

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

|                 |                      |                             |
|-----------------|----------------------|-----------------------------|
| <u>CITATION</u> | Medical and Remedial | <u>Home Health Services</u> |
| 42 CFR          | Care and Services    |                             |
| 447.201         | Item 7.              |                             |

I. Method of Payment

- Item 7.a. Reimbursement for all home health services shall be based on the Louisiana Medicaid fee schedule. Except as otherwise noted in this plan, state-developed fee schedule rates are the same for both governmental and private providers of home health services. The agency's fee schedule was set as of April 3, 2023, and is effective for services provided on or after that date. All rates are published on the agency's website at [www.lamedicaid.com](http://www.lamedicaid.com).
- Item 7.b. Durable medical equipment suitable for use in any care setting. Care setting is the place in which care is being given, i.e., patient's home, a hospital, a care facility or another place of residence.

Louisiana Medicaid fee schedules are published on the agency's website at [www.lamedicaid.com](http://www.lamedicaid.com)

- A. Unless otherwise stated, the reimbursement for all durable medical equipment is established at:
1. seventy percent of the Medicare fee schedule for all procedure codes that were listed on the Medicare fee schedule and at the same amount for the HIPAA compliant codes which replaced them; or
  2. Seventy percent of the Medicare fee schedule under which the procedure code first appeared; or
  3. Seventy percent of the manufacturer's suggested retail price (MSRP) amount; or
  4. Billed charges, whichever is the lesser amount; or
  5. If an item is not available at the rate of seventy percent of the applicable established flat fee or seventy percent of the MSRP, the flat fee that will be utilized is the lowest cost at which the item has been determined to be widely available by analyzing usual and customary fees charged in the community.

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- B. Continuous subcutaneous insulin external infusion pumps shall be reimbursed the lesser of five percent over the provider's actual cost or the provider's usual and customary charge, not to exceed \$5,745. Related diabetic supplies shall be reimbursed the lesser of 10 percent over the provider's actual cost or the provider's usual and customary charge.
- C. Ostomy supplies are reimbursed at the lesser of:
1. Billed charges; or
  2. Eighty percent of Medicare fee schedule for the procedure codes that were listed on the Medicare fee schedule and at the same amount for the HIPAA compliant codes which replaced them or 80 percent of the Medicare fee schedule under which the procedure code first appeared; or
  3. Eighty percent of the Manufacturer's Suggested Retail Price (MSRP).
- D. Tracheostomy tubes and care kits are reimbursed at ninety percent of the Medicare fee schedule for the procedure codes that were listed on the Medicare fee schedule and at the same amount for the HIPAA compliant codes which replaced them or 80 percent of the Medicare fee schedule under which the procedure code first appeared.
- E. Enteral Formulas

Enteral formulas are reimbursed a flat fee amount. This flat fee per unit is based on:

1. The Medicare rate, where available;
2. Manufacturer's Suggested Retail Price (MSRP);
3. Invoice pricing; or
4. The rate at which providers can obtain the formula in the community.

One unit of enteral formula is equal to 100kcal, one packet, one can, one brik or one bottle, as identified on the fee schedule. Except as otherwise noted in the Plan, state-developed fee schedule rates are the same for both governmental and private providers of enteral formulas. The agency's fee schedule rates were set as of October 1, 2022, and is effective for services provided on or after that date. All rates will be published on the agency's website at [www.lamedicaid.com](http://www.lamedicaid.com).

- F. Enteral infusion pumps, standard type wheelchairs, hospital beds, commode chairs, and stationary suction machines are reimbursed at the Medicaid established flat fee amount.

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G. Reimbursement fee for the following items is the Medicaid established flat fee amount, or billed charges, whichever is the lesser amount.

- purchase or rental of oxygen concentrators
- glucometers
- stationary and portable suction machines

If the item is not available at the established rate, the flat fee that will be utilized is the lowest cost at which the item has been determined to be widely available by analyzing usual and customary fees charged in the community.

H. Reimbursement for a nebulizer with compressor is the lower of the Medicaid established flat fee amount or the provider's usual and customary charge.

I. Another group of equipment is priced on an individual basis. Pricing of this equipment group is based on an item-by-item analysis due to the unique specifications of each item and the recipient's needs. These are items which are customized to meet the special medical needs or physical specifications of a particular individual.

Pricing on an item-by-item basis because of unique specifications may include analysis of such factors as invoiced costs to providers, comparative prices of the providers, manufacturer's suggested retail prices for equipment or system components and negotiated rates based on an accumulation of data from private insurers as to their allowable reimbursement for these types of equipment.

Exception: Reimbursement for customized wheelchairs shall be based on the manufacturer's suggested retail price minus twenty percent (20%) for manual custom wheelchairs and minus seventeen percent (17%) for electric custom wheelchairs.

SUPERSEDES TN# 04-07

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|-----------------------------|---|
| STATE <u>Louisiana</u>      | A |
| DATE REC'D <u>9-30-05</u>   |   |
| DATE APPV'D <u>12-19-05</u> |   |
| DATE EFF <u>7-1-05</u>      |   |
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- Item 7.c. Physical therapy, occupational therapy, or speech pathology and audiology services provided by a home health agency.

The Medicaid program provides reimbursement for physical therapy, occupational therapy and speech/language therapy covered under the Home Health program.

Effective for dates of service on or after February 13, 2014, reimbursement for physical and occupational therapy services shall be 85 percent of the 2013 Medicare published rate. The Medicare published rate shall be the rate in effect on February 13, 2014. There shall be no automatic enhanced rate adjustment for physical and occupational therapy services.

Speech/language therapy services shall continue to be reimbursed at the flat fee in place as of February 13, 2014 and in accordance with the Medicaid published fee schedule found on the Louisiana Medicaid provider website using the following link: [www.lamedicaid.com](http://www.lamedicaid.com)

Effective for services on or after July 21, 2010, for physical therapy, occupational therapy or speech-language therapy services provided in conjunction with the Pediatric Day Health Program, reimbursement is made pursuant to the methodology described on page 4.19-B, Item 4b, Page 5 under Early and Periodic Screening, Diagnostic and Treatment (EPSDT) – Pediatric Day Health Program.

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II. Standards for Payment

- A. For items 7.a., 7.b., 7.c., see Attachment 3.1-C regarding standards and methods of assuring high quality care.
- B. Home Health Care Agency is a public or private agency licensed by LDH, Bureau of Health Services Financing, Health Standards Section, qualified to participate as a home health agency under Title XVIII of the Social Security Act, and meets the requirements for Title XIX participation.

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**Nursing Recruitment and Retention Payments under the American Rescue Plan Act**

Effective January 1, 2024 through March 31, 2025, the agency will make recruitment and retention payments to eligible providers referenced in Louisiana's American Rescue Plan Act (ARPA) Home and Community Based Services Enhanced Funding Spending Plan that submit an invoice for the prior month and that are listed in Appendix B., or could be listed in Appendix B., of the ARPA, State Medicaid Director Letters, SMDL# 21-003 and SMDL# 22-002, Implementation of American Rescue Plan Act of 2021 Section 9817, including:

1. Nurses that provide extended home health (EHH) services may be eligible to receive recruitment and retention bonuses through March 2025. A nurse is an individual who possesses and maintains a valid license as a licensed practical nurse (LPN) or registered nurse (RN).
2. All payments shall be administered by the home health agency (HHA) that employs the nurse. If a nurse is employed at multiple agencies, only one HHA will pay the recruitment and retention payment.
3. HHAs shall submit an invoice and supporting documentation for each nurse that meets the requirements on a monthly basis, and shall comply with all other requirements established by the Louisiana Department of Health (LDH) to receive a payment.
4. HHAs shall disburse the entire payment to the nurse and are prohibited from reducing the payment for any purpose other than required state or federal withholdings. HHAs that provide the required documentation, comply with all applicable requirements, and have at least one nurse per month receiving a bonus payment will be eligible to invoice LDH for a monthly administrative fee up to \$2,500.
5. Recruitment is the hiring of a new nurse who commits to providing a minimum of 120 hours of EHH services to Fee for Service (FFS) Medicaid eligible beneficiaries under the age of 21 who are in a Medicaid program in each calendar month.
6. Retention is the continuous delivery of at least 120 hours of EHH services, by an existing nurse, to FFS Medicaid eligible beneficiaries each calendar month.
7. A one-time, lump sum payment will be paid to any new nurse or existing nurse who is hired or retained by the HHA and commits to providing a minimum of 120 hours of EHH services to FFS Medicaid eligible beneficiaries and has not received the retention lump sum bonus payment. Each nurse will only receive the lump sum bonus payment once.
8. Nurses who receive the lump sum bonus payment will be eligible to receive a monthly retention payment if they provided at least 120 hours of EHH services to FFS Medicaid eligible beneficiaries during the previous calendar month.

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Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of home health services. The agency's fee schedule rate was set as of April 3, 2023 and is effective for services provided on or after that date. All rates are published on the agency's website at [www.lamedicaid.com](http://www.lamedicaid.com).

The recruitment and retention bonuses for Home Health Nurses will be administered in two parts, a recruitment payment and a retention payment:

Recruitment Payment

Lump Sum Payment

LDH will offer a one-time, lump sum recruitment bonus of \$5,000 to each new nurse that has not received a recruitment or retention bonus from another agency. The threshold for a nurse's entitlement to that bonus is agreeing to work a minimum of 120 hours per month providing nursing services to enrollees under the age of 21.

The nurses eligible for this recruitment bonus will be eligible to collect the retention monthly payments, but not the retention lump sum payment.

The recruitment bonus will be calculated and paid after the nurse has completed one full calendar month of employment. HHAs will submit an invoice showing the beneficiary information to LDH. LDH will isolate the FFS Medicaid eligible beneficiaries and find a percentage based on the total FFS Medicaid eligible beneficiaries submitted on the invoice and calculate the payment.

Retention Payment

1. Lump Sum Payment

Home health nurses will be entitled to a \$5,000 bonus to be paid as a lump sum if they are currently providing at least 120 hours of service to FFS Medicaid eligible beneficiaries under the age of 21.

Nurses who collect the retention lump sum payment will be eligible for the retention monthly payments, but not eligible for the recruitment payment.

The lump sum retention bonus will be calculated and paid based on the most recent full calendar month of employment. HHAs will submit an invoice showing the FFS Medicaid eligible beneficiary information to LDH. LDH will isolate the FFS beneficiaries and find a percentage based on the total FFS Medicaid eligible beneficiaries submitted on the invoice and calculate the payment.

2. Monthly Payments

In addition to the lump sum payment, new and existing nurses will receive a monthly payment of up to \$200 each month if they provide a minimum of 120 hours of nursing services per month to FFS Medicaid eligible beneficiaries under the age of 21. This will be calculated with the same

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methodology as the lump sum payments. LDH will receive an invoice for the prior calendar month's services that a nurse provided to a FFS Medicaid eligible beneficiary, reflecting the amount payable for the month.

**Administrative Fee**

In accordance with the 9817 Louisiana approved spending plan, federal fiscal year 2023, Q3, Column E, Row 18, the administrative fee will be issued on a monthly basis during the effective period of this program and shall be calculated as such:

HHAs that submit an invoice to LDH with a minimum of one or more nurse(s), who are eligible to receive the recruitment and retention bonus payments, should invoice for an administrative fee. LDH will calculate the number of nurses who serviced FFS beneficiaries and remit payment equal to that percentage of \$2,500 each month to the HHA.

All bonus payments and fees will be calculated using a percentage methodology. For the nurse bonus payments, LDH will total each nurse's hours, individually, and calculate the percentage of those hours that was spent providing services to FFS Medicaid eligible beneficiaries. That same percentage will be applied to the recruitment or retention bonus payments and remitted via FFS.