



**State of Louisiana**  
Louisiana Department of Health  
Bureau of Health Services Financing

**July 29, 2025**

**To:** All Louisiana Medicaid Physicians

**From:** Drew Maranto, Undersecretary

**Subject:** Medicaid Reimbursement Rate Increase Effective July 1, 2025

Dear Medicaid Provider,

The Louisiana Department of Health (LDH) is pleased to inform you of an increase in Medicaid reimbursement rates pursuant to Act 306 of the 2024 Regular Legislative Session (RLS) and the appropriations provided in House Bill 1 of the 2025 RLS. Effective July 1, 2025, Medicaid physician reimbursement rates will be increased to 85% of the March 2024 Region 99 Medicare rates for applicable services. Reimbursements that are already at or above 85% of the 2024 Medicare rates will remain the same.

To implement this change, LDH must complete the formal rulemaking process and submit a state plan amendment to CMS. LDH published an Emergency Rule in the July 2025 edition of the Louisiana Register, with an effective date of July 1, 2025. This will authorize the increase while the final rule is promulgated.

All Medicaid eligible claims submitted with dates of service on or after July 1, 2025, through the date of implementation of the new rates will be automatically recycled by LDH and the Managed Care Organizations (MCO) to reflect the updated reimbursement rates. No action will be required from providers for these claims to be recycled.

A revised Medicaid fee schedule reflecting the new rates will be posted on our website by September 30, 2025, and MCOs will have up to 30 calendar days to implement the changes. LDH will send out an additional notification in the form of an informational bulletin with additional details before the fee schedule is available online.

Thank you for your continued participation in the Louisiana Medicaid Program and for all of the work and patient care you're providing to our residents.

Sincerely,

A handwritten signature in blue ink that reads "Drew Maranto".

Drew Maranto  
Undersecretary  
Louisiana Department of Health