

**DEPARTMENT OF HEALTH & HUMAN SERVICES**

Centers for Medicare & Medicaid Services  
Center for Medicaid & CHIP Services  
233 North Michigan Ave., Suite 600  
Chicago, Illinois 60601



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**Financial Management Group**

November 9, 2020

Tara LeBlanc  
Interim Medicaid Executive Director  
Louisiana Medicaid Program  
Louisiana Department of Health  
Bureau of Health Services Financing  
628 North Fourth Street  
Post Office Box 91030  
Baton Rouge, Louisiana 70821-9030

RE: TN 20-0011

Dear Ms. LeBlanc:

We have reviewed the proposed Louisiana State Plan Amendment (SPA) to Attachment 4.19-B, 20-0011, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on September 17, 2020. The purpose of this SPA is to amend the provisions governing reimbursement for end stage renal disease (ESRD) facilities in order to allow contracted independent laboratories to bill the Medicaid program directly for the provision of covered non-routine laboratory services instead of receiving reimbursement from the ESRD facility.

Based upon the information provided by the State, we have approved the amendment with an effective date of October 20, 2020. We are enclosing the approved CMS-179 and a copy of the new state plan pages.

If you have any additional questions or need further assistance, please contact Tamara Sampson at 214-767-6431 or [tamara.sampson@cms.hhs.gov](mailto:tamara.sampson@cms.hhs.gov).

Sincerely,

*Todd McMillion*

Todd McMillion  
Director  
Division of Reimbursement Review

Enclosures

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE &amp; MEDICAID SERVICES</b>	1. TRANSMITTAL NUMBER <b>20-0011</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>October 20, 2020</b>	


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 Subpart F</b>	7. FEDERAL BUDGET IMPACT a. FFY <b>2021</b> \$ <b>96,116</b> b. FFY <b>2022</b> \$ <b>57,901</b>
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT  <b>Attachment 4.19-B, Item 9, Pages 1.a-1.a(1)</b>	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) <b>Same (TN 12-39)</b>

10. SUBJECT OF AMENDMENT **The purpose of this SPA is to amend the provisions governing reimbursement for end stage renal disease (ESRD) facilities in order to allow contracted independent laboratories to bill the Medicaid program directly for the provision of covered non-routine laboratory services instead of receiving reimbursement from the ESRD facility.**

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>Ruth Johnson, Medicaid Executive 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>Ruth Johnson, designee for Dr. Courtney N. Phillips</b>	
14. TITLE <b>Secretary</b>	
15. DATE SUBMITTED <b>September 17, 2020</b>	

**FOR REGIONAL OFFICE USE ONLY**

17. DATE RECEIVED 9/17/2020	18. DATE APPROVED 11/9/2020
<b>PLAN APPROVED - ONE COPY ATTACHED</b>	
19. EFFECTIVE DATE OF APPROVED MATERIAL 10/20/2020	20. SIGNATURE OF REGIONAL OFFICIAL 
21. TYPED NAME Todd McMillion	22. TITLE Director, Division of Reimbursement Review

23. REMARKS .

PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

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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:

- (3) Payment to freestanding end stage renal disease (ESRD) facilities and radiation therapy centers.
  - (a) ESRD Facilities
    - (i) For non-Medicare claims, end stage renal disease (ESRD) facilities are reimbursed a hemodialysis composite rate. The composite rate is a comprehensive payment for the complete hemodialysis treatment in which the facility assumes responsibility for providing all medically necessary routine dialysis services.

Covered non-routine dialysis services, continuous ambulatory peritoneal dialysis (CAPD), continuous cycling peritoneal dialysis (CCPD), epogen (EPO) and injectable drugs are reimbursed separately from the composite rate.

Effective for dates of service on or after October 20, 2020, covered non-routine laboratory services may be billed by either the ESRD facility or the facility's contracted outside laboratory.

Effective for dates of service on or after February 26, 2009, the reimbursement to ESRD facilities shall be reduced by 3.5 percent of the rates in effect on February 25, 2009.

Effective for dates of service on or after January 22, 2010, the reimbursement to ESRD facilities shall be reduced by 5 percent of the rates in effect on January 21, 2010.

Effective for dates of service on or after August 1, 2010, the reimbursement to ESRD facilities shall be reduced by 4.6 percent of the rates in effect on July 31, 2010.

Effective for dates of service on or after January 1, 2011, the reimbursement to ESRD facilities shall be reduced by 2 percent of the rates in effect on December 31, 2010.

STATE OF LOUISIANA

PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

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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:

Effective for dates of service on or after July 1, 2012, the reimbursement to ESRD facilities shall be reduced by 3.7 percent of the rates in effect on June 30, 2012.

- (ii) For Medicare Part B claims, ESRD facilities are reimbursed for full co-insurance and deductibles.

The Medicare payment plus the amount of the Medicaid payment (if any) shall be considered to be payment in full for the service. The recipient does not have any legal liability to make payment for the service.

Effective for dates of service on or after February 26, 2009, the reimbursement to ESRD facilities for Medicare Part B claims shall be reduced by 3.5 percent of the rates in effect on February 25, 2009.

Effective for dates of service on or after January 22, 2010, the reimbursement to ESRD facilities for Medicare Part B claims shall be reduced by 5 percent of the rates in effect on January 21, 2010.

Effective for dates of service on or after August 1, 2010, the reimbursement to ESRD facilities for Medicare Part B claims shall be reduced by 4.6 percent of the rates in effect on July 31, 2010.

Effective for dates of service on or after January 1, 2011, the reimbursement to ESRD facilities for Medicare Part B claims shall be reduced by 2 percent of the rates in effect on December 31, 2010.

Effective for dates of service on or after July 1, 2012, the reimbursement to ESRD facilities for Medicare Part B claims shall be reduced by 3.7 percent of the rates in effect on June 30, 2012.