

STATE OF LOUISIANA

PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES -- OTHER TYPES OF CARE OR SERVICES LISTED IN SECTION 1905(A) OF THE ACT THAT IS INCLUDED IN THE PROGRAM UNDER THE PLAN ARE DESCRIBED AS FOLLOWS:

**Alternative Payment Methodology for RHCs that are licensed as part of a small rural hospital defined in D.3.b.**

Effective for dates of service provided on or after July 1, 2008, RHCs as defined in D.3.b. may elect to be reimbursed under this payment methodology. The RHCs that are licensed as part of a small rural hospital as of July 1, 2007 shall be reimbursed no less than in the aggregate at 110 percent of reasonable costs.

Interim payment for claims shall be the Medicaid PPS per visit rate for each provider. Final reimbursement shall be the greater of the BIPA PPS and the alternative payment methodology of 110 percent of allowable cost as calculated through the cost settlement process.

The payment received under this methodology will be compared each year to the Benefits Improvement and Protection Act of 2000 Prospective Payment System (BIP A PPS) rate to assure the center that their payment methodology under this alternative payment methodology is at least equal to the BIPA PPS rate. If the payment calculation at 110 percent of allowable cost is less than the BIPA PPS, the center will be paid the difference.

Managed Care Enrollees

Effective for dates of service on or after July 1, 2021, the State establishes an alternative payment methodology (APM) for Medicaid beneficiaries enrolled with a managed care organization (MCO). The APM requires MCOs to pay each RHC, an encounter rate that is at least equal to the PPS base rate specific to each RHC. This APM must be agreed on by the State and each RHC, as authorized under Section 1902(bb)(6) of the Act.

To ensure that the appropriate rates are paid to each RHC, the State will perform a quarterly analysis to verify that RHCs receive at least the full PPS reimbursement rate and comply with the statutory requirements of the APM.

**Standards for Payment**

To be eligible for reimbursement, a rural health clinic must be located in a rural area and located in a DHEW designated health shortage area (an area having either a shortage of personal health services or a shortage of primary medical care manpower). It must be certified for participation in Medicare, Title XVIII and, therefore, deemed to meet the standards for certification under Louisiana's Medicaid program.