



**State of Louisiana**  
Louisiana Department of Health  
Office of the Secretary

November 14, 2022

James G. Scott, Director  
Division of Program Operations  
Medicaid & CHIP Operations Group  
601 East 12<sup>th</sup> Street, Room 0300  
Kansas City, Missouri 64106-2898

RE: Louisiana Title XIX State Plan  
Transmittal No. 22-0034

Dear Mr. Scott:

I have reviewed and approved the enclosed Louisiana Title XIX State Plan material.


I recommend this material for adoption and inclusion in the body of the State Plan.  
Should you have any questions or concerns regarding this matter, please contact Karen  
Barnes at (225) 342-3881 or via email at [Karen.Barnes@la.gov](mailto:Karen.Barnes@la.gov).

Sincerely,

\_\_\_\_\_, for  
Dr. Courtney N. Phillips  
Secretary

Attachments (3)

CNP:TAL:UN

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE &amp; MEDICAID SERVICES</b>		1. TRANSMITTAL NUMBER <b>22-0034</b>	2. STATE <b>LA</b>						
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 <b>42 CFR 440.20(a) 42 CFR 447 Subpart C 1905(a) of the Social Security Act</b>		4. PROPOSED EFFECTIVE DATE <b>October 11, 2022</b>							
7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT  <b>Attachment 4.19-B, Item 2.a, Page 11 Attachment 4.19-B, Item 2.a, Pages 13-14</b>		6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars) a. FFY <u>2023</u> \$ <u>4,302,338</u> b. FFY <u>2024</u> \$ <u>4,279,957</u>							
9. SUBJECT OF AMENDMENT <b>The purpose of this SPA is to establish the criteria for an acute care hospital to qualify as an urban metropolitan statistical area (MSA) facility in the New Orleans area and establish the reimbursement methodology for the provision of outpatient services.</b>		8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)  <b>Same (TN 22-0022) (New Page)</b>							
10. GOVERNOR'S REVIEW (Check One) <table style="width:100%; margin-top: 10px;"> <tr> <td style="width: 50%;"><input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT</td> <td style="width: 50%;"><input checked="" type="checkbox"/> OTHER, AS SPECIFIED:</td> </tr> <tr> <td><input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED</td> <td style="padding-left: 20px;">The Governor does not review State Plan material.</td> </tr> <tr> <td><input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL</td> <td></td> </tr> </table>				<input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT	<input checked="" type="checkbox"/> OTHER, AS SPECIFIED:	<input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED	The Governor does not review State Plan material.	<input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL	
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<input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED	The Governor does not review State Plan material.								
<input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL									
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>									
13. TITLE <b>Secretary</b>									
14. DATE SUBMITTED <b>November 14, 2022</b>									
<b>FOR CMS USE ONLY</b>									
16. DATE RECEIVED		17. DATE APPROVED							
<b>PLAN APPROVED - ONE COPY ATTACHED</b>									
18. EFFECTIVE DATE OF APPROVED MATERIAL		19. SIGNATURE OF APPROVING OFFICIAL							
20. TYPED NAME OF APPROVING OFFICIAL		21. TITLE OF APPROVING OFFICIAL							
22. REMARKS									

LA TITLE XIX SPA

TRANSMITTAL #: 22-0034

TITLE: Outpatient Hospital Services - Urban Metropolitan Statistical Area (New Orleans)

EFFECTIVE DATE: October 11, 2022

FISCAL IMPACT:

Increase

	year	% inc.	fed. match		*# mos	range of mos.	dollars
1st SFY	2023			0.00%	8.68	October 11, 2022 - June 2023	\$4,796,007
2nd SFY	2024			0.00%	12	July 2023- June 2024	\$6,394,676
3rd SFY	2025			0.00%	12	July 2024 - June 2025	\$6,394,676

\*#mos-months remaining in fiscal year

**Total increase or decrease cost FFY 2023**

SFY 2023 \$4,796,007 for 8.68 months October 11, 2022 - June 2023 \$4,796,007

SFY 2024 \$6,394,676 for 12 months July 2023- June 2024  
 \$6,394,676 / 12 X 3 July 2023 - September 2023 = \$1,598,669  
\$6,394,676

FFP (FFY 2023 ) = \$6,394,676 X 67.28% = \$4,302,338

**Total increase or decrease cost FFY 2024**

SFY 2024 \$6,394,676 for 12 months July 2023- June 2024  
 \$6,394,676 / 12 X 9 October 2023 - June 2024 = \$4,796,007

SFY 2025 \$6,394,676 for 12 months July 2024 - June 2025  
 \$6,394,676 / 12 X 3 July 2024 - September 2024 = \$1,598,669  
\$6,394,676

FFP (FFY 2024 )= \$6,394,676 X 66.93% = \$4,279,957

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:

**Urban Metropolitan Statistical Area (MSA) Facility – Baton Rouge Area**

**Qualifying Criteria**

In order to qualify as an urban metropolitan statistical area (MSA) facility in the Baton Rouge area, the hospital must:

1. have a facility type code of acute and opened subsequent to the March 13, 2020 presidential declaration of a national emergency concerning the coronavirus disease 2019 (COVID-19) to provide availability of additional beds and services for COVID-19 patients;
2. have been licensed and certified no later than June 30, 2020, and located in zip code 70806, east of I-110, north of I-10, and south of Business Highway 190;
3. be located in an urban metropolitan statistical area (MSA) as defined by the United States Office of Management and Budget;
4. have an operational emergency room and is located greater than five miles in distance from the closest hospital emergency room; and
5. be located on a single site.

These provisions qualify The General Hospital also known as “Baton Rouge General – Mid–City Location”, as a qualifying urban MSA facility.

**Reimbursement Methodology**

Effective for dates of service on or after July 2, 2022, payments for outpatient services to an urban MSA facility that meet all of the criteria above shall be made in accordance with the following:

1. **Outpatient Surgery:** An interim payment equal to the Medicaid fee schedule amount on file for each service, and a final reimbursement amount of 95 percent of allowable Medicaid cost as calculated through the cost report settlement process.  
Payment for Coronavirus Disease 2019 (COVID-19) laboratory testing shall be made in addition to the outpatient surgery fee schedule reimbursement amount claim payment. The procedure codes and rates applicable to COVID-19 testing are published on the Louisiana Medicaid website at [www.lamedicaid.com](http://www.lamedicaid.com). The COVID-19 laboratory testing claim payment shall be a final payment and shall not be subject to cost settlement.
2. **Clinic Services:** An interim payment equal to the Medicaid fee schedule amount on file for each service, and a final reimbursement amount of 95 percent of allowable Medicaid cost as calculated through the cost report settlement process.
3. **Laboratory Services:** The Medicaid fee schedule amount on file for each service.

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:

**Urban Metropolitan Statistical Area (MSA) Facility – New Orleans Area**

**Qualifying Criteria**

In order to qualify as an urban metropolitan statistical area (MSA) facility-New Orleans area, the hospital must:

1. be designated a non-rural hospital service district located in Louisiana Department of Health (LDH) region 1, with a facility type code of acute, with an original hospital license date before July 13, 2014, but after July 1, 2014, located in zip code 70127;
2. be located in a MSA as defined by United States Office of Management and Budget;
3. have an operational emergency room; and
4. not add additional locations under this license, without prior written approval of the Department.

These provisions qualify New Orleans East Hospital as a qualifying urban MSA facility.

**Reimbursement Methodology**

Effective for dates of service on or after October 11, 2022 payments for outpatient services to qualifying urban MSA hospitals–New Orleans area meet all of the criteria above shall be made in accordance with the following:

1. **Outpatient Surgery:** An interim payment equal to the Medicaid fee schedule amount on file for each service, and a final reimbursement amount of 95 percent of allowable Medicaid cost as calculated through the cost report settlement process. Payment for Coronavirus Disease 2019 (COVID-19) laboratory testing shall be made in addition to the outpatient surgery fee schedule reimbursement amount claim payment. The procedure codes and rates applicable to COVID-19 testing are published on the Louisiana Medicaid website at [www.lamedicaid.com](http://www.lamedicaid.com). The COVID-19 laboratory testing claim payment shall be a final payment and shall not be subject to cost settlement.
2. **Clinic Services:** An interim payment equal to the Medicaid fee schedule amount on file for each service, and a final reimbursement amount of 95 percent of allowable Medicaid cost as calculated through the cost report settlement process.
3. **Laboratory Services:** The Medicaid fee schedule amount on file for each service.

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:

4. **Rehabilitation Services:** An interim payment equal to the Medicaid fee schedule amount on file for each service, and a final reimbursement amount of 95 percent of allowable Medicaid cost as calculated through the cost report settlement process.
  
5. **Other Outpatient Hospital Services:** For outpatient hospital services other than clinical diagnostic laboratory services, outpatient surgeries, rehabilitation services, and outpatient hospital facility fees, reimbursement shall be an interim payment equal to 95 percent of allowable Medicaid cost as calculated through the cost report settlement process.

The above payment rates are contingent on the hospital continuing to meet all qualifying criteria set forth above. The addition of any off-site campus, beyond an outpatient primary care clinic, to the license of this hospital will invalidate the provisions of this reimbursement methodology.