



**State of Louisiana**  
Louisiana Department of Health  
Office of the Secretary

April 10, 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:** Drew P. Maranto  
Interim Secretary

**Re:** Second Report to Proposed Amendments to LAC 50:VII.32917 – Intermediate Care Facilities for Persons with Intellectual Disabilities –Reimbursement Methodology

Pursuant to the Louisiana Administrative Procedure Act, the Louisiana Department of Health, Bureau of Health Services Financing, submits its second report regarding the Intermediate Care Facilities for Persons with Intellectual Disabilities – Reimbursement Methodology, LAC 50:VII.32917.

A Notice of Intent on the proposed amendments was published in the February 20, 2025 issue of the *Louisiana Register* (LR 51:313). 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 February 20, 2025 Notice of Intent when it is published as a final rule in the May 20, 2025 issue of the *Louisiana Register*.

Please contact Enrika LaCour, [enrika.lacour@la.gov](mailto:enrika.lacour@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  
Jackie Cummings, Medicaid Manager, LDH  
Catherine Brindley, Medicaid Manager, LDH  
Bethany Blackson, Chief of Staff, LDH  
Andrea Trantham, *Louisiana Administrative Code* Editor, Office of the State Register

**NOTICE OF INTENT**

**Department of Health  
Bureau of Health Services Financing**

Intermediate Care Facilities for Persons with  
Intellectual Disabilities—Reimbursement Methodology  
(LAC 50:VII.32917)

The Department of Health, Bureau of Health Services Financing proposes to amend LAC 50:VII.32917 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 reimbursement methodology for intermediate care facilities for individuals with intellectual disabilities (ICFs/IID) in

order to provide for a one-time lump sum payment in FY 2025 to all privately owned or operated (ICFs/IID) that billed Medicaid between August 1, 2024, and October 31, 2024, and are active and Medicaid certified at the time of payment. The total amount will be prorated among eligible facilities.

#### **Title 50**

### **PUBLIC HEALTH—MEDICAL ASSISTANCE**

#### **Part VII. Long Term Care**

#### **Subpart 3. Intermediate Care Facilities for Persons with Intellectual Disabilities**

#### **Chapter 329. Reimbursement Methodology**

#### **Subchapter A. Non-State Facilities**

#### **§32917. Dedicated Program Funding Pool Payments**

A. - C.1.f. ...

D. Effective for providers, active and Medicaid certified as of July 1, 2024, a one-time lump sum payment will be made to non-state, non-public ICFs/IID.

##### **1. Methodology**

a. Payment will be based on each provider's specific prorated share of an additional dedicated program funding pool. This payment shall not exceed \$31,000,000.

b. The prorated share for each provider will be determined utilizing the provider's percentage of program Medicaid days for dates of service within a period of three consecutive months selected by the department, occurring between January 1, 2024, and December 31, 2024.

c. If the additional dedicated program funding pool lump sum payment exceeds the Medicare upper payment limit in the aggregate for the provider class, the department shall recoup the overage using the same means of distribution in §32917.D.1.b above.

d. The one-time payment will be made on or before June 30, 2025.

e. All facilities receiving payment shall be open and operating as an ICF/IID at the time the payment is made.

f. Payment of the one-time, lump sum payment is subject to approval by the CMS.

**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, LR 46:28 (January 2020), amended LR 48:2972 (December 2022), 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 or 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 to provide the same level of service, no direct or indirect cost to the provider to provide the same level of service, but may provide for a one time lump sum payout in FY 2025 to all privately owned or operated ICF/IIDs.

#### **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 at 4:30 p.m. on March 24, 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, March 12, 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 March 27, 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 March 12, 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.

Michael Harrington, MBA, MA  
Secretary

### **FISCAL AND ECONOMIC IMPACT STATEMENT FOR ADMINISTRATIVE RULES**

#### **RULE TITLE: Intermediate Care Facilities for Persons with Intellectual Disabilities Reimbursement Methodology**

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

It is anticipated that implementation of this proposed rule will result in increased state costs of approximately \$9,932,670 for FY 24-25, \$0 for FY 25-26, and \$0 for FY 26-27. It is anticipated that \$540 (\$270 SGF and \$270 FED) will be expended in FY 24-25 for the state's administrative expense for promulgation of this proposed rule and the final rule.

This proposed rule amends the provisions governing reimbursement methodology for intermediate care facilities for individuals with intellectual disabilities (ICFs/IID) in order to provide for a one-time lump sum payment in FY 2025 to all privately owned or operated (ICFs/IID) that billed Medicaid days between August 1, 2024, and October 31, 2024, and are active and Medicaid certified at the time of payment. The total amount will be prorated among eligible facilities.

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

It is anticipated that implementation of this proposed rule will increase federal revenue collections by approximately \$21,067,870 for FY 24-25, for \$0 for FY 25-26, and \$0 for FY 26-27. It is anticipated that \$270 will be collected in FY 24-25 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 reimbursement methodology for intermediate care facilities for individuals with intellectual disabilities (ICFs/IID) in order to provide for a one-time lump sum payment in FY 2025 to all privately owned or operated (ICFs/IID) that billed Medicaid days between August 1, 2024, and October 31, 2024, and are active and Medicaid certified at the time of payment. The total amount will be prorated among eligible facilities. Providers and small businesses will benefit from implementation of this proposed rule, by approximately \$31,000,000 for FY 24-25, \$0 for FY 25-26, and \$0 for FY 26-27.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

This rule has no known effect on competition and employment.

Kimberly Sullivan  
Medicaid Executive Director  
2502#044

Patrice Thomas  
Deputy Fiscal Officer  
Legislative Fiscal Office