

NOTICE OF INTENT

Department of Health
Bureau of Health Services Financing

Professional Services Program
Enhanced Federal Medical Assistance Percentage Rate for
Preventive Services
(LAC 50:IX.15101)

The Department of Health, Bureau of Health Services Financing proposes to adopt LAC 50:IX.15101 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.

Section 4106(b) of the Patient Protection and Affordable Care Act (P.L. No. 111-148), hereafter referred to as the Affordable Care Act (ACA), established a one percentage point increase in the Federal Medical Assistance Percentage (FMAP) rate applied to Medicaid covered expenditures for specified adult vaccines and clinical preventive services provided on a fee-for-service or managed care basis to states that provide coverage without cost sharing. In compliance with the requirements of the ACA, the Department of Health, Bureau of Health Services Financing promulgated an Emergency Rule which amended the provisions governing reimbursement for professional services in the Medical Assistance Program in order to establish provisions governing the enhanced FMAP for the coverage of those specified preventive services (*Louisiana Register*, Volume 43, Number 5). This proposed Rule is being

promulgated in order to continue the provisions of the May 15, 2017
Emergency Rule.

Title 50
PUBLIC HEALTH—MEDICAL ASSISTANCE
Part IX. Professional Services Program
Subpart 15. Reimbursement

Chapter 151. Reimbursement Methodology

Subchapter A. General Provisions

**§15101. Enhanced Federal Medical Assistance Percentage Rate for
Preventive Services**

A. Effective for dates of service on or after May 15, 2017,
the Federal Medical Assistance Percentage (FMAP) rate received by
the department for specified adult vaccines and clinical preventive
services shall increase one percentage point of the rate on file as
of May 14, 2017.

1. Services covered by this increase are those assigned
a grade of A or B by the United States Preventive Services Task
Force (USPSTF) and approved vaccines and their administration as
recommended by the Advisory Committee on Immunization Practices
(ACIP).

2. The increased FMAP rate applies to these qualifying
services whether the services are provided on a fee-for-service
(FFS) or managed care basis.

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 43:

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.

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.

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.

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.

Interested persons may submit written comments to Jen Steele, Bureau of Health Services Financing, P.O. Box 91030, Baton Rouge, LA 70821-9030 or by email to MedicaidPolicy@la.gov. Ms. Steele is responsible for responding to inquiries regarding this proposed Rule. A public hearing on this proposed Rule is scheduled for Thursday, July 27, 2017 at 9:30 a.m. in Room 118, Bienville Building, 628 North Fourth Street, Baton Rouge, LA. At that time all interested persons will be afforded an opportunity to submit data, views or arguments either orally or in writing. The deadline for receipt of all written comments is 4:30 p.m. on the next business day following the public hearing.

Rebekah E. Gee MD, MPH

Secretary

FISCAL AND ECONOMIC IMPACT STATEMENT
FOR ADMINISTRATIVE RULES

Person

Preparing

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Rule Title: Professional Services Program
Enhanced Federal Medical
Assistance Percentage Rate
for Preventive Services

Date Rule Takes Effect: May 15, 2017

SUMMARY

In accordance with Section 953 of Title 49 of the Louisiana Revised Statutes, there is hereby submitted a fiscal and economic impact statement on the rule proposed for adoption, repeal or amendment. The following summary statements, based on the attached worksheets, will be published in the Louisiana Register with the proposed agency rule.

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS (SUMMARY)

It is anticipated that implementation of this proposed rule will result in estimated state general fund costs of approximately \$22,003 for FY 16-17, \$116,884 for FY 17-18 and \$115,223 for FY 18-19;. It is anticipated that \$432 (\$216 SGF and \$216 FED) will be expended in FY 16-17 for the state's administrative expense for promulgation of this proposed rule and the final rule.

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

It is anticipated that the implementation of this proposed rule will increase federal revenue collections by approximately \$73,924 for FY 16-17, \$454,428 for FY 17-18 and \$458,972 for FY 18-19. It is anticipated that \$216 will be expended in FY 16-17 for the federal administrative expense for promulgation of this proposed rule and the final rule.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS (Summary)

This proposed Rule continues the provisions of the May 15, 2017 Emergency Rule which amended the provisions governing reimbursement for professional services in the Medical Assistance Program in order to establish provisions governing the enhanced one percent Federal Medical Assistance Percentage rate applied to Medicaid-covered expenditures which is established in the Affordable Care Act for the state's provision of specified preventive services on a fee-for-service or managed care basis without cost sharing. It is anticipated that implementation of this proposed rule will increase expenditures in the Professional Services Program by approximately \$95,495 for FY 16-17, \$571,312 for FY 17-18 and \$574,195 for FY 18-19 due to more individuals being covered; however, there may be a potential indeterminable savings associated with reduced physician visits.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

This rule has no known effect on competition and employment.



Signature of Agency Head
or Designee

Evan Brassel, Staff Director

Legislative Fiscal Officer
or Designee

Jen Steele, Medicaid Director

Typed name and Title of
Agency Head or Designee

6/8/17

Date of Signature

Bhadkar Indu

LDH/BHSF Budget Head

06/08/17

Date of Signature

FISCAL AND ECONOMIC IMPACT STATEMENT
FOR ADMINISTRATIVE RULES

The following information is required in order to assist the Legislative Fiscal Office in its review of the fiscal and economic impact statement and to assist the appropriate legislative oversight subcommittee in its deliberations on the proposed rule.

- A. Provide a brief summary of the content of the rule (if proposed for adoption or repeal) or a brief summary of the change in the rule (if proposed for amendment). Attach a copy of the notice of intent and a copy of the rule proposed for initial adoption or repeal (or, in the case of a rule change, copies of both the current and proposed rules with amended portions indicated).

This proposed Rule continues the provisions of the May 15, 2017 Emergency Rule which amended the provisions governing reimbursement for professional services in the Medical Assistance Program in order to establish provisions governing the enhanced one percent Federal Medical Assistance Percentage rate applied to Medicaid-covered expenditures which is established in the Affordable Care Act for the state's provision of specified preventive services on a fee-for-service or managed care basis without cost sharing.

- B. Summarize the circumstances that require this action. If the action is required by federal regulations, attach a copy of the applicable regulation.

Section 4106(b) of the Patient Protection and Affordable Care Act (P.L. No. 111-148), hereafter referred to as the Affordable Care Act (ACA), established a one percentage point increase in the Federal Medical Assistance Percentage (FMAP) rate applied to Medicaid covered expenditures for specified adult vaccines and clinical preventive services provided on a fee-for-service or managed care basis to states that provide coverage without cost sharing. In compliance with the requirements of the ACA, the Department of Health, Bureau of Health Services Financing promulgated an Emergency Rule which amended the provisions governing reimbursement for professional services in the Medical Assistance Program in order to establish provisions governing the enhanced FMAP for the coverage of those specified preventive services (Louisiana Register, Volume 43, Number 5). This proposed Rule is being promulgated in order to continue the provisions of the May 15, 2017 Emergency Rule.

- C. Compliance with Act 11 of the 1986 First Extraordinary Session.

- (1) Will the proposed rule change result in any increase in the expenditure of funds? If so, specify amount and source of funding.

It is anticipated that implementation of this proposed rule will increase expenditures in the Professional Services Program by approximately \$95,927 for FY 16-17, \$571,312 for FY 17-18 and \$574,195 for FY 18-19. In FY 16-17, \$432 is included for the state's administrative expense for promulgation of this proposed rule and the final rule.

- (2) If the answer to (1) above is yes, has the Legislature specifically appropriated the funds necessary for the associated expenditure increase?

- (a) _____ If yes, attach documentation.
(b) _____ If no, provide justification as to why this rule change should be published at this time.

FISCAL AND ECONOMIC IMPACT STATEMENT
WORKSHEET

I. A. COST OR SAVINGS TO STATE AGENCIES RESULTING FROM THE ACTION PROPOSED

1. What is the anticipated increase or (decrease) in cost to implement the proposed action?

| COST | FY 16-17 | FY 17-18 | FY 18-19 |
|-----------------------|-----------------|------------------|------------------|
| PERSONAL SERVICES | | | |
| OPERATING EXPENSES | \$432 | \$0 | \$0 |
| PROFESSIONAL SERVICES | | | |
| OTHER CHARGES | \$95,495 | \$571,312 | \$574,195 |
| REPAIR & CONSTR. | | | |
| POSITIONS (#) | | | |
| TOTAL | \$95,927 | \$571,312 | \$574,195 |

2. Provide a narrative explanation of the costs or savings shown in "A.1.", including the increase or reduction in workload or additional paperwork (number of new forms, additional documentation, etc.) anticipated as a result of the implementation of the proposed action. Describe all data, assumptions, and methods used in calculating these costs.

The expenses reflected above are the estimated increases in expenditures in the Medicaid Program. In FY 16-17, \$432 will be spent for the state's administrative expense for promulgation of this proposed rule and the final rule.

3. Sources of funding for implementing the proposed rule or rule change.

| Source | FY 16-17 | FY 17-18 | FY 18-19 |
|--------------------|-----------------|------------------|------------------|
| STATE GENERAL FUND | \$22,003 | \$116,884 | \$115,223 |
| SELF-GENERATED | | | |
| FEDERAL FUND | \$73,924 | \$454,428 | \$458,972 |
| OTHER (Specify) | | | |
| Total | \$95,927 | \$571,312 | \$574,195 |

4. Does your agency currently have sufficient funds to implement the proposed action? If not, how and when do you anticipate obtaining such funds?

Yes, sufficient funds are available to implement this rule.

B. COST OR SAVINGS TO LOCAL GOVERNMENTAL UNITS RESULTING FROM THIS PROPOSED ACTION.

1. Provide an estimate of the anticipated impact of the proposed action

on local governmental units, including adjustment in workload and paperwork requirements. Describe all data, assumptions and methods used in calculating this impact.

This proposed rule has no known impact on local governmental units.

FISCAL AND ECONOMIC IMPACT STATEMENT
WORKSHEET

2. Indicate the sources of funding of the local governmental unit that will be affected by these costs or savings.

There is no known impact on the sources of local governmental unit funding.

II. EFFECT ON REVENUE COLLECTIONS OF STATE AND LOCAL GOVERNMENTAL UNITS

- A. What increase or (decrease) in revenues can be expected from the proposed action?

| REVENUE INCREASE/DECREASE | FY 16-17 | FY 17-18 | FY 18-19 |
|---------------------------|-----------------|------------------|------------------|
| STATE GENERAL FUND | | | |
| AGENCY SELF-GENERATED | | | |
| RESTRICTED FUNDS* | | | |
| FEDERAL FUNDS | \$73,924 | \$454,428 | \$458,972 |
| LOCAL FUNDS | | | |
| Total | \$73,924 | \$454,428 | \$458,972 |

**Specify the particular fund being impacted*

- B. Provide a narrative explanation of each increase or decrease in revenue shown in "A". Describe all data, assumptions, and methods used in calculating these increases or decreases.

In FY 16-17, \$216 will be collected for the federal share of the administrative expense for promulgation of this proposed rule and the final rule.

III. COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS

- A. What persons or non-governmental groups would be directly affected by the proposed action? For each, provide an estimate and a narrative description of any effects on costs, including workload adjustments and additional paperwork (number of new forms, additional documentation, etc.)

This proposed Rule continues the provisions of the May 15, 2017 Emergency Rule which amended the provisions governing reimbursement for professional services in the Medical Assistance Program in order to establish provisions governing the enhanced one percent Federal Medical Assistance Percentage rate increase applied to Medicaid-covered expenditures which is established in the Affordable Care Act for the state's provision for the state's provision of specified preventive services on a fee-for-service or managed care basis without cost sharing.

- B. Also, provide an estimate of any revenue impact resulting from this rule or rule change to these groups.

It is anticipated that implementation of this proposed rule will increase expenditures in the Professional Services Program by approximately \$95,495 for FY 16-17, \$571,312 for FY 17-18 and \$574,195 for FY 18-19 due more individuals being covered due to more

individuals being covered; however, there may be a potential indeterminate savings associated with reduced physician visits.

IV. EFFECTS ON COMPETITION AND EMPLOYMENT

Identify and provide estimates of the impact of the proposed action on competition and employment in the public and private sectors. Include a summary of any data, assumptions and methods used in making these estimates.

This rule has no known effect on competition and employment.