

**NOTICE OF INTENT**

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

**Inpatient Hospital Services  
(LAC 50:V.121, 123, 125, and 127)**

The Department of Health, Bureau of Health Services Financing proposes to amend LAC 50:V.121, 123, 125, 127 and repeal the following uncodified Rules in the Medical Assistance Program as authorized by R.S. 36:254 and pursuant to Title XIX of the Social Security Act:

| <b>Register Date</b> | <b>Title</b>   | <b>Register Volume, Number</b> | <b>Page Number</b> |
|----------------------|--|--------------------------------|--------------------|
| January 20, 1994     | Inpatient Psychiatric Services - Distinct Part Psychiatric Units             | Volume 20, No. 01              | 49                 |
| February 20, 1997    | Hospital Prospective Reimbursement Methodology for Long-Term Acute Hospitals | Volume 23, No. 02              | 202                |

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

The Department of Health, Bureau of Health Services Financing proposes to repeal the above listed Rules which were promulgated prior to implementation of the *Louisiana Administrative Code* (LAC) codification system and to amend the provisions governing inpatient hospital services in order to promulgate the criteria to qualify for reimbursement as a

distinct part psychiatric unit in a codified format in the LAC and add qualifying criteria for rehabilitation, long-term, and freestanding hospitals.

**Title 50**  
**PUBLIC HEALTH—MEDICAL ASSISTANCE**  
**Part V. Hospital Services**  
**Subpart 1. Inpatient ~~Hospitals~~Hospital Services**

**Chapter 1. General Provisions**

**§121. Distinct Part Psychiatric Units**

A. Qualifying Criteria. Reimbursement of psychiatric services (including substance use treatment) provided by acute care general hospitals, long-term acute hospitals, children's hospitals, and rehabilitation hospitals is allowable only for psychiatric services provided in distinct part psychiatric units that meet the following criteria:

1. Medicare prospective payment system (PPS) exempt psychiatric unit criteria in 42 CFR 412.27 and other applicable Medicare guidelines;

2. licensing standards related to hospital psychiatric units/services in LAC 48:I.Chapters 93, 94, and 95; and

3. enrolled in Medicaid and assigned a separate distinct part psychiatric unit provider number.

EXCEPTION: Emergency psychiatric admissions to non-psychiatric inpatient hospitals/units shall be paid the

psychiatric rate until the beneficiary can be stabilized and transferred to a psychiatric hospital or unit.

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 50:

**§123. Psychiatric Hospitals**

A. Qualifying Criteria. Reimbursement of inpatient psychiatric services (including substance use treatment) provided by freestanding psychiatric hospitals is allowable only if provided in psychiatric hospitals that meet the following criteria:

1. Medicare prospective payment system (PPS) exempt psychiatric hospital criteria in the 42 CFR 412.23(a), other applicable Medicare guidelines; and

2. licensing standards related to psychiatric services/hospitals in LAC 48:I.Chapters 93, 94, and 95.

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 50:

**§125. Rehabilitation Hospitals**

A. Qualifying Criteria. Reimbursement of inpatient rehabilitation services provided by freestanding rehabilitation

hospitals is allowable only if provided in rehabilitation

hospitals that meet the following criteria:

1. Medicare prospective payment system (PPS) exempt rehabilitation hospital criteria in 42 CFR 412.23(b) and other applicable Medicare guidelines; and

2. licensing standards related to rehabilitation services/hospitals in LAC 48:I.Chapters 93, 94, and 95.

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 50:

**§127. Long-Term Hospitals**

A. Qualifying Criteria. Reimbursement as a long-term hospital is only allowable for inpatient services provided in hospitals that meet the Medicare prospective payment system (PPS) exempt long-term hospital criteria in 42 CFR 412.23(e) and other applicable Medicare guidelines.

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 50:

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 at 4:30 p.m. on May 30, 2024.

#### **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 May 10, 2024. 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 May 30, 2024 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 May 10, 2024. 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.

Ralph L. Abraham, M.D.

Secretary