Bobby Jindal
GOVERNOR

Kathy H. Kliebert
SECRETARY

State of Louisiana

Department of Health and Hospitals
Office of the Secretary

VIA ELECTRONIC MAIL ONLY

August 22, 2014

Bill Brooks
Associate Regional Administrator
Division of Medicaid & Children's Health
DHHS/Centers for Medicare and Medicaid Services
1301 Young Street, Room #833
Dallas, Texas 75202

Dear Mr. Brooks:

RE: Louisiana Title XIX State Plan
Transmittal No. 14-30

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 H. Kliebert
Secretary

Attachments (2)

KHK/JRK/DAB

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: **14-30**

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: **August 20, 2014**

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 F

7. FEDERAL BUDGET IMPACT:
a. FFY **2015** **$52.21**
b. FFY **2016** **$48.51**

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:
Attachment 4.19-B, Item 5, Page 2a
Attachment 3.1A, Item 5, Page 1a

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT *(If Applicable)*:
Same (TN 13-17)
Same (TN 12-61)

10. SUBJECT OF AMENDMENT: **The purpose of this SPA is to amend the provisions governing the reimbursement methodology in the Professional Services Program in order to discontinue reimbursement for elective deliveries performed prior to 39 weeks gestation when there is no documentation of a medical condition that would justify elective delivery.**

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:
August 22, 2014

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:

LOUISIANA TITLE XIX STATE PLAN
TRANSMITTAL #: **14-30**
TITLE: **Professional Services Program Reimbursement Methodology Elective Deliveries**
EFFECTIVE DATE: **August 20, 2014**

FISCAL IMPACT:
Increase

	year	% inc	fed. match	*# mos	range of mos.	dollars
1st SFY	2015		62.05%	10.3	August 20, 2014 - June 2015	$64,659
2nd SFY	2016	3.0%	62.39%	12	July 2015 - June 2016	$77,591
3rd SFY	2017	3.0%	62.39%	12	July 2016 - June 2017	$79,919

*#mos-Months remaining in fiscal year

Total Increase in Cost FFY **2015**

SFY	2015	$64,659	for	10.3	months	August 20, 2014 - June 2015			$64,659
SFY	2016	$77,591	for	12	months	July 2015 - June 2016			
		$77,591	/	12 X 3		July 2014 - September 2014	=		$19,398
									$84,057

FFP (FFY 2015) = **$84,057 X 62.11% =** **$52,208**

Total Increase in Cost FFY **2016**

SFY	2016	$77,591	for	12	months	July 2015 - June 2016		
		$77,591	/	12 X 9		October 2014 - June 2015	=	$58,193
SFY	2017	$79,919	for	12	months	July 2016 - June 2017		
		$79,919	/	12 X 3		July 2015 - September 2015	=	$19,980
								$78,173

FFP (FFY 2016)= **$78,173 X 62.05% =** **$48,506**

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:

Effective for dates of service on or after July 1, 2012, the reimbursement rates for family planning services rendered by a physician shall be reduced by 3.7 percent of the rates in effect on June 30, 2012.

Effective for dates of service on or after February 1, 2013, the reimbursement for certain physician services shall be reduced by 1 percent of the rate in effect on January 31, 2013. Specified primary care services rendered by a physician with a specialty designation of family medicine, internal medicine, or pediatrics shall be excluded from the February 1, 2013 rate reduction. Rates for such services are exempt from the rate reduction, paralleling the January 1, 2013 implementation of Affordable Care Act requirements for Medicaid to reimburse at the Medicare rate for such services rendered in calendar years 2013 and 2014.

Effective for dates of services on or after February 20, 2013, the 3.7 percent reimbursement rate reduction for family planning services rendered by a physician shall be adjusted to 3.4 percent of the rates in effect on June 30, 2012.

Effective for dates of service on or after August 20, 2014, induced deliveries and cesarean sections by physicians or nurse midwives shall not be reimbursed when performed prior to 39 weeks gestation. This shall not apply to deliveries when there is a documented medical condition that would justify delivery prior to 39 weeks gestation.

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

LIMITATIONS OF THE AMOUNT, DURATION, AND SCOPE OF CERTAIN ITEMS OF PROVIDED MEDICAL AND REMEDIAL CARE AND SERVICES ARE DESCRIBED AS FOLLOWS:

CITATION
42 CFR
440.50

Medical and Remedial Care and Services-Item 5 (cont'd)

2. Effective for dates of service on or after January 1, 2007, the reimbursement of up to three medically necessary inpatient evaluation and management services by providers of different specialties per recipient, per day, for recipients age 21 and older will be allowed.

3. Pre- and post-operative **inpatient and outpatient visits related to surgery** are not reimbursed when made during the global surgery period assigned to the surgical procedure code. Visits are considered unrelated when the reason for the visit is not the same as the reason for the surgery.

4. Reimbursement for inpatient physician services rendered in hospitals is subject to hospital pre-certification and length of stay assignment criteria.

5. Effective for dates of service on or after October 1, 2012, eye care services rendered by a participating optometrist, within their scope of optometric practice, shall be classified and reimbursed under the Medicaid State Plan as a mandatory physician service to the same extent, and according to the same standards as physicians who perform the same eye care services. Recipients in the Early and Periodic Screening, Diagnosis and Treatment (EPSDT) Program are excluded from optometry service limits.

6. Effective for dates of service on or after August 20, 2014, induced deliveries and cesarean sections by physicians or nurse midwives shall not be reimbursed when performed prior to 39 weeks gestation. This shall not apply to deliveries when there is a documented medical condition that would justify delivery prior to 39 weeks gestation.