

STATE OF LOUISIANA

PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

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

**Alternative Payment Methodology for Rural Health Clinics that are licensed as part of a small rural hospital defined in Attachment 4.19-A, Item 1**

Effective for dates of service on or after July 1, 2008, Rural Health Clinics (RHCs) as defined in Attachment 4.19-A Item 1 may elect to be reimbursed under this Alternative Payment Methodology (APM). The RHCs that are licensed as part of a small rural hospital as of July 1, 2007, shall be reimbursed no less than, in the aggregate, 110 percent of ~~reasonable~~-allowable costs.

Interim payment for claims shall be the Medicaid PPS per visit rate for each provider. Final reimbursement shall be the greater of the BIPA PPS and the ~~alternative payment methodology-APM~~ of 110 percent of allowable cost as calculated through the cost settlement process.

The payment received under this methodology will be compared each year to the BIPA PPS rate to ensure that the assure the center that their payment methodology under this APM is at least equal to the BIPA PPS rate. If the payment calculation at 110 percent of allowable cost is less than the BIPA PPS rate, the ~~center-RHC~~ will be paid the difference.

Effective for dates of service on or after July 1, 2023, the reimbursement methodology for services rendered by a RHC licensed as part of a small rural hospital and included as a hospital outpatient department on the hospital's fiscal year end cost report prior to July 1, 2023, shall be eligible for the APM at 110 percent of allowable costs as calculated through cost settlement, as follows:

1. Future qualifications for the 110 percent APM reimbursement shall be determined by the Louisiana Department of Health on an annual basis for hospital-based rural health clinics enrolling and licensing as hospital outpatient departments during the hospital's fiscal year end cost reporting periods subsequent to June 30, 2023. Payments shall begin effective for dates of service beginning on July 1 of the year subsequent to qualification.

~~2. Hospital-based rural health clinics that terminate their licensing as hospital outpatient departments will no longer be eligible for the APM at 110 percent of allowable costs upon the effective date of the termination.~~

**Managed Care Enrollees**

An RHC that furnishes services that qualify as an encounter to Medicaid beneficiaries pursuant to a contract with a managed care entity, as defined in Section 1932(a)(1)(B) of the Social Security Act, where the payment(s) from such entity is less than the amount the RHC would be entitled to receive under PPS or APM, will be eligible to receive a wrap-around supplemental payment processed and paid by Louisiana Department of Health. The wrap-around supplemental payment shall be made no less frequently than every four months and reconciled no less than annually. Payments related to yearly reconciliations will be made within the two year payment requirements at 42 CFR Section 447.45 and 45 CFR Section 95, Subpart A.

**Standards for Payment**

To be eligible for reimbursement, a rural health clinic must be located in a rural area and located in a U.S. Department of Health and Human Services ~~Department of Health, Education, and Welfare (DHEW)~~-designated health shortage area (an area having either a shortage of personal health services or a shortage of primary medical care manpower). It must be certified for participation in Medicare, Title XVIII and, therefore, deemed to meet the standards for certification under Louisiana's Medicaid program.