

DEPARTMENT OF HEALTH & HUMAN SERVICES

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



Financial Management Group

August 31, 2021

Mr. Michael Boutte
Interim Medicaid Director State of Louisiana
Department of Health
628 N 4th Street
P.O. Box 91030
Baton Rouge, LA 70821-9030

RE: Official Request for Additional Information (RAI) Transmittal # Louisiana-21-0008

Dear Mr. Boutte:

We have reviewed the proposed amendment submitted under transmittal number (TN) TX-21-0008. This plan amendment has an effective date of April 1, 2021. 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.

Before we can continue processing this amendment, we need additional or clarifying information.

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.

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?

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.
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?
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.

We are requesting this additional/clarifying information under provisions of section 1915(f) of the Social Security Act (added by PL 97-35). This has the effect of stopping the 90-day clock for CMS to take action on the material, which would have expired on September 2, 2021. A new 90-day clock will not begin until we receive your response to this request.

In accordance with our guidelines to all State Medicaid directors dated January 2, 2001, and subsequently reiterated in the August 16, 2018 Center for Medicaid and CHIP Services Informational Bulletin, if a response to a formal request for additional information from CMS is not received from the state within 90 days of issuance, CMS will initiate disapproval of the SPA or waiver action.

In addition, because this amendment was submitted after January 2, 2001 and is effective after January 1, 2001, please be advised that we will defer federal financial participation (FFP) for state payments made in accordance with this amendment until it is approved. Upon approval, FFP will be available for the period beginning with the effective date through the date of approval.

We ask that you respond to this RAI via the Dallas Regional Office SPA/Waiver e-mail address at CMS SPA_Waivers_Dallas_R06 and SPA@cms.hhs.gov. Please copy Tamara Sampson at Tamara.Sampson@cms.hhs.gov.

Please address your response to:

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

If you have any questions, please contact Tamara Sampson at 214-767-6431.

Sincerely,

Todd McMillion

Todd McMillion
Director
Division of Reimbursement Review