



**State of Louisiana**  
Louisiana Department of Health  
Office of the Secretary

**VIA ELECTRONIC MAIL ONLY**

September 24, 2021

Todd McMillion  
Director, Division of Reimbursement Review  
Financial Management Group  
Center for Medicaid & CHIP Services  
Centers for Medicare and Medicaid Services  
233 North Michigan Ave., Suite 600  
Chicago, Illinois 60601

Dear Mr. McMillion:

**RE: LA SPA TN 21-0008**  
**Ground Ambulance Service Providers**

Please refer to our proposed Medicaid State Plan amendment (SPA) submitted under transmittal number (TN) 21-0008 with a proposed effective date of April 1, 2021. This SPA seeks approval to amend the provisions governing enhanced reimbursements for qualifying emergency and non-emergency ground ambulance providers by adding East Jefferson Mobile Emergency Medical Services to the list of providers that qualify for enhanced reimbursement.

We are providing the following in response to your request for additional information (RAI) dated August 31, 2021.

**CMS Form-179**

1. Form 179, Block 7 – The budget impact is \$1,929 for Federal Fiscal Year (FFY) 2021 and \$3,893 for FFY 2022. Please clarify if this number is actual or in thousands.

**LDH RESPONSE:**

**Please see the attached revised CMS 179 Form. The budget impact is \$29,596 for federal fiscal year (FFY) 2021 and \$59,719 for FFY 2022. This is the actual amount of the increase by adding this provider to the SPA.**

**Tax**

2. The permissible class located at 42 CFR 433.56 (a)(8) states that the permissible class is “Emergency ambulance services.” However, Louisiana’s tax is imposed on “emergency ground ambulance service providers.” We believe that the state is specifying “ground” providers in order to exclude air ambulances, which the state is permitted to do under the Airline Deregulation Act (ADA), found at 49 U.S.C. § 41713, which states that, “a state, political subdivision of a state, or other political entity is prohibited from enacting or enforcing a law, regulation or other provision related to a price, route or service of an air carrier that may provide air transportation under that subpart.”

Please confirm. Are there any providers, other than air ambulance providers, either rotor or fixed wing aircraft, that the state would be excluding under a tax on emergency ambulance services?

**LDH RESPONSE:**

**The Department assesses emergency ground ambulance service providers as required by state statute. Air ambulance providers are not assessed and are the only excluded providers.**

3. In response to question (1)(c), the state wrote that the tax would not exceed six percent of net patient revenue from ground ambulance service providers. Please give an estimate of what the percentage of net patient revenue from ground ambulance service providers that it will tax.

**LDH RESPONSE:**

**If the State understands the question being asked, ambulance providers submit a certification of net patient revenue and are currently assessed at 5.6 percent.**

4. In response to question five, the state responded that they are “not aware” of any direct hold harmless arrangements in place. Please provide more information for the reimbursement side of this SPA. How will the State make Medicaid payments to providers financed by the tax and on what basis providers will qualify for these supplemental payments?

**LDH RESPONSE:**

**The supplemental payment is designed to bring reimbursement up to the community rate, which is the amount payable by commercial insurers for the same services. Each provider is reimbursed up to 100 percent of the provider’s average commercial rate. In order for these providers to qualify for these supplemental payments, the provider must be specifically listed in the SPA.**

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5. The state explained that the basis of the tax is “net operating revenue.” Please clarify how the tax is assessed on the basis of net operating revenue on emergency ground ambulance service providers. Is it a certain percentage of net operating revenue? If it is, then please specify the percentage.

**LDH RESPONSE:**

**Each assessed provider is required to complete a Net Operating Revenue Certification. The Provider completes this form, annually, and breaks down the annual amount of net patient revenue subject to tax by quarter. This is used as the basis of the assessment.**

Please consider this as a formal request to begin the 90-day clock. As always, we appreciate the assistance of CMS in resolving these issues and we trust this RAI response will result in the approval of the pending SPA. If additional information is required, you may contact Karen H. Barnes at Karen.Barnes@la.gov or by phone at (225) 342-3881.

Sincerely,



Patrick Gillies  
Medicaid Executive Director

PG:KHB:UN

Attachments (1)

c: Karen H. Barnes  
Tobias Griffin  
Tamara Sampson

**TRANSMITTAL AND NOTICE OF APPROVAL OF  
STATE PLAN MATERIAL**

**FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER <b>21-0008</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  
**April 1, 2021**

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  
**42 CFR 447 Subpart E**

7. FEDERAL BUDGET IMPACT

a. FFY <b>2021</b>	<del>\$ 1,929</del> 29,596
b. FFY <b>2022</b>	<del>\$ 3,893</del> 59,719

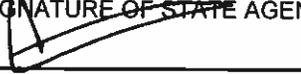
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT  
**Attachment 4.19-B, Item 24a, Page 1b(3)**

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)  
**Same (TN 19-0020)**

10. SUBJECT OF AMENDMENT **The purpose of this SPA is to amend the provisions governing enhanced reimbursements for qualifying emergency and non-emergency ground ambulance providers by adding East Jefferson Mobile Emergency Medical Services to the list of providers that qualify for enhanced reimbursement.**

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  


13. TYPED NAME  
**Dr. Courtney N. Phillips**

14. TITLE  
**Secretary**

15. DATE SUBMITTED  
**June 4, 2021**

16. RETURN TO  
**Tara A. LeBlanc  
Interim 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**

**FOR REGIONAL OFFICE USE ONLY**

17. DATE RECEIVED	18. DATE APPROVED
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**PLAN APPROVED - ONE COPY ATTACHED**

19. EFFECTIVE DATE OF APPROVED MATERIAL	20. SIGNATURE OF REGIONAL OFFICIAL
21. TYPED NAME	22. TITLE

23. REMARKS **The State requests a pen and ink change to box 7.**