



State of Louisiana
Louisiana Department of Health
Office of the Secretary

May 10, 2023

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

RE: Louisiana Title XIX State Plan
Transmittal No. 23-0020

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.

Sincerely,

A handwritten signature in blue ink that reads "Stephen Russo".

_____, for
Stephen R. Russo, JD
Executive Counsel
Director of Legal Audit and Regulatory Compliance

Attachments (3)

CNP:TAL:UN

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES

1. TRANSMITTAL NUMBER 23-0020	2. STATE LA
3. PROGRAM IDENTIFICATION: TITLE <u>XIX</u> OF THE SOCIAL SECURITY ACT	

TO: CENTER DIRECTOR
CENTERS FOR MEDICAID & CHIP SERVICE
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE
July 1, 2023

5. FEDERAL STATUTE/REGULATION CITATION
42 CFR 440.170

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY <u>2024</u>	\$ <u>46,949,605</u>
b. FFY <u>2025</u>	\$ <u>47,185,498</u>

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 4.19-B, Item 24.a, page 1
Attachment 4.19-B, Item 24.a, page 1a
Attachment 4.19-B, Item 24.a, Pages 1b-1b(2)
Attachment 4.19-B, Item 24.a, Pages 1b(3)-1b(6)

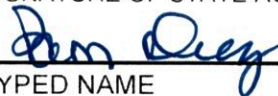
8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)

Same (TN 12-18)
Same (TN 12-47)
Same (TN 11-23)
Same (TN 19-0020)

9. SUBJECT OF AMENDMENT **The purpose of this SPA is to amend provisions governing medical transportation services in order to link emergency medical transportation to the Louisiana Medicaid fee schedule.**

10. GOVERNOR'S REVIEW (Check One)

<input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT	<input checked="" type="checkbox"/> OTHER, AS SPECIFIED: The Governor does not review State Plan material.
<input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED	
<input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL	

11. SIGNATURE OF STATE AGENCY OFFICIAL


12. TYPED NAME
Pam Diez, designee for Stephen R. Russo, JD

13. TITLE
**Executive Counsel
Director of Legal Audit and Regulatory Compliance**

14. DATE SUBMITTED
May 10, 2023

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**

FOR CMS USE ONLY

16. DATE RECEIVED	17. DATE APPROVED
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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

LA TITLE XIX SPA

TRANSMITTAL #: 23-0020

TITLE: Emergency Medical Transportation

EFFECTIVE DATE: July 1, 2023

FISCAL IMPACT:

Increase

	year	% inc.	fed. match		*# mos	range of mos.	dollars
1st SFY	2024			0.00%	12	July 2023 - June 2024	\$69,380,235
2nd SFY	2025			0.00%	12	July 2024 - June 2025	\$69,380,235
3rd SFY	2026			0.00%	12	July 2025 - June 2026	\$69,380,235

*#mos-months remaining in fiscal year

Total increase or decrease cost FFY 2024

SFY 2024 \$69,380,235 for 12 months July 2023 - June 2024 \$69,380,235
 \$69,380,235 / 12 months July 2023 - June 2024

FFY 2024 \$69,380,235 for 12 months July 2024 - June 2025
 \$69,380,235 / 12 X 3 months July 2023 - September 2023 = \$17,345,059
\$69,380,235

FFP (FFY 2024) = \$69,380,235 X 67.67% = \$46,949,605

Total increase or decrease cost FFY 2025

SFY 2025 \$69,380,235 for 12 months July 2024 - June 2025 \$69,380,235
 \$69,380,235 / 12 X 9 months October 2023 - June 2024 = \$52,035,176

SFY 2026 \$69,380,235 for 12 months July 2025 - June 2026
 \$69,380,235 / 12 X 3 months July 2024 - September 2024 = \$17,345,059
\$69,380,235

FFP (FFY 2025)= \$69,380,235 X 68.01% = \$47,185,498

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:

<u>CITATION</u>	<u>Medical and Remedial Care and Services</u>	<u>Any Other Medical Care and Any Other Type of Medical Care Recognized Under State Law Specified by the Secretary</u>
42 CFR 440.170	Item 24.a.	

Transportation Services are reimbursed as follows:

I. Method of Payment

A. Emergency Medical Transportation

1. Ground Ambulances

Reimbursement for ground ambulances through Title XIX funds is made according to the established State fee schedule for emergency ambulance transport, basic life support (BLS), advanced life support (ALS) and mileage, oxygen, intravenous fluids, and disposable supplies administered during the emergency ambulance transport minus the amount paid by any liable third party coverage.

Effective for dates of service on or after July 1, 2023, the reimbursement rates for emergency ground ambulance transportation services shall be reimbursed based on the Louisiana Medicaid fee schedule.

Except as otherwise noted in the plan, state-developed fee schedule rates are established separately for governmental, New Orleans-based governmental, and private providers of Ambulance Transportation Services to account for cost variability across these provider types and to maintain access to care through alignment with historic payment levels.

The agency's fee schedule rate was set as of July 1, 2023 and is effective for services provided on or after that date. All rates are published on the agency's website at: <https://www.lamedicaid.com>

The fee schedule was established as a function of historical rates in effect as of January 1, 2023 plus an enhancement which was calculated to achieve total fee schedule reimbursement as a percentage of Average Commercial Rates (ACR), with the clarifications listed within subpart (a) through (e) below:

- a) Governmental ambulance providers, shall be reimbursed at 100 percent of ACR. Government providers include those ambulance providers who are owned or operated by a public organization such as state, federal, parish or city entities.
- b) New Orleans-based governmental ambulance providers, shall be reimbursed at 100 percent of ACR and include ambulance providers located within the city of New Orleans.
- c) All other ambulance providers, including private ambulance transportation providers, shall be reimbursed at 80 percent of ACR. Private providers include corporations, limited liability companies, partnerships, or sole proprietors. Private providers must comply with all state laws and the regulations of any governing state agency,

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commission, or local entity to which they are subject as a condition of enrollment and continued participation in the Medicaid program.

- d) Fees for ground ambulance mileage shall be reimbursed at a rate that is 80 percent of ACR.
- e) Fees for new services are established utilizing the most current ACR information available.

The ACR is the average amount payable by the commercial payers for the same services. The State will align the paid Medicaid claims with the Medicare fees for each HCPCS or CPT code for the ambulance provider and calculate the Medicare payment for those claims. The State will then calculate an overall Medicare to commercial conversion factor for each ambulance provider by dividing the total amount of the average commercial payments for the claims by the total Medicare payments for the claims.

2. Air Ambulance Transportation

The reimbursement rates for emergency and non-emergency, rotor winged and fixed winged air ambulance transportation services shall be reimbursed based on the Louisiana Medicaid fee schedule. These rates include both in state and out-of-state air ambulance transportation. The agency's fee schedule rate was set as of January 1, 2022 and is effective for services provided on or after that date. All rates are published on the agency's website at: <https://www.lamedicaid.com>

When the provider incurs the cost for oxygen and disposable supplies, submission of a separate reimbursement for these supplies is required.

Payment for air mileage is limited to actual air miles from the pick-up point to the point of delivery of the patient.

Payment for a round trip transport on the same day between two hospitals is the base rate plus the round trip mileage.

Certification by the Bureau of Emergency Medical Services (EMS) for rotor winged and fixed winged aircrafts shall be required for reimbursement.

The parish of trip origin is used to assign each encounter as rural/super-rural or non-rural.

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Supplemental Payments for Emergency Ambulance Services

Effective for dates of service on or after September 21, 2011, quarterly supplemental payments may be issued to qualifying land ambulance and air ambulance providers for emergency medical transportation services rendered during the quarter.

A. Qualifying Criteria

Ambulance service providers must meet the following requirements in order to qualify to receive supplemental payments. The ambulance service provider must be:

1. Licensed by the State of Louisiana;
2. Enrolled as a Louisiana Medicaid provider;
3. Be a provider of emergency medical transportation or air ambulance services as defined in 42 CFR 440.170 and Medical and Remedial Care and Services Item 24.a; and

B. Calculation of Average Commercial Rate

The supplemental payment will be determined in a manner to bring the payments for these services up to the average commercial rate level as described in C8. The average commercial rate level is defined as the average amount payable by the commercial payers for the same services.

The state will align the paid Medicaid claims with the Medicare fees for each HCPCS or CPT code for the ambulance provider and calculate the Medicare payment for those claims. The state will then calculate an overall Medicare to commercial conversion factor for each ambulance provider by dividing the total amount of the average commercial payments for the claims by the total Medicare payments for the claims. The commercial to Medicare ratio for each provider will be re-determined at least every three years.

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

C. Payment Methodology

The supplemental payment to each qualifying ambulance service provider will not exceed the sum of the difference between the Medicaid payments otherwise made to these qualifying providers for emergency medical transportation and air ambulance services and the average amount that would have been paid at the equivalent community rate. The supplemental payment will be determined in a manner to bring payments for these services up to the community rate level. The community rate is defined as the average amount payable by commercial insurers for the same services.

The specific methodology to be used in establishing the supplemental payment for ambulance providers is as follows:

1. The Department of Health and Hospitals (DHH) shall identify Medicaid ambulance service providers that were qualified to receive supplemental Medicaid reimbursement for emergency medical transportation services and air ambulance services during the quarter.
2. For each Medicaid ambulance service provider identified to receive supplemental payments, the Department shall identify the emergency medical transportation and air ambulance services for which the Medicaid ambulance service providers were eligible to be reimbursed.
3. For each Medicaid ambulance service provider described in (C1), the Department shall calculate the reimbursement paid to the Medicaid ambulance service providers for the emergency medical transportation and air ambulance services identified under (C2).
4. For each Medicaid ambulance service provider described in (C I), the Department shall calculate the Medicaid ambulance service provider's equivalent community rate for each of the Medicaid ambulance service provider's services identified under (C2).
5. For each Medicaid ambulance service provider described in (C I), the Department shall subtract an amount equal to the reimbursement calculation for each of the emergency medical transportation and air ambulance services under (C3) from an amount equal to the amount calculated for each of the emergency medical transportation and air

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ambulance services under (C4).

6. For each Medicaid ambulance service provider described in (C1), the Department shall calculate the sum of each of the amounts calculated for emergency medical transportation and air ambulance services under (C5).
7. For each Medicaid ambulance service provider described in (C1), the Department shall calculate each emergency ambulance service provider's upper payment limit by totaling the provider's total Medicaid payment differential from (C6).
8. The Department may reimburse providers based on the following criteria:
 - a. For ambulance service providers identified in (C1) located in large urban areas and owned by governmental entities, reimbursement will be up to 100% of the provider's average commercial rate calculated in (C7).
 - b. For all other ambulance service providers identified in (C1) reimbursement may be up to 80% of the provider's average commercial rate calculated in (C7).

D. Effective Date of Payment

The supplemental payment may be made effective for emergency medical transportation and air ambulance services provided on or after September 21, 2011. This payment is based on the average amount that would have been paid at the equivalent community rate. After the initial calculation for fiscal year 2011-2012, the State will rebase the equivalent community rate using adjudicated claims data for services from the most recently completed fiscal year. This calculation may be made annually but shall be made no less than every three years.

E. Maximum Payment

The total amount to be paid by the state to any individual qualified Medicaid ambulance service providers for supplemental Medicaid payments shall not exceed the total of the Medicaid payment differentials calculated under (C6).

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Enhanced Reimbursements for Qualifying Emergency and Non-Emergency Ground Ambulance Service Providers

A. Effective for emergency services (as defined 42 CFR 410.40(b)) with dates of service on or after August 1, 2016 and non-emergency services with dates of service on or after July 1, 2019, the following emergency ambulance service providers may qualify for enhanced reimbursement through the Supplemental Payment program:

1. A Med Ambulance Inc
2. Acadian Ambulance New Orleans
3. Acadian Ambulance Service
4. Advanced Emergency Medical Services
5. Balentine Ambulance Services
6. Med Express Ambulance Service
7. Med Life Emergency Medical Services
8. Metro Ambulance Service
9. Miss-Lou Ambulance Service
10. Northeast Louisiana Ambulance
11. Northshore Emergency Medical Services
12. Pafford Emergency Medical Service
13. St. Landry Emergency Medical Services
14. West Jefferson Medical Center

B. Calculation of Average Commercial Rate

1. The enhanced reimbursement shall be determined in a manner to bring the payments for these services up to the average commercial rate level as described in Subparagraph C.3.h. The average commercial rate level is defined as the average amount payable by the commercial payers for the same service.

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2. The Department shall align the paid Medicaid claims with the Medicare fees for each healthcare common procedure coding system (HCPCS) or current procedure terminology (CPT) code for the ambulance provider and calculate the Medicare payment for those claims.
3. The Department shall calculate an overall Medicare to commercial conversion factor for each ambulance provider by dividing the total amount of the average commercial payments for the claims by the total Medicare payments for the claims.
4. The commercial to Medicare ratio for each provider will be re-determined at least every three years.

C. Payment Methodology

1. Effective for dates of service on or after July 1, 2019, payment may include non-emergency ground ambulance services. The enhanced reimbursement to each qualifying emergency ground ambulance service provider shall not exceed the sum of the difference between the Medicaid payments otherwise made to these providers for the provision of emergency and non-emergency ambulance services and the average amount that would have been paid at the equivalent community rate.
2. The enhanced reimbursement shall be determined in a manner to bring payments for these services up to the community rate level. Community Rate-the average amount payable by commercial insurers for the same services.
3. The specific methodology to be used in establishing the enhanced reimbursement payment for ambulance providers is as follows:
 - a. The Department shall identify Medicaid ambulance service providers that qualify to receive enhanced reimbursement Medicaid payments for the provision of emergency and non-emergency ambulance services.

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- b. For each Medicaid ambulance service provider identified to receive enhanced reimbursement Medicaid payments, the Department shall identify the emergency and non-emergency ambulance services for which the provider is eligible to be reimbursed.
- c. For each Medicaid ambulance service provider described in Subparagraph C.3.a., the Department shall calculate the reimbursement paid to the provider for the provision of emergency and non-emergency ambulance services identified under Subparagraph C.3.b.
- d. For each Medicaid ambulance service provider described in Subparagraph C.3.a., the Department shall calculate the provider's equivalent community rate for each of the provider's services identified under Subparagraph C.3.b.
- e. For each Medicaid ambulance service provider described in Subparagraph C.3.a., the Department shall subtract an amount equal to the reimbursement calculation for each of the emergency and non-emergency ambulance services under Subparagraph C.3.c. from an amount equal to the amount calculated for each of the emergency and non-emergency ambulance services under Subparagraph C.3.d.
- f. For each Medicaid ambulance service provider described in Subparagraph C.3.a., the Department shall calculate the sum of each of the amounts calculated for emergency and non-emergency ambulance services under Subparagraph C.3.e.
- g. For each Medicaid ambulance service provider described in Subparagraph C.3.a., the Department shall calculate each provider's upper payment limit by totaling the provider's total Medicaid payment differential from Subparagraph C.3.f.

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- h. On a quarterly basis, the Department shall reimburse providers identified in Subparagraph C.3.a., up to 100 percent of the provider's average commercial rate.
4. No payment under this section is dependent on any agreement or arrangement for providers or related entities to donate money or services to a governmental entity.
5. Supplemental payments will occur within 180 days of the close of a quarter; however, in the year in which the average commercial rate is being set or updated, payment will be made within 180 days from the computation and final review of the average commercial rate.

D. Effective Date of Payment

1. The enhanced reimbursement payment may be made effective for emergency ambulance services provided on or after August 1, 2016, and for non-emergency ambulance transportation services provided on or after July 1, 2019. This payment is based on the average amount that would have been paid at the equivalent community rate.
2. After the initial calculation for fiscal year 2015-2016 for emergency ambulance services and after the initial calculation for fiscal year 2019-2020 for non-emergency ambulance transportation services, the Department will rebase the equivalent community rate using adjudicated claims data for services from the most recently completed fiscal year. This calculation may be made annually but shall be made no less than every three years.

E. Maximum Payment

The total maximum amount to be paid by the Department to any individually qualified Medicaid ambulance service provider for enhanced reimbursement Medicaid payments shall not exceed the total of the Medicaid payment differentials calculated under Subparagraph C.3.f.