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State/Territory Name: Louisiana

State Plan Amendment (SPA) : 22-0028

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



Financial Management Group

September 28, 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 22-0030

Dear Tara LeBlanc:

We have reviewed the proposed Louisiana State Plan Amendment (SPA) to Attachment 4.19-B pages under LA- 22-0030, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on August 10, 2022. The purpose of this SPA is to amend the provisions governing target case management services in order to increase reimbursement and utilize a flat rate reimbursement methodology for services in the Early Steps program.

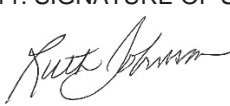

Based upon the information provided by the State, we have approved the amendment with an effective date of August 3, 2022. We are enclosing the approved CMS-179 and a copy of the new state plan pages.

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.

Sincerely,

Todd McMillion

Todd McMillion
Director
Division of Reimbursement Review

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES		1. TRANSMITTAL NUMBER 22-0030	2. STATE LA
		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 August 3, 2022	
5. FEDERAL STATUTE/REGULATION CITATION 42 CFR 447.201 42 CFR 447.302 1905(a)(19) of the Social Security Act		6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars) a. FFY <u>2023</u> \$2,057,451 289,793 b. FFY <u>2024</u> \$1,699,375 1,684,218 c.	
7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Attachment 4.19-B, Item 19, Pages 1-2		8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) Same (21-0021)	
9. SUBJECT OF AMENDMENT The purpose of this SPA is to amend the provisions governing target case management services in order to increase reimbursement and utilize a flat rate reimbursement methodology for services in the EarlySteps program.			
10. GOVERNOR'S REVIEW (Check One)			
<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 Tara A. LeBlanc, 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 August 10, 2022			
FOR CMS USE ONLY			
16. DATE RECEIVED August 10, 2022		17. DATE APPROVED September 28, 2022	
PLAN APPROVED - ONE COPY ATTACHED			
18. EFFECTIVE DATE OF APPROVED MATERIAL August 3, 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 The State requests a pen and ink change to boxes 5 and 6.			

STATE OF LOUISIANA

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 and Remedial Care and Services OPTIONAL TARGETED CASE MANAGEMENT SERVICES

CITATION

42 CFR 447.201
42 CFR 447.302

REIMBURSEMENT METHODOLOGY

Case management services for the Infant and Toddler program (EarlySteps) shall be prior authorized. The standard unit of service covers both service provision and overhead costs. Contacts are on a one-to-one basis between a case manager and a participant or between a case manager and others when this contact is for the benefit of the participant.

Reimbursement for Targeted Case Management is based on cost using an independent cost model approach to rate setting. In this approach, a model of the costs providers incur in delivering a particular service is constructed. In constructing the models, the primary cost drivers include the following:

1. Direct service staff wages;
2. Direct service staff employee related expenses (ERE);
3. The productivity of direct service staff, i.e. the amount of a direct service staff's time in each workday that can be billed;
4. Supervisory costs;
5. Key Staff costs;
6. Travel and office space costs;
7. Program support costs; and
8. Overhead expenses.

Case management agencies shall provide annual cost reports based on the state fiscal year, July 1 through June 30. Completed reports are due within 90 calendar days after the end of each state fiscal year or by September 28 of each calendar year.

Payments made to targeted case management providers do not duplicate payments for the same or similar services furnished by other providers or under other authority as an administrative function or as an integral part of a covered service.

Reimbursement is not available for case management services that are furnished to beneficiaries without charge by any other agency or entity. With the statutory exceptions of case management services included in Individualized Educational Programs (IEPs) or Individualized Family Service Plans (IFSPs) and services furnished through Title V public health agencies, payment for case management services cannot be made when another third party payor is liable, nor may payments be made for services for which no payment liability is incurred by the beneficiary.

STATE OF LOUISIANA

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:

Effective for dates of service on or after September 1, 2008 the reimbursement rate for targeted case management services rendered to infants and toddlers with special needs shall be increased by 25 percent of the rate in effect on August 31, 2008.

Effective for dates of service on or after February 1, 2009, the reimbursement for case management services provided to the following targeted populations shall be reduced by 3.5 percent of the rates on file as of January 31, 2009:

1. New Opportunities Waiver (NOW) beneficiaries;
2. HIV disabled individuals; and
3. Nurse Family Partnership participants.

Effective for dates of service on or after July 1, 2012, the reimbursement for case management services provided to the following targeted populations shall be reduced by 1.5 percent of the rates on file as of June 30, 2012:

1. participants in the Nurse Family Partnership program;
2. participants in the Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) program;
3. individuals diagnosed with HIV; and
4. individuals with developmental disabilities who participate in the NOW.

Effective for dates of service on or after February 1, 2013, the Department shall terminate Medicaid reimbursement of targeted case management services to first-time mothers in the Nurse Family Partnership program.

Effective for dates of service on or after February 1, 2013, reimbursement shall not be made for case management services rendered to HIV disabled individuals.

Effective for dates of service on or after July 1, 2014, reimbursement for case management services provided to participants in the NOW shall be reimbursed at a flat rate for each approved unit of service. The standard unit of service is equivalent to one month and covers both service provision and overhead costs.

Effective for dates of service on or after April 1, 2018, case management services provided to participants in the EPSDT program shall be reimbursed at a flat rate for each approved unit of service. The standard unit of service is equivalent to one month.

Effective for dates of service on or after August 3, 2022, case management services provided to participants in the EarlySteps Program shall be reimbursed at a flat rate for each approved unit of service. The standard unit of service is equivalent to one month and covers both service provision and administrative (overhead) costs.

STATE OF LOUISIANA

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:

Except as otherwise noted in the plan, state developed fee schedule rates are the same for both governmental and private providers of case management services. The agency's fee schedule was set as of July 1, 2022 and is effective for services provided on or after that date. All rates are published at www.lamedicaid.com.

Effective July 1, 2022, payments for Targeted Case Management services to the community as described in Attachment 3.1-A, shall be paid based on a fee-for-service schedule.