DEPARTMENT OF HEALTH & HUMAN SERVICES Centers for Medicare & Medicaid Services 7500 Security Boulevard, Mail Stop S2-26-12 Baltimore, Maryland 21244-1850



JUL 23 2013

Ms. Ruth Kennedy, Director Bureau of Health Services Financing Department of Health and Hospitals Post Office Box 91030 Baton Rouge, Louisiana 70821-9030

RE: Louisiana 12-63

Dear Ms. Kennedy:

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid State plan submitted under transmittal number (TN) 12-63. The purpose of this amendment is to provide a Medicaid supplemental payment to a private acute care hospital, Our Lady of the Lake located in Baton Rouge.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30), 1903(a), and 1923 of the Social Security Act and the implementing Federal regulations at 42 CFR 447 Subpart C. As part of the review process the State was asked to provide information regarding funding of the State share of expenditures under Attachment 4.19-A.

Based upon your assurances, Medicaid State plan amendment 12-63 is approved effective April 15, 2013. We are enclosing the HCFA-179 and the new plan page.

If you have any questions, please call Tamara Sampson at (214) 767-6431.

Sincerely,

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Director

Enclosures

IEALTH CARE FINANCING ADMINISTRATION		OMB NO. 0938-0193
TRANSMITTAL AND NOTICE OF APPROVAL OF	1. TRANSMITTAL NUMBER:	2. STATE
STATE PLAN MATERIAL	12-63	Louisiana
FOR: HEALTH CARE FINANCING ADMINISTRATION	3. PROGRAM IDENTIFICATION: SOCIAL SECURITY ACT (MEI	
TO: REGIONAL ADMINISTRATOR	4. PROPOSED EFFECTIVE DATE	3
HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES	April 15, 2013	
5. TYPE OF PLAN MATERIAL (Check One):	·	
☐ NEW STATE PLAN ☐ AMENDMENT TO BE CON		MENDMENT
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AME 6. FEDERAL STATUTE/REGULATION CITATION:	7. FEDERAL BUDGET IMPACT:	cn amenameni)
42 CFR 447, Subpart C	a. FFY 2013 b. FFY 2014	\$13,477,14 \$51,494,03
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:	9. PAGE NUMBER OF THE SUPE SECTION OR ATTACHMENT	
Attachment 4.19-A, Item 1, Page 8c(4)	None (New Page)	
10. SUBJECT OF AMENDMENT: The purpose of this SPA is		exthodology for
inpatient hospital services to establish supplemental Moorder to encourage them to take over the operation and that have terminated or reduced services. 11. GOVERNOR'S REVIEW (Check One): GOVERNOR'S OFFICE REPORTED NO COMMENT	edicaid payments to non-state or I management of state-owned an	wned hospitals in nd operated hospitals
☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTA		iew state plan material.
12. SIGNATURE OF STATE AGENCY OFFICIAL:	16. RETURN TO:	
	J. Ruth Kennedy, Medicaio	d Director
13. TYPED NAME:	State of Louisiana	
Kathy H. Kliebert	Department of Health and Hospitals	
14. TITLE:	628 N. 4 th Street	
Interim Secretary	PO Box 91030	
15. DATE SUBMITTED: April 25, 2013	Baton Rouge, LA 70821-9	0030
FOR REGIONAL OI	FEICE USE ONLY	
17. DATE RECEIVED:		2 3 2013
02 November, 2012	JUL A	L V 2010
PLAN APPROVED – ON		
19. EFFECTIVE DATE OF APPROVED MATERIAL:	20. SIGNATURE OF REGIONAL OF	FICIAL:
APR 1 5 2013	/ why	
21. TYPED NAME: PENNY Thompson	22. TITLE:) Policy	+ FINANCIA) Mgt. (
23. REMARKS:	- / - 3 / - / - / - /	
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STATE OF <u>LOUISIANA</u>
PAYMENT FOR MEDICAL AND REMEDIAL CARE AND SERVICES

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

f. Supplemental Payments for Private Hospitals

1. Baton Rouge Area

Qualifying Criteria

Effective for dates of service on or after April 15, 2013, a quarterly supplemental payment shall be made to Our Lady of the Lake Hospital, Inc.

Reimbursement Methodology

Payments shall be made quarterly based on the annual upper payment limit calculation per state fiscal year. Payments shall not exceed the allowable Medicaid charge differential. The Medicaid inpatient charge differential is the Medicaid inpatient charges less the Medicaid inpatient payments (which includes both the base payments and supplemental payments). The payments will be made in four equal quarterly payments based on 100 percent of the estimated charge differential for the state fiscal year. The qualifying hospital will provide quarterly reports to DHH that will demonstrate that, upon implementation, the annual Medicaid inpatient payments do not exceed the annual Medicaid inpatient charges per 42CFR 447.271.

The Department will verify the Medicaid claims data of these interim reports using the state's MMIS system. When the Department receives the annual cost report as filed, the supplemental calculations will be reconciled to the cost report. If there is additional cap room, an adjustment payment will be made to assure that supplemental payments are the actual charge differential. The supplemental payments will also be reconciled to the final cost report. The annual supplemental payments will not exceed the allowable Medicaid inpatient charge differential per 42CFR 447.271. Maximum inpatient Medicaid payments shall not exceed the upper payment limit per 42CFR 447.272.

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N#	LA 12-63	Approval Date JUL Z 3 Z013	Effective Date _	4-15-2013
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Supersedes
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