

NOTICE OF INTENT

Department of Health Bureau of Health Services Financing

Inpatient Hospital Services Well Baby and Transplant Payments (LAC 50:V.Chapter 9)

The Department of Health, Bureau of Health Services Financing proposes to amend LAC 50:V.Chapter 9 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:

Register Date	Title	Register Volume, Number	Page Numbers
July 20, 1996	Transplant Services - Reimbursement	Volume 22, No. 07	584
September 20, 2001	Inpatient Hospital Services - Reimbursement Methodology - Well Baby Care	Volume 27, No. 09	1522
March 20, 2005	Hospital Program - Transplant Services	Volume 31, No. 03	667

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 LAC 50:V.Chapter 9 to remove obsolete non-rural, non-state hospital provisions and to repeal the above listed inpatient hospital services rules governing Medicaid transplant services and well baby care reimbursement in

order to promulgate these provisions in a codified format for inclusion in the *Louisiana Administrative Code*.

Title 50
PUBLIC HEALTH-MEDICAL ASSISTANCE

Part V. Hospital Services
Subpart 1. Inpatient Hospitals Services

Chapter 9. Non-Rural, Non-State Hospitals

Subchapter A. General Provisions

§907. Well Baby Care

A. A separate prospective per diem rate shall be paid to qualifying hospitals for well baby care rendered to infants who are discharged at the same time that the mother is discharged.

B. Qualifying Criteria. Non-state, non-rural hospitals that perform more than 1,500 Medicaid deliveries per year shall be eligible for this payment. The department will verify that qualifying hospitals meet the 1,500 Medicaid delivery threshold each state fiscal year. Well baby payments shall be discontinued should a hospital no longer qualify.

C. Reimbursement Methodology. The per diem rate for well baby care shall be the same prospective rate that is paid for nursery boarder baby service.

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 49:

Subchapter B. Reimbursement Methodology

§953. Acute Care Hospitals

A. - I.5. ...

J. ~~Hospitals Impacted by Hurricane Katrina (Region 1).~~

Effective for dates of service on or after ~~July 1,~~ August 4, 2009, ~~a quarterly supplemental payment will be issued~~ the prospective per diem rate paid to ~~qualifying non-rural, non-state~~ acute care hospitals ~~for services rendered from July 1,~~ shall be reduced by 6.3 percent of the per diem rate on file as of August 3, 2009 ~~through December 31, 2010.~~ Maximum aggregate payments ~~to all qualifying hospitals in this group (along with those in §963.A and outpatient supplemental payments) will not exceed \$170,000,000.~~

1. ~~Qualifying Criteria. In order~~ Payments to ~~qualify for the supplemental payment, the non-rural, non-state acute care hospital must be located in LDH administrative region 1 (New Orleans) and identified in the July 17, 2008 United States Government Accountability Office report~~ small rural hospitals as ~~a hospital that has demonstrated substantial financial and operational challenges~~ defined in the aftermath of Hurricane Katrina R.S. 40:1189.3 shall be exempt from this reduction.

2. ~~Each eligible hospital shall receive quarterly supplemental payments which in total do not exceed a specified individualized hospital limit. Payments will be distributed~~

~~based on Medicaid paid claims data from state fiscal year 2008 service dates. Payments will end on December 31, 2010 or when the hospital specific cap is reached, whichever occurs first.~~Repealed.

K. ~~Other Hospitals Impacted by Hurricanes Katrina~~Low Income and ~~Rita~~Needy Care Collaboration. Effective for dates of service on or after ~~July~~January 1, ~~2009, a~~2010, quarterly supplemental ~~payment~~payments will be issued to qualifying non-rural, non-state acute care hospitals for inpatient services rendered ~~from July 1, 2009 through December 31, 2010~~during the quarter. Maximum aggregate payments to all qualifying hospitals in this group ~~(along with those in §959.C and §963.B payments)~~will~~shall~~ not exceed ~~\$10,000,000~~the available upper payment limit per state fiscal year.

1. Qualifying Criteria. ~~Non-rural, non-state acute care hospitals that do not~~In order to qualify for ~~payment under §953.E provisions may receive a~~the supplemental payment ~~if~~, the non-rural, non-state hospital ~~is located in either the New Orleans or Lake Charles metropolitan statistical area (MSA), had at least 1,000 paid Medicaid days for~~must be affiliated with a state ~~fiscal year 2008 service dates~~or local governmental entity through a low income and ~~is currently operational~~needy care collaboration agreement.

a. A non-state hospital is defined as a hospital which is owned or operated by a private entity.

b. A low-income and needy care collaboration agreement is defined as an agreement between a hospital and a state or local governmental entity to collaborate for purposes of providing healthcare services to low income and needy patients.

2. Each ~~eligible~~qualifying hospital shall receive quarterly supplemental payments ~~which in total do not exceed \$1,200,000 per hospital for the 18 month period~~inpatient services rendered during the quarter. Quarterly payment distribution shall be limited to one-fourth of the lesser of:

a. ~~Payments will be distributed as follows using~~the difference between each qualifying hospital's inpatient Medicaid ~~paid days~~ billed charges and Medicaid payments the hospital receives for ~~state fiscal year 2008 service dates~~ covered inpatient services provided to Medicaid recipients. Medicaid billed charges and payments will be based on a 12 consecutive month period for claims data selected by the department; or

~~-i. Qualifying hospitals with greater than 7,500 paid Medicaid days for state fiscal year 2008 service dates will be paid \$60 per Medicaid paid day.~~

~~ii. Qualifying hospitals with greater than 1,000, but less than or equal to 7,500 paid Medicaid days for state fiscal year 2008 service dates will be paid \$130 per Medicaid paid day.~~
i. - ii. Repealed.

b. ~~Payments will end on December 31, 2010 or when~~
for hospitals participating in the \$1,200,000 Medicaid Disproportionate Share Hospital (DSH) Program, the difference between the hospital's specific DSH limit is reached, whichever occurs first and the hospital's DSH payments for the applicable payment period.

3. Effective for dates of service on or after January 1, 2011, all parties that participate in supplemental payments under this Section, either as a qualifying hospital by receipt of supplemental payments or as a state or local governmental entity funding supplemental payments, must meet the following conditions during the period of their participation.

a. Each participant must comply with the prospective conditions of participation in the Louisiana Private Hospital Upper Payment Limit Supplemental Reimbursement Program.

b. A participating hospital may not make a cash or in-kind transfer to their affiliated governmental entity that has a direct or indirect relationship to Medicaid payments and would violate federal law.

c. A participating governmental entity may not condition the amount it funds the Medicaid Program on a specified or required minimum amount of low income and needy care.

d. A participating governmental entity may not assign any of its contractual or statutory obligations to an affiliated hospital.

e. A participating governmental entity may not recoup funds from an affiliated hospital that has not adequately performed under the low income and needy care collaboration agreement.

f. A participating hospital may not return any of the supplemental payments it receives under this Section to the governmental entity that provides the non-federal share of the supplemental payments.

g. A participating governmental entity may not receive any portion of the supplemental payments made to a participating hospital under this Section.

4. Each participant must certify that it complies with the requirements of §953.K.3. by executing the appropriate certification form designated by the department for this purpose. The completed form must be submitted to the Department of Health, Bureau of Health Services Financing.

5. Each qualifying hospital must submit a copy of its low income and needy care collaboration agreement to the department.

6. The supplemental payments authorized in this Section shall not be considered as interim Medicaid inpatient payments in the determination of cost settlement amounts for inpatient hospital services rendered by children's specialty hospitals.

L. ~~Hospitals Impacted by Hurricanes Gustav and Ike.~~ Effective for dates of service on or after ~~July 1, 2009, a~~ quarterly supplemental payment will February 3, 2010, the inpatient per diem rate paid to acute care hospitals shall be ~~issued to qualifying non-rural, non-state acute care hospitals for services rendered from July 1, 2009 through December 31,~~ reduced by 5 percent of the per diem rate on file as of February 2, 2010. ~~Maximum aggregate payments to all qualifying hospitals in this group (along with \$959.D and \$963.C payments) will not exceed \$7,500,000.~~

1. ~~Qualifying Criteria. Non-rural, non-state acute care~~ Payments to small rural hospitals ~~that do not qualify for payment under \$953.E or \$953.F may receive a supplemental payment if the hospital is located in either LDH administrative region 2 (Baton Rouge) or 3 (Thibodaux), had at least 1,000 paid Medicaid days for state fiscal year 2008 service dates and is~~

~~currently operational~~ as defined in R.S. 40:1189.3 shall be exempt from this reduction.

~~2. Each eligible hospital shall receive quarterly supplemental payments which in total do not exceed \$1,200,000 per hospital for the 18 month period.~~

~~a. Payments will be distributed as follows using Medicaid paid days for state fiscal year 2008 service dates.~~

~~i. Qualifying hospitals with greater than 20,000 paid Medicaid days for state fiscal year 2008 service dates will be paid \$60 per Medicaid paid day.~~

~~ii. Qualifying hospitals with greater than 2,500, but less than or equal to 20,000 paid Medicaid days for state fiscal year 2008 service dates will be paid \$105 per Medicaid paid day.~~

~~iii. Qualifying hospitals with greater than 1,000, but less than or equal to 2,500 paid Medicaid days for state fiscal year 2008 service dates will be paid \$225 per Medicaid paid day.~~

~~b. Payments will end on December 31, 2010 or when the \$1,200,000 limit is reached, whichever occurs first. 2. -~~

2.b. Repealed.

M. Effective for dates of service on or after August ~~41,~~ 20092010, the ~~prospective~~inpatient per diem rate paid to acute

care hospitals shall be reduced by ~~6.3~~4.6 percent of the per diem rate on file as of ~~August 3, 2009~~July 31, 2010.

1. Payments to small rural hospitals as defined in R.S. 40:~~1300~~1189.3 shall be exempt from this reduction.

N. ~~Low Income and Needy Care Collaboration.~~ Effective for dates of service on or after January 1, ~~2010~~2011, ~~quarterly supplemental payments will be issued~~the inpatient per diem rate paid to ~~qualifying non-rural, non-state~~ acute care hospitals ~~for inpatient services rendered during~~shall be reduced by 2 percent of the ~~quarter~~per diem rate on file as of December 31, 2010.

~~Maximum aggregate payments to all qualifying hospitals in this group shall not exceed the available upper payment limit per state fiscal year.~~

1. ~~Qualifying Criteria. In order~~Payments to ~~qualify for the supplemental payment, the non-rural, non-state hospital must~~small rural hospitals as defined in R.S. 40:1189.3 shall be ~~affiliated with a state or local governmental entity through a low income and needy care collaboration agreement~~exempt from this reduction.

~~a. A non-state hospital is defined as a hospital which is owned or operated by a private entity.~~

~~b. A low income and needy care collaboration agreement is defined as an agreement between a hospital and a state or local governmental entity to collaborate for purposes~~

~~of providing healthcare services to low income and needy patients.~~

~~2. Each qualifying hospital shall receive quarterly supplemental payments for the inpatient services rendered during the quarter. Quarterly payment distribution shall be limited to one-fourth of the lesser of:~~

~~a. the difference between each qualifying hospital's inpatient Medicaid billed charges and Medicaid payments the hospital receives for covered inpatient services provided to Medicaid recipients. Medicaid billed charges and payments will be based on a 12 consecutive month period for claims data selected by the department; or~~

~~b. for hospitals participating in the Medicaid Disproportionate Share Hospital (DSH) Program, the difference between the hospital's specific DSH limit and the hospital's DSH payments for the applicable payment period.~~

~~3. Effective for dates of service on or after January 1, 2011, all parties that participate in supplemental payments under this Section, either as a qualifying hospital by receipt of supplemental payments or as a state or local governmental entity funding supplemental payments, must meet the following conditions during the period of their participation.~~

~~_____ a. Each participant must comply with the prospective conditions of participation in the Louisiana Private Hospital Upper Payment Limit Supplemental Reimbursement Program.~~

~~_____ b. A participating hospital may not make a cash or in-kind transfer to their affiliated governmental entity that has a direct or indirect relationship to Medicaid payments and would violate federal law.~~

~~_____ c. A participating governmental entity may not condition the amount it funds the Medicaid Program on a specified or required minimum amount of low income and needy care.~~

~~_____ d. A participating governmental entity may not assign any of its contractual or statutory obligations to an affiliated hospital.~~

~~_____ e. A participating governmental entity may not recoup funds from an affiliated hospital that has not adequately performed under the low income and needy care collaboration agreement.~~

~~_____ f. A participating hospital may not return any of the supplemental payments it receives under this Section to the governmental entity that provides the non-federal share of the supplemental payments.~~

~~g. A participating governmental entity may not receive any portion of the supplemental payments made to a participating hospital under this Section.~~

~~4. Each participant must certify that it complies with the requirements of §953.N.3 by executing the appropriate certification form designated by the department for this purpose. The completed form must be submitted to the Department of Health, Bureau of Health Services Financing.~~

~~5. Each qualifying hospital must submit a copy of its low income and needy care collaboration agreement to the department.~~

~~6. The supplemental payments authorized in this Section shall not be considered as interim Medicaid inpatient payments in the determination of cost settlement amounts for inpatient hospital services rendered by children's specialty hospitals.~~
1.a. - 6. Repealed.

O. Effective for dates of service on or after ~~February 3, 2010~~August 1, 2012, the inpatient per diem rate paid to acute care hospitals shall be reduced by ~~53.7~~53.7 percent of the per diem rate on file as of ~~February 2, 2010~~July 31, 2012.

~~1. Payments to small rural hospitals as defined in R.S. 40:1300 shall be exempt from this reduction.~~
Repealed.

P. Effective for dates of service on or after ~~August~~
February 1, 20102013, the inpatient per diem rate paid to acute

care hospitals shall be reduced by ~~4.6~~1 percent of the per diem rate on file as of July 31, ~~2010~~2013.

1. ~~Payments to small rural hospitals as defined in R.S. 40:1300 shall be exempt from this reduction.~~Repealed.

Q. Effective for dates of service on or after ~~January~~March 1, ~~2011~~, 2017, the inpatient per diem rate ~~paid~~supplemental payments to non-rural, non-state acute care hospitals that qualify as a high Medicaid hospital shall be ~~reduced by 2 percent of the per diem rate on file as of December 31, 2010~~annual. The amount appropriated for annual supplemental payments shall be reduced to \$1,000. Each qualifying hospital's annual supplemental payment shall be calculated based on the pro rata share of the reduced appropriation.

1. ~~Payments to small rural hospitals as defined in R.S. 40:1300 shall be exempt from this reduction.~~Repealed.

R. Effective for dates of service on or after ~~August~~January 1, ~~2012~~2017, the inpatient per diem rate paid to acute care hospitals shall be ~~reduced~~increased by ~~3.7~~7.03 percent of the per diem rate on file as of ~~July~~December 31, ~~2012~~2016.

1. Small rural hospitals as defined in R.S. 40:1189.3 and public-private partnership hospitals as defined in LAC 50:V.1701-1703 shall be exempt from this rate increase.

S. Effective for dates of service on or after

~~February~~January 1, ~~2013~~2018, the inpatient per diem rate paid to acute care hospitals shall be ~~reduced~~increased by ~~1~~indexing to 56 percent of the small rural hospital prospective per diem rate in effect on ~~file as of~~ January ~~31, 2013~~1, 2017.

1. Acute care hospitals whose per diem rates as of January 1, 2017, excluding the graduate medical education portion of the per diem, are greater than 56 percent of the January 1, 2017 small rural hospital rate shall not be increased.

2. Carve-out specialty units, nursery boarder, and well baby services are excluded from these rate increases.

T. Effective for dates of service on or after

~~March~~January 1, ~~2017~~2020, ~~supplemental payments~~the inpatient per diem rate paid to ~~non-rural, non-state~~ acute care hospitals ~~that qualify~~shall be increased by 3.2 percent of the per diem rate on file as ~~a high Medicaid hospital shall be annual~~of December 31, 2019. ~~The amount appropriated for annual supplemental payments shall be reduced to \$1,000. Each qualifying hospital's annual supplemental payment shall be calculated based on the pro rata share of the reduced appropriation.~~

1. Small rural hospitals as defined in R.S. 40:1189.3 and public-private partnership hospitals as defined in LAC 50:V.1701-1703 shall be exempt from this rate increase.

2. Carve-out specialty units, nursery boarder, and well baby services are included in these rate increases.

U. Effective for dates of service on or after January 1, ~~2017~~2021, the inpatient per diem rate paid to acute care hospitals shall be increased by ~~7.03~~3.2 percent of the per diem rate on file as of December 31, ~~2016~~2020.

1. Small rural hospitals as defined in R.S. 40:~~1300~~1189.3 and public-private partnership hospitals as defined in LAC 50:V.1701-1703 shall be exempt from this rate increase.

2. Carve-out specialty units, nursery boarder, and well baby services are included in these rate increases.

~~V. Effective for dates of service on or after January 1, 2018, the inpatient per diem rate paid to acute care hospitals shall be increased by indexing to 56 percent of the small rural hospital prospective per diem rate in effect on January 1, 2017.~~

~~1. Acute care hospitals whose per diem rates as of January 1, 2017, excluding the graduate medical education portion of the per diem, are greater than 56 percent of the January 1, 2017 small rural hospital rate shall not be increased.~~

~~2. Carve-out specialty units, nursery boarder, and well baby services are excluded from these rate increases.~~

~~W. Effective for dates of service on or after January 1, 2020, the inpatient per diem rate paid to acute care hospitals shall be increased by 3.2 percent of the per diem rate on file as of December 31, 2019.~~

~~1. Small rural hospitals as defined in R.S. 40:1300 and public-private partnership hospitals as defined in LAC 50:V.1701-1703 shall be exempt from this rate increase.~~

~~2. Carve-out specialty units, nursery boarder, and well-baby services are included in these rate increases.~~

~~X. Effective for dates of service on or after January 1, 2021, the inpatient per diem rate paid to acute care hospitals shall be increased by 3.2 percent of the per diem rate on file as of December 31, 2020.~~

~~1. Small rural hospitals as defined in R.S. 40:1300 and public-private partnership hospitals as defined in LAC 50:V.1701-1703 shall be exempt from this rate increase.~~

~~2. Carve-out specialty units, nursery boarder, and well-baby services are included in these rate increases.~~[V. -](#)

[X.2. Repealed.](#)

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 and Hospitals, Office of the Secretary, Bureau of Health Services Financing, LR 34:876 (May 2008), amended LR 34:877 (May

2008), amended by the Department of Health and Hospitals, Bureau of Health Services Financing, LR 35:1895, 1896 (September 2009), repromulgated LR 35:2182 (October 2009), amended LR 36:1552 (July 2010), LR 36:2561 (November 2010), LR 37:2161 (July 2011), LR 39:3095 (November 2013), LR 39:3297 (December 2013), LR 40:312 (February 2014), repromulgated LR 40:1939, 1940 (October 2014), LR 41:133 (January 2015), amended by the Department of Health, Bureau of Health Services Financing, LR 43:963 (May 2017), LR 43:1389 (July 2017), repromulgated LR 43:1757 (September 2017), amended LR 43:2533 (December 2017), repromulgated LR 44:1445 (August 2018), amended LR 45:1770 (December 2019), LR 46:1683 (December 2020), LR 49:

§955. Long-Term Hospitals

A. - C. ...

D. ~~Hurricane Impacted Hospitals.~~ Effective for dates of service on or after ~~July 1~~August 4, 2009, ~~a quarterly supplemental payment will~~the prospective per diem rate paid to long term hospitals for inpatient services shall be ~~issued to qualifying long term hospitals for services rendered from July 1,~~reduced by 6.3 percent of the per diem rate on file as of August 3, 2009~~through December 31, 2010. Maximum aggregate payments to all qualifying hospitals in this group (along with §961.A payments) will not exceed \$500,000.~~

~~1. Qualifying Criteria. In order to qualify for the supplemental payment, the long term hospital must have had at least 100 paid Medicaid days for state fiscal year 2008 service dates and must be located in one of the following LDH administrative regions:~~

- ~~a. Region 1 (New Orleans);~~
- ~~b. Region 2 (Baton Rouge);~~
- ~~c. Region 3 (Thibodaux);~~
- ~~d. Region 5 (Lake Charles); or~~
- ~~e. Region 9 (Mandeville).~~

~~2. Each eligible hospital shall receive quarterly supplemental payments at the rate of \$40 per Medicaid paid day for state fiscal year 2008 service dates. Payments will end on December 31, 2010 or when the \$500,000 maximum payment limit for this group is reached, whichever occurs first.~~1. - 2. Repealed.

E. Effective for dates of service on or after ~~August 4, 2009,~~ February 3, 2010, the ~~prospective inpatient~~ per diem rate paid to long term hospitals ~~for inpatient services~~ shall be reduced by ~~6.35~~ percent of the per diem rate on file as of ~~August 3, 2009~~ February 2, 2010.

F. Effective for dates of service on or after ~~February 3~~ August 1, 2010, the inpatient per diem rate paid to long term hospitals shall be reduced by ~~5~~ 4.6 percent of the per diem rate on file as of ~~February 2~~ July 31, 2010.

G. Effective for dates of service on or after ~~August~~January 1, ~~2010~~2011, the inpatient per diem rate paid to long term hospitals shall be reduced by ~~4.6~~2 percent of the per diem rate on file as of ~~July~~December 31, 2010.

H. Effective for dates of service on or after ~~January~~August 1, ~~2011~~2012, the inpatient per diem rate paid to long term hospitals shall be reduced by ~~2~~3.7 percent of the per diem rate on file as of ~~December~~July 31, ~~2010~~2012.

I. Effective for dates of service on or after ~~August~~February 1, ~~2012~~2013, the inpatient per diem rate paid to long term hospitals shall be reduced by ~~3.7~~1 percent of the per diem rate on file as of ~~July~~January 31, ~~2012~~2013.

J. Effective for dates of service on or after ~~February~~January 1, ~~2013~~2017, the inpatient per diem rate paid to long term hospitals shall be ~~reduced~~increased by ~~1~~7.03 percent of the per diem rate on file as of ~~January~~December 31, ~~2013~~2016.

K. Effective for dates of service on or after January 1, ~~2017~~2018, the inpatient per diem rate paid to long-term hospitals shall be increased by ~~7.03~~indexing to 42 percent of the small rural hospital prospective per diem rate in effect on ~~file as of December 31, 2016~~January 1, 2017. Long term hospitals whose per diem rates as of January 1, 2017, excluding the graduate medical education portion of the per diem, are greater

than 42 percent of the January 1, 2017 small rural hospital rate shall not be increased.

L. Effective for dates of service on or after January 1, ~~2018~~2020, the inpatient per diem rate paid to long-term acute hospitals shall be increased by indexing to ~~42~~45 percent of the small rural hospital prospective per diem rate in effect on January 1, ~~2017~~2019. Long-term hospitals whose per diem rates as of January 1, ~~2017~~2019, excluding the graduate medical education portion of the per diem, are greater than ~~42~~45 percent of the January 1, ~~2017~~2019 small rural hospital rate shall not be increased.

M. Effective for dates of service on or after January 1, ~~2020~~2021, the inpatient per diem rate paid to long-term acute hospitals shall be increased by ~~indexing to 45~~3.2 percent of the ~~small rural hospital prospective~~ per diem rate ~~in effect on~~ January 1, ~~2019~~. ~~Long-term hospitals whose per diem rates as of~~ January 1, ~~2019, excluding the graduate medical education~~ portion of the per diem, are greater than 45 percent of the January 1, ~~2019~~ small rural hospital rate shall not be ~~increased~~file as of December 31, 2020.

N. ~~Effective for dates of service on or after January 1, 2021, the inpatient per diem rate paid to long-term acute~~ hospitals shall be increased by 3.2 percent of the per diem rate ~~on file as of December 31, 2020~~.Repealed.

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 and Hospitals, Office of the Secretary, Bureau of Health Services Financing, LR: 34:876 (May 2008), amended by the Department of Health and Hospitals, Bureau of Health Services Financing, LR 35:1895 (September 2009), amended LR 36:1554 (July 2010), LR 36:2562 (November 2010), LR 37:2162 (July 2011), LR 40:312 (February 2014), repromulgated LR 40:1940 (October 2014), amended by the Department of Health, Bureau of Health Services Financing, LR 43:964 (May 2017), LR 43:2533 (December 2017), repromulgated LR 44:1445 (August 2018), amended LR 45:1770 (December 2019), LR 46:1683 (December 2020), LR 49:

§957. Hospital Intensive Neurological Rehabilitation Units

~~A. For dates of service on or after September 1, 2007, the prospective per diem rate paid to hospital intensive neurological rehabilitation care units shall be increased by 4.75 percent of the rate on file for August 31, 2007.~~[Repealed.](#)

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 and Hospitals, Office of the Secretary, Bureau of Health Services Financing, LR 34:876 (May 2008), repealed by the

Department of Health, Bureau of Health Services Financing, LR

49:

§959. Inpatient Psychiatric Hospital Services

A. - C. ...

D. ~~Free-Standing Psychiatric Hospitals Impacted by Hurricanes Katrina and Rita.~~ Effective for dates of service on or after ~~July 1~~August 4, 2009, ~~a quarterly supplemental payment will be issued~~ the prospective per diem rate paid to ~~qualifying non-rural, non-state~~ free-standing psychiatric hospitals ~~for services rendered from July 1, 2009 through December 31, 2010 shall be reduced by 5.8 percent of the rate on file as of August 3, 2009.~~ ~~Maximum aggregate payments to all qualifying hospitals in this group (along with §953.F and §961.A payments) will not exceed \$10,000,000.~~

~~1. Qualifying Criteria. Non-rural, non-state freestanding psychiatric hospitals that do not qualify for payment under §953.F provisions may receive a supplemental payment if the hospital is located in either the New Orleans or Lake Charles metropolitan statistical area (MSA), had at least 1,000 paid Medicaid days for state fiscal year 2008 service dates and is currently operational.~~

~~2. Each eligible hospital shall receive quarterly supplemental payments which in total do not exceed \$1,200,000 per hospital for the 18 month period.~~

~~_____ a. Payments will be distributed as follows using Medicaid paid days for state fiscal year 2008 service dates.~~

~~_____ i. Qualifying hospitals with greater than 7,500 paid Medicaid days for state fiscal year 2008 service dates will be paid \$60 per Medicaid paid day.~~

~~_____ ii. Qualifying hospitals with greater than 1,000, but less than or equal to 7,500 paid Medicaid days for state fiscal year 2008 service dates will be paid \$130 per Medicaid paid day.~~

~~_____ b. Payments will end on December 31, 2010 or when the \$1,200,000 limit is reached, whichever occurs first.~~1. -

2.b. Repealed.

E. ~~Free-Standing Psychiatric Hospitals Impacted by Hurricanes Gustav and Ike.~~ Effective for dates of service on or after ~~July 1,~~August 4, 2009, ~~a quarterly supplemental payment will be issued to qualifying free-standing~~the prospective per diem rate paid to non-rural, non-state distinct part psychiatric hospitals ~~for services rendered from July 1, 2009 through December 31, 2010~~units shall be reduced by 6.3 percent of the rate on file as of August 3, 2009. ~~Maximum aggregate payments to all qualifying hospitals in this group (along with \$953.C and \$961.C payments) will not exceed \$7,500,000.~~

~~1. Qualifying Criteria. Non-rural, non-state free-standing psychiatric hospitals that do not qualify for payment~~

~~under §953.E or §953.F may receive a supplemental payment if the hospital is located in either LDH administrative region 2 (Baton Rouge) or 3 (Thibodaux), had at least 1,000 paid Medicaid days for state fiscal year 2008 service dates and is currently operational.~~

~~2. Each eligible hospital shall receive quarterly supplemental payments which in total do not exceed \$1,200,000 per hospital for the 18 month period.~~

~~a. Payments will be distributed as follows using Medicaid paid days for state fiscal year 2008 service dates.~~

~~i. Qualifying hospitals with greater than 20,000 paid Medicaid days for state fiscal year 2008 service dates will be paid \$60 per Medicaid paid day.~~

~~ii. Qualifying hospitals with greater than 2,500, but less than or equal to 20,000 paid Medicaid days for state fiscal year 2008 service dates will be paid \$105 per Medicaid paid day.~~

~~iii. Qualifying hospitals with greater than 1,000, but less than or equal to 2,500 paid Medicaid days for state fiscal year 2008 service dates will be paid \$225 per Medicaid paid day.~~

~~b. Payments will end on December 31, 2010 or when the \$1,200,000 limit is reached, whichever occurs first.~~1.

- 2.b. Repealed.

F. Effective for dates of service on or after ~~August 4, 2009~~February 3, 2010, the prospective per diem rate paid to non-rural, non-state free-standing psychiatric hospitals and distinct part psychiatric units within non-rural, non-state acute care hospitals shall be reduced by ~~5-8~~ percent of the per diem rate on file as of ~~August 3, 2009~~February 2, 2010.

G. Effective for dates of service on or after August ~~4, 2009~~1, 2010, the prospective per diem rate paid to non-rural, non-state ~~distinct part~~free-standing psychiatric ~~units~~hospitals and distinct part psychiatric units within non-rural, non-state acute care hospitals shall be reduced by ~~6-34.6~~ percent of the per diem rate on file as of ~~August 3, 2009~~July 31, 2010.

H. Effective for dates of service on or after ~~February 3, 2010~~January 1, 2011, the prospective per diem rate paid to non-rural, non-state free-standing psychiatric hospitals and distinct part psychiatric units within non-rural, non-state acute care hospitals shall be reduced by ~~5~~2 percent of the per diem rate on file as of ~~February 2~~December 31, 2010.

I. Low Income and Needy Care Collaboration. Effective for dates of service on or after ~~August~~January 1, ~~2010, the prospective per diem rate paid~~2012, quarterly supplemental

payments shall be issued to qualifying non-rural, non-state free-standing psychiatric hospitals ~~and distinct part psychiatric units within non-rural, non-state acute care hospitals shall be reduced by 4.6 percent of~~ for inpatient services rendered during the ~~per diem rate on file as of July 31, 2010~~ quarter. Maximum aggregate payments to all qualifying hospitals in this group shall not exceed the available upper payment limit per state fiscal year.

1. Qualifying Criteria. In order to qualify for the supplemental payment, the non-state free-standing psychiatric hospital must be affiliated with a state or local governmental entity through a low income and needy care collaboration agreement.

a. A non-state free-standing psychiatric hospital is defined as a free-standing psychiatric hospital which is owned or operated by a private entity.

b. A low income and needy care collaboration agreement is defined as an agreement between a hospital and a state or local governmental entity to collaborate for the purposes of providing healthcare services to low income and needy patients.

2. Each qualifying hospital shall receive quarterly supplemental payments for the inpatient services rendered during

the quarter. Quarterly payment distribution shall be limited to one-fourth of the lesser of:

a. the difference between each qualifying hospital's inpatient Medicaid billed charges and Medicaid payments the hospital receives for covered inpatient psychiatric services provided to Medicaid recipients. Medicaid billed charges and payments will be based on a 12 consecutive month period for claims data selected by the department; or

b. for hospitals participating in the Medicaid Disproportionate Share Hospital (DSH) program, the difference between the hospital's specific DSH limit and the hospital's DSH payment for the applicable payment period.

J. Effective for dates of service on or after ~~January 1, 2011, the prospective per diem rate paid to non-rural,~~ February 10, 2012, a Medicaid-enrolled non-state ~~free-standing~~ acute care hospital that enters into a cooperative endeavor agreement (CEA) with the Department of Health, Office of Behavioral Health to provide inpatient psychiatric ~~hospitals~~ services to Medicaid and ~~distinct part psychiatric units within non-rural, non-state acute care hospitals shall be reduced by 2 percent of~~ uninsured patients, and which also assumes the ~~per diem rate on file~~ as operation and management of ~~December 31, 2010~~ formerly state-owned and operated psychiatric hospitals/visits, shall be paid a per diem rate of \$581.11 per day.

K. ~~Low Income and Needy Care Collaboration.~~ Effective for dates of service on or after January 1, ~~2012, quarterly supplemental payments shall be issued to qualifying~~2017, the prospective per diem rate paid to non-rural, non-state free-standing psychiatric hospitals ~~for inpatient services rendered during the quarter. Maximum aggregate payments to all qualifying hospitals in this group,~~ and distinct part psychiatric units within non-rural, non-state acute care hospitals, shall ~~not exceed~~be increased by 2 percent of the ~~available upper payment limit per state fiscal year~~per diem rate on file as of December 31, 2016.

1. ~~Qualifying Criteria. In order to qualify for the supplemental payment, the non-state free-standing~~Inpatient hospital psychiatric hospital ~~must be affiliated with a state or local governmental entity through a low income and needy care collaboration agreement~~ services provided under a public-private partnership as defined in §959.J of this Chapter, LAC 50:V.1701 and LAC 50:V.2901 shall be exempt from this rate increase.

~~a. A non-state free-standing psychiatric hospital is defined as a free-standing psychiatric hospital which is owned or operated by a private entity.~~

~~b. A low income and needy care collaboration agreement is defined as an agreement between a hospital and a state or local governmental entity to collaborate for the~~

~~purposes of providing healthcare services to low income and needy patients.~~

~~2. Each qualifying hospital shall receive quarterly supplemental payments for the inpatient services rendered during the quarter. Quarterly payment distribution shall be limited to one-fourth of the lesser of:~~

~~a. the difference between each qualifying hospital's inpatient Medicaid billed charges and Medicaid payments the hospital receives for covered inpatient psychiatric services provided to Medicaid recipients. Medicaid billed charges and payments will be based on a 12 consecutive month period for claims data selected by the department; or~~

~~b. for hospitals participating in the Medicaid Disproportionate Share Hospital (DSH) Program, the difference between the hospital's specific DSH limit and the hospital's DSH payments for the applicable payment period.~~ 1.a. - 2.b. Repealed.

L. Effective for dates of service on or after ~~February 10, 2012~~, a Medicaid-enrolled January 1, 2018, the prospective per diem rate paid to non-rural, non-state free-standing psychiatric hospitals, and distinct part psychiatric units within non-rural, non-state acute care ~~hospital that enters into a cooperative endeavor agreement (CEA) with the Department of Health, Office of Behavioral Health to provide inpatient psychiatric hospital services to Medicaid and uninsured~~

~~patients, and which also assumes the operation and management of~~
~~formerly state-owned and operated psychiatric hospitals/visits,~~
shall be ~~paid a per diem rate~~increased by indexing to 31 percent
of ~~\$581.11 per day~~the small rural hospital prospective per diem
rate in effect on January 1, 2017.

1. Psychiatric hospitals and units whose per diem
rates as of January 1, 2017, excluding the graduate medical
education portion of the per diem, are greater than 31 percent
of the January 1, 2017 small rural hospital rate shall not be
increased.

2. Inpatient hospital psychiatric services provided
under a public-private partnership as defined in §959.J of this
Chapter, LAC 50:V.1701 and LAC 50:V.2901 shall be exempt from
this rate increase.

M. Effective for dates of service on or after January 1,
~~2017~~2020, the prospective per diem rate paid to non-rural, non-
state free-standing psychiatric hospitals, and distinct part
psychiatric units within non-rural, non-state acute care
hospitals, shall be increased by ~~2~~32 percent of the small rural
hospital prospective per diem rate in effect on ~~file as of~~
~~December 31, 2016~~January 1, 2019.

~~1. Inpatient hospital psychiatric services provided~~
~~under a public-private partnership as defined in~~
~~§959.L~~Psychiatric hospitals and units whose per diem rates as of

~~this Chapter, LAC 50:V.1701 and LAC 50:V.2901 shall be exempt from this~~ January 1, 2019, excluding the graduate medical portion of the per diem, are greater than 32 percent of the January 1, 2019 small rural hospital rate ~~increase~~ shall not be increased.

2. Inpatient hospital psychiatric services provided under a public-private partnership as defined in §959.J of this Chapter, LAC 50:V.1701 and LAC 50:V.2901 shall be exempt from this rate increase.

N. Effective for dates of service on or after January 1, ~~2018~~ 2021, the ~~prospective inpatient~~ per diem rate paid to non-rural, non-state free-standing psychiatric hospitals, and distinct part psychiatric units within non-rural, non-state acute care hospitals, shall be increased by ~~indexing to 31~~ 3.2 percent of the ~~small rural hospital prospective~~ per diem rate in ~~effect~~ on ~~January 1, 2017~~ file as of December 31, 2020.

~~1. Psychiatric hospitals and units whose per diem rates~~ Inpatient hospital psychiatric services provided under a public-private partnership as of January 1, 2017, excluding the graduate medical education portion ~~defined in §959.J of the per diem, are greater than 31 percent of the January 1, 2017 small rural hospital rate~~ this Chapter, LAC 50:V.1701 and LAC 50:V.2901 shall not be increased exempt from this rate increase.

~~2. Inpatient hospital psychiatric services provided under a public-private partnership as defined in §959.L of this~~

~~Chapter, LAC 50:V.1701 and LAC 50:V.2901 shall be exempt from this rate increase.~~

~~——— O. — Effective for dates of service on or after January 1, 2020, the prospective per diem rate paid to non-rural, non-state free-standing psychiatric hospitals, and distinct part psychiatric units within non-rural, non-state acute care hospitals, shall be increased by indexing to 32 percent of the small rural hospital prospective per diem rate in effect on January 1, 2019.~~

~~————— 1. — Psychiatric hospitals and units whose per diem rates as of January 1, 2019, excluding the graduate medical education portion of the per diem, are greater than 32 percent of the January 1, 2019 small rural hospital rate shall not be increased.~~

~~————— 2. — Inpatient hospital psychiatric services provided under a public-private partnership as defined in §959.L of this Chapter, LAC 50:V.1701 and LAC 50:V.2901 shall be exempt from this rate increase.~~

~~——— P. — Effective for dates of service on or after January 1, 2021, the inpatient per diem rate paid to non-rural, non-state free-standing psychiatric hospitals, and distinct part psychiatric units within non-rural, non-state acute care hospitals shall be increased by 3.2 percent of the per diem rate on file as of December 31, 2020.~~

~~1. Inpatient hospital psychiatric services provided under a public-private partnership as defined in §959.L of this Chapter, LAC 50:V.1701 and LAC 50:V.2901 shall be exempt from this rate increase.~~ N.2. - P.1. Repealed.

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 and Hospitals, Office of the Secretary, Bureau of Health Services Financing, LR 34:876 (May 2008), amended by the Department of Health and Hospitals, Bureau of Health Services Financing, LR 35:1895 (September 2009), amended LR 36:1554 (July 2010), LR 36:2562 (November 2010), LR 37:2162 (July 2011), LR 39:94 (January 2013), LR 39:323 (February 2013), amended by the Department of Health, Bureau of Health Services Financing, LR 43:964 (May 2017), LR 43:2533 (December 2017), LR 44:1446 (August 2018), LR 45:1771 (December 2019), LR 46:1683 (December 2020), LR 49:

§969. Transplant Services

A. Qualifying Criteria. The hospital must be a Medicare approved transplant center for each type of organ transplant to qualify for reimbursement of Medicaid transplant services. Bone marrow transplant, stem cell transplant, and certain autologous immunotherapies (such as CAR T-cell therapy) services shall only be allowable for payment to hospitals that

are accredited by the Foundation for the Accreditation of Cellular Therapy (FACT).

B. Reimbursement Methodology. Reimbursement shall be limited to the lesser of allowable cost, net of capital and medical education cost, or the hospital-specific per diem limitation calculated for each type of transplant.

1. Allowable cost is defined as the ratio of cost to charges from the annual filed cost report multiplied by the covered charges, net of capital and medical education cost, for the specific transplant type.

2. The per diem limitation is calculated by deriving the hospital's per diem for the transplant type from the hospital's base period trended forward using the annual Medicare target rate inflation percentage for prospective payment system (PPS)-exempt hospitals.

3. The base period is the cost report period for the hospital's fiscal year ending September 30, 1983 through August 31, 1984. The base period for types of transplants that were not performed in the base period shall be the first cost report filed subsequently that includes costs for that type of transplant.

4. Reasonable capital and medical education costs as calculated per the annual filed cost report shall be paid as a

pass through cost and included in cost report settlement amounts.

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 49:

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 Tara A. LeBlanc, Bureau of Health Services Financing, P.O. Box 91030, Baton Rouge, LA 70821-9030. Ms. LeBlanc is responsible for responding to inquiries regarding this proposed Rule. The deadline for submitting written comments is at 4:30 p.m. on June 29, 2023.

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 June 9, 2023. 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 June 29, 2023 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 June 9, 2023. 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.

Dr. Courtney N. Phillips

Secretary