

John Bel Edwards  
GOVERNOR



Stephen R. Russo, JD  
SECRETARY

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

September 13, 2023

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. 23-0025

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,

  
\_\_\_\_\_, for  
Stephen R. Russo, JD  
Secretary

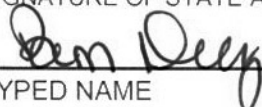
Attachments (3)

SRR:KS:Nf

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b> <b>FOR: CENTERS FOR MEDICARE &amp; MEDICAID SERVICES</b>		1. TRANSMITTAL NUMBER <b>23-0025</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 SERVIC DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE <b>October 1, 2023</b>	
5. FEDERAL STATUTE/REGULATION CITATION  <b>42 CFR 447 Subpart I</b>		6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars) a. FFY <u>2024</u> \$ <u>(5,751,950)</u> b. FFY <u>2025</u> \$ <u>(5,780,850)</u>	
7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT  <b>Attachment 4.19-B, Item 12a, Page 4</b>		8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)  <b>Same (TN 19-0007)</b>	
9. SUBJECT OF AMENDMENT <b>The purpose of this SPA is to amend the provisions governing the Pharmacy Benefits Management program in order to change the reimbursement methodology for clotting factor products to a state generated actual acquisition cost (AAC) ingredient cost and a unit based professional dispensing fee.</b>			

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 	15. RETURN TO <b>Kimberly Sullivan Interim 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>Pam Diez, designee for Stephen R. Russo, JD</b>	
13. TITLE <b>Secretary</b>	
14. DATE SUBMITTED September 13, 2023	

**FOR CMS USE ONLY**

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 #: 23-0025

TITLE: Pharmacy Benefit Management Program - Clotting Factor

EFFECTIVE DATE: October 1, 2023

FISCAL IMPACT:

Decrease

	year	% inc.	fed. match	*# mos	range of mos.	dollars
1st SFY	2024		67.67%	9	October 2023 - June 2024	(\$8,500,000)
2nd SFY	2025		68.01%	12	July 2024 - June 2025	(\$8,500,000)
3rd SFY	2026		68.01%	12	July 2025 - June 2026	(\$8,500,000)

\*#mos-months remaining in fiscal year

**Total increase or decrease cost FFY 2024**

$$(\$8,500,000) / \text{for } 12 \text{ x } \# \text{ months } \text{October 2023 - September 2024} \quad (\$8,500,000) \text{ x } 67.67\% = \underline{\underline{(\$5,751,950)}}$$

**Total increase or decrease cost FFY 2025**

$$(\$8,500,000) / \text{for } 12 \text{ X } \# \text{ months } \text{October 2024 - September 2025} \quad (\$8,500,000) \text{ x } 68.01\% = \underline{\underline{(\$5,780,850)}}$$

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 1902(a) OF THE ACT THAT ARE INCLUDED IN THE PROGRAM UNDER THE PLAN ARE DESCRIBED AS FOLLOWS:

**3. 340B Physician Administered Drugs**

For those Federally Qualified Health Centers (FQHCs) and Rural Health Clinics (RHCs) that are reimbursing using the encounter rate, reimbursement for 340B physician administered drugs will be encompassed in the all-inclusive rate. All other 340B physician administered drugs will be reimbursed in accordance with Section 2, Outpatient Hospital Setting.

**Clotting Factor**

Pharmacy claims for clotting factor are reimbursed using a state generated actual acquisition cost (AAC) ingredient cost and a unit based professional dispensing fee reimbursement methodology. Exclusion: Hemlibra.

**Investigational or Experimental Drugs**

Investigational or experimental drugs shall not be reimbursed by Louisiana Medicaid.