

## **Table of Contents**

**State/Territory Name: Louisiana**

**State Plan Amendment (SPA) LA: 22-0027**

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form (with 179-like data)
- 3) Approved SPA Pages

**DEPARTMENT OF HEALTH & HUMAN SERVICES**

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



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**Financial Management Group**

November 4, 2022

Tara LeBlanc  
Medicaid Executive Director  
Louisiana Medicaid Program  
Louisiana Department of Health  
Bureau of Health Services  
Financing 628 North Fourth Street  
Post Office Box 91030  
Baton Rouge, Louisiana 70821-9030

RE: Louisiana TN 22-0027

Dear Tara LeBlanc:

We have reviewed the proposed Louisiana State Plan Amendment (SPA) to Attachment 4.19-B pages under LA- 22-0027, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on September 09, 2022. The purpose of this SPA is to amend the provisions governing outpatient hospitals in order to update reimbursement to out-of-state hospitals for consistency with in-state rates.



Based upon the information provided by the State, we have approved the amendment with an effective date of July 1, 2022. We are enclosing the approved CMS-179 and a copy of the new state plan pages.

If you have any additional questions or need further assistance, please contact Monica Neiman at (945) 35-1231 or/and via email at: [Monica.Neiman@cms.hhs.gov](mailto:Monica.Neiman@cms.hhs.gov).

Sincerely,

*Todd McMillion*

Todd McMillion  
Director  
Division of Reimbursement Review

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE &amp; MEDICAID SERVICES</b>		1. TRANSMITTAL NUMBER <b>22-0027</b>	2. STATE <b>LA</b>		
		3. PROGRAM IDENTIFICATION: TITLE <u>XIX</u> OF THE SOCIAL SECURITY ACT			
TO: CENTER DIRECTOR CENTERS FOR MEDICAID & CHIP SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE <b>July 1, 2022</b>			
5. FEDERAL STATUTE/REGULATION CITATION <b>42 CFR 447 Subpart C 1905(a)(2)(A) of the Social Security Act</b>		6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars) a. FFY <u>2023</u> \$ <del>(2,978,120)</del> (\$581,212) b. FFY <u>2024</u> \$ <del>(2,618,998)</del> (\$2,599,502)			
7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT  <b>Attachment 4.19-B, Item 2.a, Page 2a(1)</b>		8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) <b>Same (TN 19-0026)</b>			
9. SUBJECT OF AMENDMENT <b>The purpose of this SPA is to amend the provisions governing outpatient hospitals in order to update reimbursement to out-of-state hospitals for consistency with in-state rates.</b>					
10. GOVERNOR'S REVIEW (Check One) <table style="width:100%; border: none;"> <tr> <td style="width: 50%; border: none;"> <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%; border: none;"> <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.
<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.				
11. SIGNATURE OF STATE AGENCY OFFICIAL  		15. RETURN TO  <b>Tara A. LeBlanc, Medicaid Executive Director Louisiana Department of Health 628 North 4<sup>th</sup> Street P.O. Box 91030 Baton Rouge, LA 70821-9030</b>			
12. TYPED NAME <b>Ruth Johnson, designee for Dr. Courtney N. Phillips</b>		15. RETURN TO  <b>Tara A. LeBlanc, Medicaid Executive Director Louisiana Department of Health 628 North 4<sup>th</sup> Street P.O. Box 91030 Baton Rouge, LA 70821-9030</b>			
13. TITLE <b>Secretary</b>					
14. DATE SUBMITTED <b>September 9, 2022</b>					
<b>FOR CMS USE ONLY</b>					
16. DATE RECEIVED September 9, 2022		17. DATE APPROVED November 4, 2022			
<b>PLAN APPROVED - ONE COPY ATTACHED</b>					
18. EFFECTIVE DATE OF APPROVED MATERIAL July 1, 2022		19. SIGNATURE OF APPROVING OFFICIAL 			
20. TYPED NAME OF APPROVING OFFICIAL Todd McMillion		21. TITLE OF APPROVING OFFICIAL Director, Division of Reimbursement Review			
22. REMARKS <b>The State requests a pen and ink change to boxes 5 and 6.</b>					

STATE OF LOUISIANA

PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

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

**Medical Education Payments (State-Owned Hospitals)**

**A. Outpatient Surgery**

Effective for dates of service on or after February 10, 2012, medical education payments for outpatient surgery services which are reimbursed by a prepaid risk-bearing managed care organization (MCO) shall be reimbursed by Medicaid annually through the cost report settlement process.

1. For purposes of these provisions, qualifying medical education programs are defined as graduate medical education, paramedical education, and nursing schools.
2. Final payment shall be determined based on the actual MCO covered outpatient surgery services and Medicaid medical education costs for the cost reporting period per the Medicaid cost report.

**B. Clinic Services**

Effective for dates of service on or after February 10, 2012, medical education payments for outpatient clinic services which are reimbursed by a prepaid risk-bearing managed care organization (MCO) shall be reimbursed by Medicaid annually through the cost report settlement process.

1. For purposes of these provisions, qualifying medical education programs are defined as graduate medical education, paramedical education, and nursing schools.
2. Final payment shall be determined based on the actual MCO covered outpatient clinic services and Medicaid medical education costs for the cost reporting period per the Medicaid cost report.

**Out-of-State Hospital Outpatient Services  
Reimbursement Methodology**

Outpatient services provided to Medicaid beneficiaries, including beneficiaries up to the age of 21, in out-of-state hospitals that are subject to a fee schedule in-state, shall be paid at the fee schedule amounts utilized for in-state non-rural, non-state hospitals.

Except as otherwise noted in the Plan, state-developed fee schedule rates are the same for both governmental and private providers of outpatient hospital services. The agency's fee schedule was set as of July 1, 2022 and is effective for services rendered on or after that date. All rates are published on the agency's website at [www.lamedicaid.com](http://www.lamedicaid.com).

Outpatient services provided in out-of-state hospitals that are not subject to a fee schedule in-state, shall be paid at the annual average cost to charge ratio calculated from the filed Medicaid cost reports for in-state non-rural, non-state hospitals multiplied by the percent of allowable cost that is in effect for the applicable time period for in-state non-rural, non-state hospitals. This ratio shall be applied to the billed charges for covered claims submitted by out-of-state hospitals to determine payment for non-fee schedule services. Except as otherwise noted in the Plan, state-developed rate payment methodologies are the same for both governmental and private providers of outpatient hospital services.