

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> 42 CFR 440.170	Medical and Remedial Care and Services Item 24.a.	<u>Any Other Medical Care and Any Other Type of Medical Care Recognized Under State Law Specified by the Secretary</u> Transportation Services are reimbursed as follows:
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I. Method of Payment

A. Emergency Medical Transportation

1. ~~Land-Based~~ Ground Ambulances

Reimbursement for ~~land-based~~ground ambulances through Title XIX funds is made according to the established State fee schedule (~~based on Medicare rates~~) 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. ~~Rates will be adjusted periodically when significant changes such as Medicare rate increases and allocation of additional funds have taken place.~~

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>

~~An increase of 1.4% based on additional funds allocated by the 2001 Regular Session of the Legislature is applied to the reimbursement rates in effect as of June 30, 2001.~~

~~Effective for dates of service on or after August 4, 2009, the reimbursement rates for the following supplies shall be reduced by 36 percent of the rate on file as of August 3, 2009.~~

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- ~~• Advanced life support special service disposable intravenous supplies; and~~
- ~~• Advanced life support routine disposable supplies.~~

~~Governmental and private providers are paid using the same rate. These rates are published on the agency's website, www.lamedicaid.com.~~

~~Effective for dates of service on or after January 22, 2010, the reimbursement rates for emergency ambulance transportation services shall be reduced by 5 percent of the rate on file as of January 21, 2010.~~

~~Effective for dates of service on or after January 1, 2011, the reimbursement rates for emergency ambulance transportation services shall be reduced by 2 percent of the rate on file as of December 31, 2010.~~

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

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- 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.

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~~Effective for dates of service on or after July 1, 2012, the reimbursement rates for emergency ambulance transportation services shall be reduced by 5.25 percent of the rate on file as of June 30, 2012.~~

~~Effective for dates of service on or after August 1, 2012, the reimbursement rates for emergency ambulance transportation services shall be reduced by 5 percent of the rates on file as of July 31, 2012.~~

~~The Department ensures through post pay review that all services are medically appropriate for the level of care billed and have been provided in accordance with the ALS or BLS certification level of the ambulance service.~~

2. Air Ambulance Transport 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.

~~The rate of reimbursement for air transport is base rate plus~~

~~mileage according to rates in effect for Medicare as of January 1, 1995, minus the amount paid by any liable third party coverage.~~

~~Separate reimbursement for oxygen and disposable supplies is made when the provider incurs these costs. Reimbursement for these services will be made in accordance with the rates previously established by Medicare and approved by Medicaid effective April 1, 1995.~~

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

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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.](#)

~~Effective for dates of service on or after January 22, 2010, the reimbursement rates for fixed-winged emergency ambulance services shall be reduced by 5 percent of the rate on file as of January 21, 2010.~~

~~Effective for dates of service on or after January 1, 2011, the reimbursement rates for fixed-winged emergency ambulance services shall be reduced by 2 percent of the rate on file as of December 31, 2010.~~

~~Effective for dates of service on or after July 1, 2012, the reimbursement rates for fixed-winged emergency air ambulance services shall be reduced by 5.25 percent of the rate on file as of June 30, 2012.~~

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Supplemental Payments for Emergency Ambulance Services

Effective for dates of service on or after September 21, 2011, quarterly supplemental payments ~~shall~~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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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 ~~will~~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 ~~will~~may be up to 80% of the provider's average commercial rate calculated in (C7).

D. Effective Date of Payment

The supplemental payment ~~will~~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 ~~will~~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 ~~shall~~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.