



State of Louisiana
Louisiana Department of Health
Office of the Secretary

May 31, 2022

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 22-0002 Request for Additional Information
Federally Qualified Health Centers and Rural Health Clinics Alternative Payment
Methodology**

Please refer to our proposed amendment to the Medicaid state plan submitted under transmittal number (TN) 22-0002 with a proposed effective date of January 1, 2022. This amendment seeks approval to amend the provisions governing reimbursement for Federally Qualified Health Centers (FQHCs) and Rural Health Clinics (RHCs) in order to establish an alternative payment methodology which would allow reimbursement outside of the current Prospective Payment System rate for community health worker services provided in FQHCs and RHCs.

We are providing the following in response to your request for additional information (RAI) dated May 24, 2022.

CMS Form-179

1. CMS is requesting that the state make the following pen and ink changes to the CMS 179 form:
 - Box 5, please update to include the following references: 1905 (a) (6) of the Social Security Act and implementing regulation at 42 CFR 440.60.

LDH RESPONSE:

The State has revised box 5 on the Form CMS-179 to reflect the requested change. Please see the attached updated form.

- Box 8, please update with: Please process the pen and ink change to remove pending TN: 21-0020 and pending TN: 21-0019. The state had processed pen and

ink change to remove the same TN information during informal questions to the state.

- Box 8, please update include the following: New Page.

LDH RESPONSE:

Based on CMS' "Instructions for Completing Form CMS-179" effective December 1, 2021, stating that "New pages should be included in Block 7, but not in Block 8," the State has revised box 7 on the Form CMS-179 to reflect the requested change. Please see the attached updated form.

4.19(b) General Plan Pages Language:

2. The state did not answer this question by the FQHC team during our informal questions to the state:
 - As the normal PPS methodology includes the costs for the physical, behavioral, and dental health FQHC services and their respective visits, please explain how paying this PPS payment (each time a dental, behavioral health, and/or physical health encounter is provided on the same day) is not a duplication of payment?

LDH RESPONSE:

On July 15, 2013, CMS created a new rule: "...which allows State Medicaid agencies to reimburse for preventive services provided by professionals that may fall outside of a State's clinical licensure system. The rule for the first time allowed Medicaid agencies the option to reimburse for more community-based preventive services, including those of Community Health Workers (CHWs). This rule took effect on January 1, 2014."

Louisiana did not move forward with establishing reimbursement for these services under the professional services program until this year. In reviewing, the establishment of the all-inclusive base rate setting for RHC and FQHC facilities in 2000, it was determined that rates for these services were not included in that base rate setting.

The duties of CHWs include helping patients navigate healthcare and social service systems by managing care and care transitions for vulnerable populations.

To clarify further, these services are in scope services as the FQHC/RHC assists the patients with navigating healthcare and social services by managing care and transitions for vulnerable populations; however, reimbursement for these services was not established until 2013. Based on the CMS rule, it is the State's understanding that it now has the ability to include reimbursement of these services via an add-on payment to the FQHCs and RHC facilities, which is the purpose of this SPA.

4.19 (b) Specific Plan Pages Language:

After the review of informal responses from the state pertaining to 4.19(b) plan language of this SPA, it is not clear to CMS how the state will pay for the community health worker services (CHWs) when provided by FQHCs.

In the revised response to informal question #1, the state indicates that the CHW services are in-scope FQHC services and that these services represent those provided during an all-inclusive encounter visit. The state responded as well that these services would be paid as APM, which would be an add-on amount when these services are provided. Yet, on informal response #3 received by CMS, the state indicates that these services provided alone would not trigger a PPS payment.

Based on these responses it is our understanding is that CHW services alone are incident to services, that are paid \$0 when they occur, and that the state would like to make an APM that pays PPS. The CHW service fee schedule amount will be paid when these services are provided in the same visit with another FQHC in-scope service that is eligible for PPS.

If our understanding is correct, please respond to the following:

3. Are these add-on amounts in addition to only PPS or is it in addition to whatever rate (PPS/APM) the FQHC is already receiving for these mental/dental/behavioral health visits?

LDH RESPONSE:

The add-on amount is in addition to whatever rate (PPS/APM) the FQHC is already receiving for medical/dental/behavioral health visits.

CMS is requesting for the state to please make the following changes to the state plan language:

Attachment 4.19-B, Item 2.c., Page 4a

Effective for dates of service on or after January 1, 2022, community health worker (CHW) services provided by a FQHC shall be reimbursed through an alternative payment methodology (APM) ~~separate payment outside of the all-inclusive PPS rate~~ when these services are provided ~~made~~ on the same date as ~~for~~ a medical/dental/behavioral health visit. Community health workers are unlicensed providers that render preventive and other health services to beneficiaries. The APM will pay FQHCs an add-on amount, equivalent to the fee schedule rate for the community health worker service, in addition to the PPS. The fee schedule rate for community health worker services is located (please insert exact name of fee schedule AND either both or one of the following: 4.19-B page where the rates are approved and/or link to fee-schedule). The APM must be agreed to by the Department and the FQHC, and must result in payment to the FQHC which is at least the PPS rate on file for the date of service.

LDH RESPONSE:

The State has removed Attachment 4.19-B, Item 2.c., Page 4a from the SPA and replaced it with a new page, Attachment 4.19-B, Item 2.c., Page 5. The page reflects an effective date of January 1, 2022 and incorporates CMS requested changes, including the fee schedule link. Please see the attached new SPA page.

Attachment 4.19-B, Item 2.b., Page 5

Community Health Worker Services

Effective for dates of service on or after January 1, 2022, community health worker services provided by a RHC shall be reimbursed through an alternative payment methodology ~~separate payment outside of the all-inclusive PPS rate~~ when these services are provided ~~made~~ on the same date as for a medical/dental/behavioral health visit. Community health workers are unlicensed providers that render preventive and other health services to beneficiaries. The APM will pay RHCs an add-on amount, equivalent to the fee schedule rate for the community health worker service, in addition to the PPS. The fee schedule rate for community health worker services is located (please insert exact name of fee schedule AND either both or one of the following: 4.19-B page where the rates are approved and/or link to fee-schedule). The APM must be agreed to by the Department and the RHC, and must result in payment to the RHC which is at least the PPS rate on file for the date of service.

LDH RESPONSE:

The State has incorporated the changes requested by CMS to Attachment 4.19-B, Item 2.b., Page 5, to reflect effective date of January 1, 2022 and include the fee schedule link. Please see the attached new SPA page.

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 (3)

c: Karen H. Barnes
Tobias Griffin
Monica Neiman

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES		1. TRANSMITTAL NUMBER 22-0002	2. STATE LA		
TO: CENTER DIRECTOR CENTERS FOR MEDICAID & CHIP SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		3. PROGRAM IDENTIFICATION: TITLE <u>XIX</u> OF THE SOCIAL SECURITY ACT			
5. FEDERAL STATUTE/REGULATION CITATION 42 CFR 447.201 42 CFR 440.60 Section 1902 (bb) of the Social Security Act Section 1905 (a)(6) of the Social Security Act		4. PROPOSED EFFECTIVE DATE January 1, 2022			
7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Attachment 4.19-B, Item 2.b., Page 3a Attachment 4.19-B, Item 2.c., Page 4a Attachment 4.19-B, Item 2.b., Page 5 (None-New Page) Attachment 4.19-B, Item 2.c., Page 5 (None-New Page)		6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars) a. FFY <u>2022</u> \$ <u>308,068</u> b. FFY <u>2023</u> \$ <u>579,635</u>			
9. SUBJECT OF AMENDMENT The purpose of this SPA is to amend provisions governing reimbursement for Federally Qualified Health Centers (FQHCs) and Rural Health Clinics (RHCs) in order to establish an alternative payment methodology which would allow reimbursement outside of the current Prospective Payment System rate for community health worker services provided in FQHCs and RHCs.					
10. GOVERNOR'S REVIEW (Check One) <table style="width:100%; margin-top: 10px;"> <tr> <td style="width: 50%; vertical-align: top;"> <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL </td> <td style="width: 50%; vertical-align: top;"> <input checked="" type="checkbox"/> OTHER, AS SPECIFIED: The Governor does not review State Plan material. </td> </tr> </table>				<input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL	<input checked="" type="checkbox"/> OTHER, AS SPECIFIED: The Governor does not review State Plan material.
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11. SIGNATURE OF STATE AGENCY OFFICIAL 		15. RETURN TO Patrick Gillies, Medicaid Executive Director Louisiana Department of Health 628 North 4th Street P.O. Box 91030 Baton Rouge, LA 70821-9030			
12. TYPED NAME Ruth Johnson, designee for Dr. Courtney N. Phillips					
13. TITLE Secretary					
14. DATE SUBMITTED February 28, 2022					
FOR CMS USE ONLY					
16. DATE RECEIVED		17. DATE APPROVED			
PLAN APPROVED - ONE COPY ATTACHED					
18. EFFECTIVE DATE OF APPROVED MATERIAL		19. SIGNATURE OF APPROVING OFFICIAL			
20. TYPED NAME OF APPROVING OFFICIAL		21. TITLE OF APPROVING OFFICIAL			
22. REMARKS The State requests a pen and ink change to boxes 5, 7 and 8.					

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:

Community Health Worker Services

Effective for dates of service on or after January 1, 2022, community health worker services provided by a RHC shall be reimbursed through an alternative payment methodology when these services are provided on the same date as a medical/dental/behavioral health visit. Community health workers are unlicensed providers that render preventive and other health services to beneficiaries. The APM will pay RHCs an add-on amount, equivalent to the fee schedule rate for the community health worker service, in addition to the PPS. The fee schedule rate for community health worker services is located at Provider Based Rural Health Clinics (PB-RHCs) Rates (Provider Type 79) <https://www.lamedicaid.com>.

The APM must be agreed to by the Department and the RHC, and must result in payment to the RHC which is at least the PPS rate on file for the date of service.

STATE OF LOUISIANA

PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

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The APM must be agreed to by the Department and the FQHC, and must result in payment to the FQHC which is at least the PPS rate on file for the date of service.