Bobby Jindal
GOVERNOR

Kathy Kliebert
SECRETARY

State of Louisiana

Department of Health and Hospitals
Office of the Secretary

June 27, 2013

National Institutional Reimbursement Team
Attention: Mark Cooley
CMS, CMSO
7500 Security Boulevard, M/S S3-13-15
Baltimore, MD 21244-1850

Dear Mr. Cooley:

RE: Louisiana Title XIX State Plan
Transmittal No. 13-27

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.

Sincerely,

Kathy Kliebert
Secretary

Attachments

Bienville Building • 628 North 4th Street • P.O. Box 629 • Baton Rouge, Louisiana 70821-0629
Phone #: 225/342-9509 • Fax #: 225/342-5568 • *WWW.DHH.LA.GOV*
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DEPARTMENT OF HEALTH AND HUMAN SERVICES
HEALTH CARE FINANCING ADMINISTRATION

FORM APPROVED
OMB NO. 0938-0193

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL

FOR: HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER: **13-27**

2. STATE: **Louisiana**

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE: **April 20, 2013**

5. TYPE OF PLAN MATERIAL *(Check One)*:

☐ NEW STATE PLAN ☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN ☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT *(Separate Transmittal for each amendment)*

6. FEDERAL STATUTE/REGULATION CITATION:
42 CFR 447, Subpart B & C

7. FEDERAL BUDGET IMPACT:
a. FFY 2013 $0
b. FFY 2014 $0

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:
Attachment 4.19-A, Item 16 Page 5

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT *(If Applicable)*:
None (New Page)

10. SUBJECT OF AMENDMENT: **The SPA proposes to revise the inpatient reimbursement methodology for physician services rendered under Louisiana Behavioral Health Partnership (LBHP) in order to establish a distinct payment methodology that is independent of the payment methodology established for physicians in the Professional Services Program.**

11. GOVERNOR'S REVIEW *(Check One)*:
☐ GOVERNOR'S OFFICE REPORTED NO COMMENT
☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL
☒ OTHER, AS SPECIFIED:
The Governor does not review state plan material.

12. SIGNATURE OF STATE AGENCY OFFICIAL:

13. TYPED NAME:
Kathy H. Kliebert

14. TITLE:
Secretary

15. DATE SUBMITTED:
June 27, 2013

16. RETURN TO:
J. Ruth Kennedy, Medicaid Director
State of Louisiana
Department of Health and Hospitals
628 N. 4th Street
PO Box 91030
Baton Rouge, LA 70821-9030

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

18. DATE APPROVED:

PLAN APPROVED – ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

20. SIGNATURE OF REGIONAL OFFICIAL:

21. TYPED NAME:

22. TITLE:

23. REMARKS:

STATE OF LOUISIANA

AMOUNT, DURATION AND SCOPE OF MEDICAL AND REMEDIAL CARE AND SERVICES PROVIDED

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES – OTHER TYPES OF CARE OR SERVICE LISTED IN SECTION 1902(A) OF THE ACT THAT IS INCLUDED IN THE PROGRAM UNDER THE PLAN ARE DESCRIBED AS FOLLOWS:

I. Psychiatric Residential Treatment Facility (PRTF) Reimbursement

A. Covered inpatient psychiatric residential treatment facility (PRTF) activities for individuals under twenty-one years of age shall be reimbursed by Medicaid.

1. Free-standing PRTF services will be reimbursed using an interim Medicaid per diem reimbursement rate, which includes the following activities when provided by and in the PRTF when included on the patient's inpatient psychiatric active treatment plan of care:
   a. Occupational Therapy / Physical Therapy / Speech Therapy
   b. Laboratory
   c. Transportation
2. For hospital-based Medicaid PRTF the per diem rate will also include the following activities provided by and in the PRTF when included in the inpatient psychiatric active treatment plan of care:
   a. Dental
   b. Vision
   c. Diagnostics/radiology (x-ray)

B. Pharmaceuticals and physician activities provided to the youth in a PRTF, when provided by and in the PRTF and on the active treatment plan of care, are components of the Medicaid covered PRTF service. These activities will be paid directly to the treating pharmacy or physician, using Medicaid pharmacy and Louisiana Behavioral Health Partnership (LBHP) physician fee schedule rates excluded from the psychiatric residential treatment facility (PRTF) State of Louisiana interim Medicaid per diem reimbursement rates.

1. The reimbursement rates for physician services rendered under the LBHP shall be a flat fee for each covered service as specified on the established Medicaid fee schedule. The reimbursement rates shall be based on a percentage of the Louisiana Medicare Region 99 allowable for a specified year.

   Effective for dates of service on or after April 20, 2013, the reimbursement for behavioral health services rendered by a physician under the LBHP shall be 75 percent of the 2009 Louisiana Medicare Region 99 allowable for services rendered to Medicaid recipients.

2. The interim Medicaid PRTF per diem reimbursement rates shall exclude such costs other than pharmaceutical and physician activities on the inpatient psychiatric active treatment plan unrelated to providing inpatient psychiatric care for individual less than twenty-one years of age including, but not limited to the following:
   a. Group education including elementary and secondary education.
   b. Medical services provided outside the PRTF.
   c. Activities not on the inpatient psychiatric active treatment plan

II. In-State Publicly Owned and Operated Psychiatric Residential Treatment Facility (PRTF) Reimbursement Rates

Publicly owned and operated psychiatric residential treatment facilities (PRTF) will be reimbursed for all reasonable and necessary costs of operation. These PRTFs will receive an interim State of Louisiana interim Medicaid per diem reimbursement rate for activities provided in and by the facility on the active treatment plan. The interim rate will be subject to retroactive cost settlement in accordance with Medicare allowable cost principles contained in the Provider Reimbursement Manual CMS Publication 15-1.