND REMEDIAL CARE AND SERVICES

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES – OTHER TYPES OF CARE OR SERVICE LISTED IN SECTION 1902(A) OF THE ACT THAT ARE INCLUDED IN THE PROGRAM UNDER THE PLAN ARE DESCRIBED AS FOLLOWS:

A sufficient number of PCS personnel shall be sampled to ensure results that will have a confidence level of at least 95 percent with a precision of plus or minus two percent overall.

4. Determine Indirect Cost
   Indirect cost shall be determined by multiplying each LEA's indirect unrestricted rate assigned by the cognizant agency (the Department of Education) by total adjusted direct cost. No additional indirect cost shall be recognized outside of the cognizant agency indirect rate. The sum of direct cost and indirect cost shall be the total direct service cost for all students receiving PCS.

5. Allocate Direct Service Cost to Medicaid
   To determine the amount of cost that may be attributed to Medicaid, total direct service cost shall be multiplied by the ratio of Medicaid students in the LEA to all students in the LEA. This results in total cost that may be certified as Medicaid's portion of school-based PCS cost.

Reconciliation of LEA Certified Costs and Medicaid Management Information System (MMIS) Paid Claims
Each LEA shall complete the applicable services cost report and submit the cost report(s) no later than five months after the fiscal year period ends (June 30), and reconciliation shall be completed within 12 months from the fiscal year end. All filed cost reports shall be subject to desk review by the Department's audit contractor. The Department shall reconcile the total expenditures (both state and federal share) for each LEA's services. The Medicaid certified cost expenditures from the cost report(s) will be reconciled against the MMIS paid claims data and the Department shall issue a notice of final settlement pending audit that denotes the amount due to or from the LEA. This reconciliation is inclusive of all services provided by the LEA.

Cost Settlement Process
As part of its financial oversight responsibilities, the Department shall develop audit and review procedures to audit and process final settlements for certain LEAs. The audit plan shall include a risk assessment of the LEAs using available paid claims data to determine the appropriate level of oversight.

a. The financial oversight of all LEAs shall include reviewing the costs reported on the PCS cost reports against the allowable costs, performing desk reviews and conducting limited reviews.
b. The Department shall make every effort to audit each LEA at least every four years. These activities shall be performed to ensure that audit and final settlement occurs no later than two years from the LEA's fiscal year end for the cost reporting period audited. LEAs may appeal audit findings in accordance with LDH appeal procedures.

PAYMENT OF MEDICAL AND REMEDIAL CARE AND SERVICES

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES – OTHER TYPES OF CARE OR SERVICE LISTED IN SECTION 1902(A) OF THE ACT THAT ARE INCLUDED IN THE PROGRAM UNDER THE PLAN ARE DESCRIBED AS FOLLOWS:

c. The Department shall adjust the affected LEA's payments no less than annually, when any reconciliation or final settlement results in significant underpayments or overpayments to any LEA. By performing the reconciliation and final settlement process, there shall be no instances where total Medicaid payments for services exceed 100 percent of actual, certified expenditures.
d. If the interim payments exceed the actual, certified costs of an LEA's Medicaid services, the Department shall recoup the overpayment in one of the following methods:
    i. offset all future claim payments from the affected LEA until the amount of the overpayment is recovered;
    ii. recoup an agreed upon percentage from future claims payments to the LEA to ensure recovery of the overpayment within one year; or
    iii. recoup an agreed upon dollar amount from future claims payments to the LEA to ensure recovery of the overpayment within one year.

If the actual certified costs of an LEA's Medicaid services exceed interim Medicaid payments, the Department will pay this difference to the LEA in accordance with the final actual certification agreement.

b. Demonstrate the necessary skills and competency to meet the direct care needs of the child(ren) to which they are assigned;

c. Be currently registered with the Certified Nurse Aide Registry (CNA) in good standing and without restrictions; or

d. A direct service worker shall not have a finding or be listed on the Direct Service Worker Registry (DSW);

e. Hold a current certification in Cardio Pulmonary Resuscitation (CPR); and

f. Be eighteen (18) years of age or older.

School-Based Therapy Services

A. EPSDT school-based therapy services are provided within an LEA pursuant to an IEP, a section 504 accommodation plan, an individualized health care plan, an individualized family service plan, or are otherwise medically necessary. School-based therapy services include physical therapy, occupational therapy and other services, including services provided by audiologists and services for individuals with speech, hearing and language disorders, performed by, or under the direction of, providers who meet the qualifications set forth in the therapist licensing requirement.

B. Therapists providing school-based therapy services are required to maintain an active therapist license with the state of Louisiana.

C. School-based therapy services shall be covered for all recipients in the school system who are eligible for the service.

STATE OF LOUISIANA

AMOUNT, DURATION AND SCOPE OF MEDICAL AND REMEDIAL CARE AND SERVICES PROVIDED

LIMITATIONS ON THE AMOUNT, DURATION AND SCOPE OF CERATIN ITEMS OF PROVIDED MEDICAL SERVICES ARE DESCRIBED AS FOLLOWS:

Covered Services

The following school-based therapy services shall be covered:

1. Audiology Services. The identification and treatment of children with auditory impairment, using at risk criteria and appropriate audiology screening techniques. Therapists and/or audiologists must meet qualifications established in 42 CFR 440.110(c).

2. Speech Pathology Services. The identification and treatment of children with communicative or oropharyngeal disorders and delays in development of communication skills including diagnosis. Therapists and/or audiologists must meet qualifications established in 42 CFR 440.110(c).

3. Occupational Therapy Services. Addresses the functional needs of a child related to the performance of self-help skills, adaptive behavior, play and sensory, motor and postural development. Therapists must meet qualifications established in 42 CFR 440.110(b).

4. Physical Therapy Services. Designed to improve the child's movement dysfunction. Therapists must meet qualifications established in 42 CFR 440.110(a).

STATE OF LOUISIANA

PAYMENT OF MEDICAL AND REMEDIAL CARE AND SERVICES

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

CITATION
42 CFR
447.201 and
447.304

Medical and Remedial Care and Services Item 4.b.

Early and Periodic Screening, Diagnosis, and Treatment of Individuals under 21 Years of Age are Reimbursed as follows:

I. Basic EPSDT Services

Governmental and non-governmental providers are reimbursed the same rate except as otherwise noted in the State Plan and/or approved federal waivers. Fee schedules are published on the Louisiana Medicaid website at www.lamedicaid.com unless stated in the State Plan.

A. **Screening (Vision, Hearing, Dental, Medical) - Full and Interperiodic Screening** (including immunizations) is reimbursed at the published fee schedule rate, minus any third party coverage.

B. **Reserved.**

C. **Reserved.**

D. **Eyeglass Services** are reimbursed at the fee schedule for eyeglasses (including cataract eyeglasses and contact lenses) in effect for services provided on or after March 1, 2004.

E. **Hearing Aid Services** are reimbursed at the lower of:
1. the provider's actual charge for the services, or
2. the allowable fee for similar services covered under the State Plan.

F. **Rehabilitative Services** provided to recipients up to the age of three are reimbursed at the maximum allowable fee for occupational, physical, and speech therapy services according to the State's published fee schedule rate, minus any third party coverage.

STATE OF LOUISIANA

PAYMENT OF MEDICAL AND REMEDIAL CARE AND SERVICES

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES – OTHER TYPES OF CARE OR SERVICE LISTED IN SECTION 1902(A) OF THE ACT THAT ARE INCLUDED IN THE PROGRAM UNDER THE PLAN ARE DESCRIBED AS FOLLOWS:

G. School-Based Therapy Services

Local Education Agencies will only be reimbursed for the following Individuals with Disabilities Education Act services:

1. Audiology;
2. speech pathology;
3. physical therapy; and
4. occupational therapy.

Reimbursement Methodology

Services provided by Local Education Agencies to recipients age 3 to 21 that are medically necessary and included on the recipient's individualized service plan (IEP), a section 504 accommodation plan, an individualized health care plan, an individualized family service plan, or medical need documentation, are reimbursed according to the following methodology:

Effective for dates of service on or after July 1, 2019, reimbursement for services provided by school based service providers (Provider Type 70) shall be 85 percent of the 2013 Medicare published rate. The Medicare published rate shall be the rate in effect on July 1, 2019.

School-based Medicaid services shall continue to be reimbursed at the flat fee in place as of July 1, 2019, and in accordance with the Medicaid published fee schedule found on the Louisiana Medicaid website at www.lamedicaid.com.

Cost Reporting

Settlement payments for EPSDT school-based therapy services shall be based on the most recent school year's actual cost as determined by desk review and/or audit for each LEA provider.

Each LEA shall determine cost annually by using LDH's cost report for therapy service cost form based on the direct services cost report.

Direct cost shall be limited to the amount of total compensation (salaries, vendor payments and fringe benefits) of current therapy service providers as allocated to therapy services for Medicaid special education recipients.

STATE OF LOUISIANA

PAYMENT OF MEDICAL AND REMEDIAL CARE AND SERVICES

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES – OTHER TYPES OF CARE OR SERVICE LISTED IN SECTION 1902(A) OF THE ACT THAT ARE INCLUDED IN THE PROGRAM UNDER THE PLAN ARE DESCRIBED AS FOLLOWS:

The direct cost related to the electronic health record shall be added to the compensation costs to arrive at the total direct costs for therapy services. There are no additional direct costs included in the rate. The basis of allocation for direct service compensation cost is DHH's Direct Services Time Study Methodology approved by CMS November 2014. This time study incorporates the CMS approved Medicaid Administrative Claiming (MAC) methodology for direct service personnel and is used to determine the percentage of time direct service personnel spend on therapy services and General and Administrative (G&A) time.

Indirect cost is derived by multiplying the cognizant agency indirect cost unrestricted rate assigned by the Department of Education to each LEA by the allowable costs. There are no additional indirect costs included.

To determine therapy services cost that may be attributed to Medicaid, the ratio of Medicaid covered students in the LEA is multiplied by total direct cost. Cost data is subject to certification by each LEA. This serves as the basis for obtaining federal Medicaid funding.

For therapy services, the participating LEAs' actual cost of providing the services shall be claimed for Medicaid federal financial participation (FFP) based on the following methodology:

1. Develop Direct Cost-The Payroll Cost Base
   Total annual salaries and benefits paid as well as contracted (vendor) payments are obtained initially from each LEA's Payroll/Benefits and Accounts Payable system. This data will be reported on LDH's direct services cost report form for all direct service personnel (i.e. all personnel providing LEA direct treatment services covered under the State Plan).

2. Adjust the Payroll Cost Base
   The payroll cost base shall be reduced for amounts reimbursed by other funding sources (e.g. federal grants). The payroll cost base shall not include any amounts for staff whose compensation is 100 percent reimbursed by a funding source other than state/local funds. This results in total adjusted salary cost.

3 Determine the Percentage of Time to Provide All Therapy Services
   A time study which incorporates the CMS-approved Medicaid Administrative Claiming (MAC) methodology for direct service personnel, shall be used to determine the percentage of time therapy service personnel spend on therapy services and general and administrative (G&A) time. This time study will assure there is no duplicate claiming The G and A percentage shall be reallocated in a manner consistent with the CMS-approved Medicaid administrative claiming methodology.

STATE OF LOUISIANA

PAYMENT OF MEDICAL AND REMEDIAL CARE AND SERVICES

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES – OTHER TYPES OF CARE OR SERVICE LISTED IN SECTION 1902(A) OF THE ACT THAT ARE INCLUDED IN THE PROGRAM UNDER THE PLAN ARE DESCRIBED AS FOLLOWS:

Total G and A time shall be allocated to all other activity codes based on the percentage of time spent on each respective activity. To reallocate G and A time to therapy services, the percentage of time spent on therapy services shall be divided by 100 percent minus the percentage of G and A time. This shall result in a percentage that represents the therapy services with appropriate allocation of G and A. This percentage shall be multiplied by total adjusted salary cost as determined by the adjusted payroll cost base to allocate cost to school based services. The product represents total direct cost.

A sufficient number of therapy service personnel shall be sampled to ensure results that will have a confidence level of at least 95 percent with a precision of plus or minus two percent overall.

4. Determine Indirect Cost
   Indirect cost shall be determined by multiplying each LEA's indirect unrestricted rate assigned by the cognizant agency (the Department of Education) by total adjusted direct cost. No additional indirect cost shall be recognized outside of the cognizant agency indirect rate. The sum of direct cost and indirect cost shall be the total direct service cost for all students receiving therapy services.

5. Allocate Direct Service Cost to Medicaid
   To determine the amount of cost that may be attributed to Medicaid, total direct service cost shall be multiplied by the ratio of Medicaid students in the LEA to all students in the LEA. This results in total cost that may be certified as Medicaid's portion of school-based therapy services cost.

Reconciliation of LEA Certified Costs and Medicaid Management Information System (MMIS) Paid Claims
Each LEA shall complete the applicable services cost report and submit the cost report(s) no later than five months after the fiscal year period ends (June 30), and reconciliation shall be completed within 12 months from the fiscal year end. All filed cost reports shall be subject to desk review by the Department's audit contractor. The Department shall reconcile the total expenditures (both state and federal share) for each LEA's services. The Medicaid certified cost expenditures from the cost report(s) will be reconciled against the MMIS paid claims data and the Department shall issue a notice of final settlement pending audit that denotes the amount due to or from the LEA. This reconciliation is inclusive of all services provided by the LEA.

STATE OF LOUISIANA

PAYMENT OF MEDICAL AND REMEDIAL CARE AND SERVICES

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES – OTHER TYPES OF CARE OR SERVICE LISTED IN SECTION 1902(A) OF THE ACT THAT ARE INCLUDED IN THE PROGRAM UNDER THE PLAN ARE DESCRIBED AS FOLLOWS:

Cost Settlement Process

As part of its financial oversight responsibilities, the Department shall develop audit and review procedures to audit and process final settlements for certain LEAs. The audit plan shall include a risk assessment of the LEAs using available paid claims data to determine the appropriate level of oversight.

a. The financial oversight of all LEAs shall include reviewing the costs reported on the therapy services cost reports against the allowable costs, performing desk reviews and conducting limited reviews.
b. The Department shall make every effort to audit each LEA at least every four years. These activities shall be performed to ensure that audit and final settlement occurs no later than two years from the LEA's fiscal year end for the cost reporting period audited. LEAs may appeal audit findings in accordance with LDH appeal procedures.
c. The Department shall adjust the affected LEA's payments no less than annually, when any reconciliation or final settlement results in significant underpayments or overpayments to any LEA. By performing the reconciliation and final settlement process, there shall be no instances where total Medicaid payments for services exceed 100 percent of actual, certified expenditures.
d. If the interim payments exceed the actual, certified costs of an LEA's Medicaid services, the Department shall recoup the overpayment in one of the following methods:
    i. offset all future claim payments from the affected LEA until the amount of the overpayment is recovered;
    ii. recoup an agreed upon percentage from future claims payments to the LEA to ensure recovery of the overpayment within one year; or
    iii. recoup an agreed upon dollar amount from future claims payments to the LEA to ensure recovery of the overpayment within one year.

If the actual certified costs of an LEA's Medicaid services exceed interim Medicaid payments, the Department will pay this difference to the LEA in accordance with the final actual certification agreement.

STATE OF LOUISIANA

AMOUNT, DURATION AND SCOPE OF MEDICAL AND REMEDIAL CARE AND SERVICES PROVIDED

LIMITATIONS ON THE AMOUNT, DURATION AND SCOPE OF CERATIN ITEMS OF PROVIDED MEDICAL SERVICES ARE DESCRIBED AS FOLLOWS:

School-Based EPSDT Transportation Services

School-based EPSDT transportation services shall be covered for all recipients in the school system who are eligible for the service.

A special transportation trip is only billable to Medicaid on the same day that a Medicaid-eligible child is receiving services included in the child's individualized service plan (IEP), a section 504 accommodation plan, an individualized health care plan (IHP), an individualized family service plan (IFSP), or other medical need documentation. Transportation must be provided in a vehicle that is part of special transportation in the LEA's annual financial report, certified and submitted to the Department of Education. The need for transportation must be documented in the child's IEP, IHP, 504 plan, IFSP or other medical need documentation.

STATE OF LOUISIANA

PAYMENT OF MEDICAL AND REMEDIAL CARE AND SERVICES

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES – OTHER TYPES OF CARE OR SERVICE LISTED IN SECTION 1902(A) OF THE ACT THAT ARE INCLUDED IN THE PROGRAM UNDER THE PLAN ARE DESCRIBED AS FOLLOWS:

2. School-Based EPSDT Transportation Services

General Provisions

A special transportation trip is only billable to Medicaid on the same day that a Medicaid-eligible child is receiving services included in the child's individualized service plan (IEP), a section 504 accommodation plan, an individualized health care plan (IHP), an individualized family service plan (IFSP), or are otherwise medically necessary and the transportation is provided in a vehicle that is part of special transportation in the LEA's annual financial report certified and submitted to the Department of Education. The need for transportation must be documented in the child's IEP, IHP, 504 plan, IFSP or medical need documentation.

School-based EPSDT transportation services shall be covered for all recipients in the school system who are eligible for the service.

Reimbursement Methodology

Services provided by Local Education Agencies to recipients age 3 to 21 that are medically necessary and included on the recipient's individualized service plan (IEP), a section 504 accommodation plan, an individualized health care plan, an individualized family service plan, or medical need documentation, are reimbursed according to the following methodology:

Effective for dates of service on or after July 1, 2019, reimbursement for services provided by school based service providers (Provider Type 70) shall be 85 percent of the Medicare published rate. The Medicare published rate shall be the rate in effect on July 1, 2019.

School-based Medicaid services shall continue to be reimbursed at the flat fee in place as of July 1, 2019, and in accordance with the Medicaid published fee schedule found on the Louisiana Medicaid website at www.lamedicaid.com.

Cost Reporting

Payment for school-based EPSDT transportation services is based on the most recent school year's actual cost as determined by desk review and/or audit for each LEA.

STATE OF LOUISIANA

PAYMENT OF MEDICAL AND REMEDIAL CARE AND SERVICES

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

Each LEA shall determine cost annually by using LDH's cost report form for applicable services.

Direct Cost

Direct cost shall be limited to the cost of fuel, repairs and maintenance, rentals, contracted vehicle use cost and the amount of total compensation (salaries, vendor payments and fringe benefits) of special transportation employees or contract cost for contract drivers, as allocated to special transportation services for Medicaid recipients. The direct cost related to the electronic health record shall be added to the compensation costs to arrive at the total direct costs for transportation services. There are no additional direct costs included in the rate.

Indirect Cost

Indirect cost is derived by multiplying the direct cost by the cognizant agency's unrestricted indirect cost rate assigned by the Department of Education to each LEA by the allowable costs. There are no additional indirect costs included.

The transportation cost report initially provides the total cost of all special transportation services provided, regardless of payer. To determine the amount of special transportation costs that may be attributed to Medicaid, the ratio of Medicaid covered trips to all student trips is multiplied by total direct cost. Trip data is derived from transportation logs maintained by drivers for each one-way trip. This ratio functions in lieu of the time study methodology and student ratio used for the direct services cost report. Cost data on the transportation cost report is subject to certification by each parish and serves as the basis for obtaining Federal Medicaid funding.

The participating LEA's actual cost of providing specialized transportation services will be claimed for Medicaid FFP based on the methodology described in the steps below. The state will gather actual expenditure information for each LEA through the LEA's payroll/benefits and accounts payable system. These costs are also reflected in the annual financial report (AFR) that all LEAs are required to certify and submit to the Department of Education. All costs included in the amount of cost to be certified and used subsequently to determine the reconciliation and final settlement amounts as well as interim rates are identified on the CMS approved transportation cost report and are allowed in OMB Circular A-87.

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Step 1—Develop Direct Cost–Other
The non-federal share of cost for special transportation fuel, repairs and maintenance, rentals, and contract vehicle use cost are obtained from the LEA's accounts payable system and reported on the Transportation Cost Report form.

Step 2—Develop Direct Cost-The Payroll Cost Base
Total annual salaries and benefits paid as well as contract cost (vendor payments) for contract drivers are obtained from each LEA's payroll/benefits and accounts payable systems. This data will be reported on the transportation cost report form for all direct service personnel (i.e. all personnel working in special transportation).

Step 3—Determine Indirect Cost
Indirect cost is determined by multiplying each LEA's unrestricted indirect rate assigned by the cognizant agency (the Department of Education) by total direct cost. No additional indirect cost is recognized outside of the cognizant agency indirect rate. The sum of direct costs and indirect cost is total special transportation direct service cost for all students with an IEP, section 504 accommodation plan, IHP, IFSP, or medical need documentation.

Step 4—Allocate Direct Service Cost to Medicaid
Special transportation drivers shall maintain logs of all students transported on each one-way trip. These logs shall be utilized to aggregate total annual one-way trips which will be reported by each LEA on the special transportation cost report. Total annual one-way trips by Medicaid students will be determined by LDH from the MMIS claims system. To determine the amount of special transportation cost that may be attributed to Medicaid, total direct service cost is multiplied by the ratio of one-way Medicaid eligible trips by Medicaid students, to one-way trips for all students transported via special transportation. This results in total cost that may be certified as Medicaid's portion of school-based special transportation services cost.

Cost Settlement Process
As part of its financial oversight responsibilities, the Department will develop audit and review procedures to audit and process final settlements for certain LEAs. The financial oversight of all LEAs will include reviewing the costs reported on the direct services and transportation cost reports against the allowable costs in accordance with OMB Circular A-87, performing desk reviews and conducting limited reviews.

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These activities will be performed to ensure that audit and final settlement occurs no later than two years from the LEA's fiscal year end for the cost reporting period audited.

1. LEAs may appeal audit findings in accordance with LDH appeal procedures.

2. Medicaid will adjust the affected LEA's payments no less than annually when any reconciliation or final settlement results in significant underpayments or overpayments to any LEA. By performing the reconciliation and final settlement process, there will be no instances where total Medicaid payments for services exceed 100 percent of actual, certified expenditures for providing LEA services for each LEA.

3. If the interim payments exceed the actual, certified costs of an LEA 's Medicaid services, the Department will recoup the overpayment in one of the following methods:
   a. offset all future claim payments from the affected LEA until the amount of the overpayment is recovered;
   b. recoup an agreed upon percentage from future claims payments to the LEA to ensure recovery of the overpayment within one year; or
   c. recoup an agreed upon dollar amount from future claims payments to the LEA to ensure recovery of the overpayment within one year.

4. If the actual certified costs of an LEA’s Medicaid services exceed interim Medicaid payments, the Bureau will pay this difference to the LEA in accordance with the final actual certification agreement.

5. State Monitoring
   If the Department becomes aware of potential instances of fraud, misuse or abuse of LEA services and Medicaid funds, it will perform timely audits and investigations to identify and take the necessary actions to remedy and resolve the problem.