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State/Territory Name: Louisiana

State Plan Amendment (SPA) #: LA 24-0022

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S3-14-28
Baltimore, Maryland 21244-1850



Financial Management Group

December 13, 2024

Kimberly Sullivan
Medicaid Executive Director
Louisiana Medicaid Program
Louisiana Department of Health Bureau of Health Services Financing
628 North Fourth Street Post Office Box 91030
Baton Rouge, Louisiana 70821-9030

RE: TN 24-0022

Dear Director Sullivan:

The Centers for Medicare & Medicaid Services (CMS) has reviewed the proposed Louisiana state plan amendment (SPA) to Attachment 4.19-A LA-24-0022, which was submitted to CMS on September 30, 2024. This plan amendment updates the provisions governing qualifying criteria and reimbursement methodology for other rural hospitals in order to increase payments for inpatient hospital services.

We reviewed your SPA submission for compliance with statutory requirements, including in sections 1902(a)(2), 1902(a)(13), 1902(a)(30), 1903 as it relates to the identification of an adequate source for the non-federal share of expenditures under the plan, as required by 1902(a)(2), of the Social Security Act and the applicable implementing Federal regulations.

Based upon the information provided by the state, we have approved the amendment with an effective date of September 17, 2024. We are enclosing the approved CMS-179 and a copy of the new state plan page.


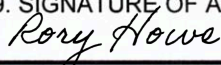
If you have any additional questions or need further assistance, please contact Tom Caughey at 517-487-8598 or via email at tom.caughey@cms.hhs.gov.

Sincerely,

A handwritten signature in black ink that reads "Rory Howe". The signature is written in a cursive, flowing style.

Rory Howe
Director
Financial Management Group

Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES		1. TRANSMITTAL NUMBER 24-0022	2. STATE LA
TO: CENTER DIRECTOR CENTERS FOR MEDICAID & CHIP SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		3. PROGRAM IDENTIFICATION: TITLE <u>XIX</u> OF THE SOCIAL SECURITY ACT	
		4. PROPOSED EFFECTIVE DATE July 1, 2024 September 17, 2024	
5. FEDERAL STATUTE/REGULATION CITATION 42 CFR Part 447 Subpart C		6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars) a. FFY <u>2024</u> \$2,122,300 \$304,196 b. FFY <u>2025</u> \$9,464,008	
7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Attachment 4.19-A, Item 1, Page 8e Attachment 4.19-A, Item 1, Page 8k (New Page)		8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) Same (TN 17-0014)	
9. SUBJECT OF AMENDMENT The purpose of this SPA is to adopt provisions governing qualifying criteria and reimbursement methodology for other rural hospitals in order to increase payments for inpatient hospital services.			
10. GOVERNOR'S REVIEW (Check One) <div><input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL</div> <div><input checked="" type="checkbox"/> OTHER, AS SPECIFIED: The Governor does not review State Plan material.</div>			
11. SIGNATURE OF STATE AGENCY OFFICIAL 		15. RETURN TO Kimberly Sullivan, J.D. Medicaid Executive Director Louisiana Department of Health 628 North 4th Street P.O. Box 91030 Baton Rouge, LA 70821-9030	
12. TYPED NAME Michael Harrington, MBA, MA			
13. TITLE Secretary			
14. DATE SUBMITTED September 30, 2024			
FOR CMS USE ONLY			
16. DATE RECEIVED September 30, 2024		17. DATE APPROVED December 13, 2024	
PLAN APPROVED - ONE COPY ATTACHED			
18. EFFECTIVE DATE OF APPROVED MATERIAL September 17, 2024		19. SIGNATURE OF APPROVING OFFICIAL 	
20. TYPED NAME OF APPROVING OFFICIAL Rory Howe		21. TITLE OF APPROVING OFFICIAL Director, FMG	
22. REMARKS The State made pen and ink changes to boxes 7 and 8. (October 10, 2024) 11.13.2024 The State made pen and ink changes in boxes 4 and 6.			

STATE OF LOUISIANA

PAYMENT FOR MEDICAL AND REMEDIAL CARE AND SERVICES

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES - IN-PATIENT HOSPITAL CARE

Other Rural Hospitals

To qualify as an other rural, non-state hospital, the hospital shall meet the following criteria:

1. Is a non-state owned hospital;
2. Has no more than sixty licensed beds as of October 1, 2024, excluding distinct part psychiatric unit beds, distinct part rehabilitation unit beds, and nursery bassinets;
3. Does not qualify as a rural hospital as defined in Attachment 4.19-A, Section D.3.b;
4. Is not located within one of Louisiana's metropolitan statistical areas (MSA) as delineated in OMB Bulletin No. 23-01;
5. Has an operational emergency room; and
6. Is located in a municipality with a population of less than 23,000 as measured by the 2020 United States Census Bureau.

Reimbursement Methodology

Effective for dates of service on or after September 17, 2024, the inpatient hospital per diem rates paid to other rural, non-state hospitals shall be as follows:

1. Acute Care Services. The per diem rate for acute care services shall be 85 percent of the small rural hospital acute per diem rate in effect.
2. Psychiatric Services. The per diem rate for psychiatric services shall be 85 percent of the small rural hospital psychiatric per diem rate in effect.
3. Neonatal Intensive Care Unit (NICU) Services. The per diem rate for NICU services shall be 85 percent of the small rural hospital NICU per diem rate in effect.
4. Nursery Boarder Baby Services. The per diem rate for nursery boarder baby services shall be 85 percent of the small rural hospital nursery boarder baby per diem rate in effect.

No payment under this section is dependent on any agreement or arrangement for providers or related entities to donate money or services to a governmental entity. In accordance with 42 CFR 447.272 and 42 CFR 440.10, there will be no duplication of costs.