



State of Louisiana
Louisiana Department of Health
Office of the Secretary

VIA ELECTRONIC MAIL ONLY

May 10, 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. 19-0014

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,

, designee for
Rebekah E. Gee MD, MPH
Secretary

Attachments (2)

REG:JS:RJ

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES		1. TRANSMITTAL NUMBER 19-0014	2. STATE Louisiana
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
5. TYPE OF PLAN MATERIAL (Check One) <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT		4. PROPOSED EFFECTIVE DATE August 6, 2019	
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate transmittal for each amendment)			
6. FEDERAL STATUTE/REGULATION CITATION Section 1902(a)(42)(B) of the Social Security Act		7. FEDERAL BUDGET IMPACT a. FFY 2020 \$ 0.00 b. FFY 2021 \$ 0.00	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Section 4.5b, Pages 37 and 38		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) Same (TN 17-0007)	
10. SUBJECT OF AMENDMENT The purpose of this SPA is to request exemption from participation in the Recovery Audit Contractor Program.			
11. GOVERNOR'S REVIEW (Check One) <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input checked="" type="checkbox"/> OTHER, AS SPECIFIED <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED The Governor does not review State Plan material. <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF STATE AGENCY OFFICIAL 		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	
13. TYPED NAME Cindy Rives, designee for Rebekah E. Gee MD, MPH			
14. TITLE Secretary			
15. DATE SUBMITTED May 10, 2019			
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			

PROPOSED SECTION 4 - GENERAL PROGRAM ADMINISTRATION

<p><u>Citation</u></p> <p>Section 1902(a)(42)(B)(i) of the Social Security Act</p>	<p>_____ The State has established a program under which it will contract with one or more recovery audit contractors (RACs) for the purpose of identifying underpayments and overpayments of Medicaid claims under the State Plan and under any waiver of the State Plan.</p>
<p>Section 1902(a)(42)(B)(ii)(I) of the Act</p>	<p><u>X</u>_____ The State is seeking an exception to establishing such program for the following reasons:</p> <ol style="list-style-type: none"> 1. The provisions of Act 568 of the 2014 Regular Session of the Louisiana Legislature excluded claims processed or paid through a capitated Medicaid managed care program from the RAC's scope of review. 2. The majority of Louisiana's Medicaid claims are processed or paid through a capitated managed care program. 3. State law limits the potential recoveries, making it difficult to attract potential vendors. Furthermore, the Department has determined that there are adequate auditing processes currently in place through the Surveillance Utilization Review Subsystem (SURS), the Managed Care Special Investigation units and the CMS Unified Program Integrity Contractor (UPIC). <p>_____ The State/Medicaid agency will have contracts of the type(s) listed in section 1902(a)(42)(B)(ii)(I) of the Act. All contracts will meet the requirements of the statute. RACs are consistent with the statute.</p> <p>Place a check mark to provide assurance of the following:</p> <p>_____ The State will make payments to the RAC(s) only from amounts recovered.</p>
<p>Section 1902 (a)(42)(B)(ii)(II)(aa) of the Act</p>	<p>_____ The State will make payments to the RAC(s) on a contingent basis for collecting overpayments.</p> <p>Payments to the RAC will be made on a flat fee basis from a pool of funds created through the identification of overpayments not to exceed the regulatory contingency fee percentage.</p>

TN _____
Supersedes
TN _____

Approval Date _____

Effective Date _____

<p>Section 1902 (a)(42)(B)(ii)(II)(bb) of the Act</p> <p>Section 1902 (a)(42)(B)(ii)(III) of the Act</p> <p>Section 1902 (a)(42)(B)(ii)(IV)(aa) of the Act</p> <p>Section 1902(a)(42)(B)(ii)(IV)(bb) of the Act</p> <p>Section 1902 (a)(42)(B)(ii)(IV)(cc) Of the Act</p>	<p>The following payment methodology shall be used to determine State payments to Medicaid RACs for identification and recovery of overpayments (e.g., the percentage of the contingency fee):</p> <p>_____ The State attests that the contingency fee rate paid to the Medicaid RAC will not exceed the highest rate paid to Medicare RACs, as published in the Federal Register. The fees paid will not exceed the regulatory contingency fee percentage.</p> <p>_____ The State attests that the contingency fee rate paid to the Medicaid RAC will exceed the highest rate paid to Medicare RACs, as published in the Federal Register. The State will only submit for Federal Financial Participation (FFP) up to the amount equivalent to that published rate.</p> <p>_____ The contingency fee rate paid to the Medicaid RAC that will exceed the highest rate paid to Medicare RACs, as published in the Federal Register. The State will submit a justification for that rate and will submit for FFP for the full amount of the contingency fee.</p> <p>The following payment methodology shall be used to determine State payments to Medicaid RACs for the identification of underpayments (e.g., amount of flat fee, the percentage of the contingency fee):</p> <p>Payments to the RAC will be made on a flat fee basis from a pool of funds created through the identification of overpayments not to exceed the regulatory contingency fee percentage.</p> <p>_____ The State has an adequate appeal process in place for entities to appeal any adverse determination made by the Medicaid RAC(s).</p> <p>_____ The State assures that the amounts expended by the State to carry out the program will be amounts expended as necessary for the proper and efficient administration of the State Plan or a waiver of the plan.</p> <p>_____ The State assures that the recovered amounts will be subject to State's quarterly expenditure estimates and funding of the State's share.</p> <p>Efforts of the Medicaid RAC(s) will be coordinated with other contractors or entities performing audits of entities receiving payments under the State plan or waiver in the State, and/or state and federal law enforcement entities and the CMS Medicaid Integrity program.</p>
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