



State of Louisiana
Louisiana Department of Health
Office of the Secretary

August 8, 2025

Via Statutorily Prescribed Email

To: The Honorable Patrick McMath, Chairman, Senate Health & Welfare Committee
The Honorable Dustin Miller, Chairman, House Health & Welfare Committee

From: Bruce D. Greenstein
Secretary

Re: Second Report to Proposed Amendments to LAC 50:XXI.711 – Home and Community-Based Services Waivers – Adult Day Health Care Providers – Cost Reporting

Pursuant to the Louisiana Administrative Procedure Act, the Louisiana Department of Health, submits its second report regarding the LAC 50:XXI.711 – Home and Community-Based Services Waivers – Adult Day Health Care Providers – Cost Reporting.

A Notice of Intent on the proposed amendments was published in the June 20, 2025 issue of the *Louisiana Register* (LR 51:879). No written comments were received and there was no request for a public hearing during the notice period. Because there were no requests for a public hearing, one was not held for these proposed amendments. Additionally, no substantive changes were made to the proposed amendments since the report provide for in R.S. 49:966B-C was submitted.

Unless otherwise directed, the Department anticipates adopting the June 20, 2025 Notice of Intent when it is published as a final rule in the September 20, 2025 issue of the *Louisiana Register*.

Please contact Lindsey Nizzo, Lindsey.Nizzo@la.gov, if you have any questions or require additional information about this matter.

Cc: Kimberly Sullivan, Medicaid Director, LDH
Brian Bennett, Medicaid Deputy Director, LDH
Catherine Brindley, Medicaid Program Manager, LDH
Enrika LaCour, Medicaid Program Manager, LDH
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Bethany Blackson, Chief of Staff, LDH
Andrea Trantham, Editor, *Louisiana Administrative Code*, Office of the State Register

NOTICE OF INTENT

**Department of Health
Bureau of Health Services Financing
and
Office of Aging and Adult Services**

Home and Community-Based Services Waivers
Adult Day Health Care Providers—Cost Reporting
(LAC 50:XXI.711)

The Department of Health, Bureau of Health Services Financing proposes to amend LAC 50:XXI.711 in the Medical Assistance Program as authorized by R.S. 36:254 and pursuant to Title XIX of the Social Security Act. This

proposed Rule is promulgated in accordance with the provisions of the Administrative Procedure Act, R.S. 49:950 et seq.

The Department of Health, Bureau of Health Services Financing proposes to amend the provisions governing adult day health care providers in order to clarify the cost report penalty language. This proposed Rule removes unnecessary language.

Title 50

PUBLIC HEALTH—MEDICAL ASSISTANCE

Part XXI. Home and Community-Based Services

Waivers

Subpart 1. General Provisions

Chapter 7. Reimbursement Methodology

Subchapter B. Adult Day Health Care Providers

§711. Cost Reporting

A. - C. ...

D. Annual Reporting. Cost reports are to be filed on or before November 30 following the close of the cost reporting period. Should the due date fall on a Saturday, Sunday, or an official state or federal holiday, the due date shall be the following business day. The cost report forms and schedules must be filed with one copy of the following documents:

D.1. - M.2....

N. Delinquent Cost Report. When an ADHC provider fails to submit a cost report by the due date, a penalty of 5 percent of the average monthly payment will be imposed. The average monthly payment will be determined using the payments that were paid to the ADHC provider during the cost reporting period covered in the delinquent cost report. The penalty will increase by 5 percent for each successive month until the cost report is submitted. The late filing penalty is non-refundable and not subject to an administrative appeal.

AUTHORITY NOTE: Promulgated in accordance with R.S. 36:254 and Title XIX of the Social Security Act.

HISTORICAL NOTE: Promulgated by the Department of Health, Bureau of Health Services Financing, the Office for Citizens with Developmental Disabilities and the Office of Aging and Adult Services, LR 47:1114 (August 2021), amended by the Department of Health, Bureau of Health Services Financing and the Office of Aging and Adult Services, LR 51:399 (March 2025), LR 51:

Implementation of the provisions of this Rule may be contingent upon the approval of the U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services (CMS), if it is determined that submission to CMS for review and approval is required.

Family Impact Statement

In compliance with Act 1183 of the 1999 Regular Session of the Louisiana Legislature, the impact of this proposed Rule on the family has been considered. It is anticipated that this proposed Rule will have no impact on family functioning, stability and autonomy as described in R.S. 49:972.

Poverty Impact Statement

In compliance with Act 854 of the 2012 Regular Session of the Louisiana Legislature, the poverty impact of this proposed Rule has been considered. It is anticipated that this proposed Rule will have no impact on child, individual, or family poverty in relation to individual or community asset development as described in R.S. 49:973.

Small Business Analysis

In compliance with the Small Business Protection Act, the economic impact of this proposed Rule on small businesses has been considered. It is anticipated that this proposed Rule will have no impact on small businesses.

Provider Impact Statement

In compliance with House Concurrent Resolution (HCR) 170 of the 2014 Regular Session of the Louisiana Legislature, the provider impact of this proposed Rule has been considered. It is anticipated that this proposed Rule will have no impact on the staffing level requirements or qualifications required to provide the same level of service, no direct or indirect cost to the provider to provide the same level of service, and will have no impact on the provider's ability to provide the same level of service as described in HCR 170.

Public Comments

Interested persons may submit written comments to Kimberly Sullivan, JD, Bureau of Health Services Financing, P.O. Box 91030, Baton Rouge, LA 70821-9030. Ms. Sullivan is responsible for responding to inquiries regarding this proposed Rule. The deadline for submitting written comments is July 21, 2025.

Public Hearing

Interested persons may submit a written request to conduct a public hearing by U.S. mail to the Office of the Secretary ATTN: LDH Rulemaking Coordinator, Post Office Box 629, Baton Rouge, LA 70821-0629; however, such request must be received no later than 4:30 p.m. on July 10, 2025. If the criteria set forth in R.S. 49:961(B)(1) are satisfied, LDH will conduct a public hearing at 9:30 a.m. on July 31, 2025 in Room 118 of the Bienville Building, which is located at 628 North Fourth Street, Baton Rouge, LA. To confirm whether or not a public hearing will be held, interested persons should first call Allen Enger at (225) 342-1342 after July 10, 2025. If a public hearing is to be held, all interested persons are invited to attend and present data, views, comments, or arguments, orally or in writing.

Bruce D. Greenstein
Secretary

FISCAL AND ECONOMIC IMPACT STATEMENT FOR ADMINISTRATIVE RULES

RULE TITLE: Home and Community-Based Services Waivers—Adult Day Health Care Providers Cost Reporting

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENT UNITS (Summary)

It is anticipated that implementation of this proposed rule will have no programmatic fiscal impact to the state other than the cost of promulgation for FY 25-26. It is anticipated that \$540 (\$270 SGF and \$270 FED) will be expended in FY 25-26 for the state's administrative expense for promulgation of this proposed rule and the final rule.

This proposed rule amends the provisions governing adult day health care providers in order to clarify cost report penalties and remove unnecessary language.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

It is anticipated that the implementation of this proposed rule will have no effect on revenue collections other than the federal share of the promulgation costs for FY 25-26. It is

anticipated that \$270 will be collected in FY 25-26 for the federal share of the expense for promulgation of this proposed rule and the final rule.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS, SMALL BUSINESSES, OR NONGOVERNMENTAL GROUPS (Summary)

This proposed rule amends the provisions governing adult day health care providers in order to clarify cost report penalties and remove unnecessary language. This will have no impact on beneficiaries, but will help providers by making the penalties for failure to submit a cost report easier to understand. It is anticipated that implementation of this proposed rule will not result in costs to providers in FY 25-26, FY 26-27, and FY 27-28.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

This proposed rule has no known effect on competition and employment.

Kimberly Sullivan, JD
Medicaid Executive Director
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Patrice Thomas
Deputy Fiscal Officer
Legislative Fiscal Office