

September 17, 2021

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

Re: Louisiana State Plan Amendment (SPA) TN 21-0013

Dear Ms. LeBlanc:

The Centers for Medicare & Medicaid Services (CMS) has completed our review of the proposed amendment submitted under transmittal number (TN) 21-0013. This Medicaid disaster relief state plan amendment (SPA) was submitted to respond to the COVID-19 public health emergency (PHE). The purpose of this amendment is to enable federally qualified health centers (FQHC) and rural health clinics (RHC) to be reimbursed outside of the established, all-inclusive prospective payment system (PPS) rate for administration of the COVID-19 vaccine. The effective date is December 23, 2020.

Before CMS can continue processing this amendment, we need additional or clarifying information. The requested information and revisions are needed to satisfy the requirements that Medicaid Disaster Relief SPAs be used only to add or increase coverage, benefits, or payment. CMS requests the following:

Section E – Payments:

1. Understanding that the PPS “cost base for FQHCs/RHCs did not include these costs” and that “the FQHC/RHC will receive their provider-specific PPS rate with no supplemental APM payment”, how are FQHC/RHCs reimbursed for administration of a COVID-19 vaccine when included with a comprehensive encounter?
2. Please replace the word expenditures with reimbursement.

“During the statewide COVID-19 PHE, Louisiana Medicaid will establish an alternative payment methodology (APM) for Federally Qualified Health Centers and Rural Health Clinics to receive reimbursement for COVID-19 vaccine only visits at the Medicare rate. Payments under this APM are to supplement costs for COVID-19 vaccine only visits, as the Prospective Payment System (PPS) cost base for FQHCs/RHCs did not include these costs. The COVID-19 vaccine-only visits fall outside of the current PPS rate and are not

eligible for the PPS rate. The payments for the vaccine-only visits provide a needed supplement to FQHCs/RHCs' reimbursement during this public health emergency. Reimbursement will start with dates of services on December 23, 2020, and continue through the end of the Federal PHE. Payments made to the FQHCs/RHCs under this APM will be made per submitted claim for a COVID-19 vaccine only visit. If the COVID-19 vaccine is administered as part of a comprehensive encounter visit, then the FQHC/RHC will receive their provider-specific PPS rate with no supplemental APM payment. The individual FQHCs/RHCs must agree to receive the APM.”

Please note that the state may withdraw this SPA at any time and submit another disaster relief SPA by the end of the PHE, and may request an 1135 waiver permitting an effective date earlier than the first day of the quarter in which the SPA is submitted.

Pursuant to section 1135(b) (5) of the Social Security Act (Act), for the period of the PHE, CMS may modify the requirement at 42 C.F.R. § 430.20 that the state submit SPAs related to the COVID-19 public health emergency by the final day of the quarter, to obtain a SPA effective date during the quarter, enabling SPAs submitted after the last day of the quarter to have an effective date in a previous quarter, but no earlier than the effective date of the public health emergency.

CMS is requesting this additional/clarifying information under provisions of section 1915(f)(2) of the 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 18, 2021. A new 90-day clock will not begin until we receive your response to this request.

In accordance with our guidance to all State Medicaid Directors dated January 2, 2001, and subsequently reiterated in the August 16, 2018 Center for Medicaid & 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 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 beginning with the effective of the SPA.

Should you have any questions concerning this letter, please contact Tobias Griffin, Division of Program Operations, at 214-767-4425 or via e-mail at Tobias.Griffin@cms.hhs.gov.

Sincerely,

Alissa Mooney DeBoy
On Behalf of Anne Marie Costello, Dep. Director
Center for Medicaid and CHIP Services