

NOTICE OF INTENT

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

**Inpatient Hospital Services
Office of Public Health Newborn Screening Payments
(LAC 50:V.115)**

The Department of Health, Bureau of Health Services Financing proposes to adopt LAC 50:V.115 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 provides reimbursement through the Medical Assistance Program to the Office of Public Health (OPH) for laboratory services rendered in an acute care inpatient hospital setting in compliance with the requirements of Act 840 of the 1997 Regular Session of the Louisiana Legislature.

The department promulgated an Emergency Rule which amended the provisions governing inpatient hospital services in order to establish Medicaid reimbursement to OPH for newborn screenings provided in an acute care inpatient hospital setting, and to ensure that these provisions are promulgated in a clear and concise manner in the *Louisiana Administrative Code (Louisiana Register, Volume 43, Number 8)*. The department subsequently promulgated an Emergency Rule which amended the provisions of the August 5, 2017 Emergency Rule in order to clarify the

legislatively mandated requirements for OPH newborn screenings governed by these provisions (*Louisiana Register*, Volume 43, Number 10). This proposed Rule is being promulgated to continue the provisions of the August 5, 2017 and October 20, 2017 Emergency Rules.

Title 50
PUBLIC HEALTH-MEDICAL ASSISTANCE
Part V. Hospital Services
Subpart 1. Inpatient Hospitals Services

Chapter 1. General Provisions

§115. Office of Public Health Newborn Screenings

A. The Department of Health, Bureau of Health Services Financing shall provide reimbursement to the Office of Public Health (OPH) through the Medical Assistance Program for newborn screenings performed by OPH on specimens taken from children in acute care hospital settings.

B. Reimbursement

1. Effective for dates of service on or after August 5, 2017, claims submitted by OPH to the Medicaid Program for the provision of legislatively mandated inpatient hospital newborn screenings shall be reimbursed outside of the acute hospital per diem rate for the inpatient stay.

a. The hospital shall not include any costs related to newborn screening services provided and billed by OPH in its Medicaid cost report(s).

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, Bureau of Health Services Financing, LR 44:

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 Wednesday, November 29, 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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Address: Baton Rouge, LA

Rule Title: Inpatient Hospital Services
Office of Public Health
Newborn Screening Payments

Date Rule Takes Effect: August 5, 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 have no programmatic fiscal impact to the state other than the cost of promulgation for FY 17-18. It is anticipated that \$432 (\$216 SGF and \$216 FED) will be expended in FY 17-18 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 not affect revenue collections other than the federal share of the promulgation costs for FY 17-18. It is anticipated that \$216 will be collected in FY 17-18 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 OR NON-GOVERNMENTAL GROUPS (Summary)

This proposed Rule continues the provisions of the August 5, 2017 and October 20, 2017 Emergency Rules which amended the provisions governing inpatient hospital services in order to establish in the Louisiana Administrative Code (LAC) the Medicaid reimbursement methodology that is used to make payments to the Office of Public Health for legislatively mandated newborn screenings provided in an acute care inpatient hospital setting. This action will align the department's rule provisions with current operational procedures. Since these expenditures are already included in the payments made to the managed care organizations, it is anticipated that implementation of this proposed rule will not have a fiscal impact to the Medicaid Program for FY 17-18, FY 18-19 and FY 19-20. The proposed rule will not have an economic impact to providers, but may be beneficial since the rule will establish and authorize the payment authority in the LAC.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

This rule has no known effect on competition and employment.



Signature of Agency Head
or Designee



Legislative Fiscal Officer
or Designee

Jen Steele, Medicaid Director
Typed name and Title of
Agency Head or Designee

10/9/2017

Date of Signature



LDH/BHSF Budget Head

10/09/17

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 August 5, 2017 and October 20, 2017 Emergency Rules which amended the provisions governing inpatient hospital services in order to establish in the Louisiana Administrative Code (LAC) the Medicaid reimbursement methodology that is used to make payments to the Office of Public Health for legislatively mandated newborn screenings provided in an acute care inpatient hospital setting. This action will align the department's rule provisions with current operational procedures.

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

The Department of Health, Bureau of Health Services Financing provides reimbursement through the Medical Assistance Program to the Office of Public Health (OPH) for laboratory services rendered in an acute care inpatient hospital setting in compliance with the requirements of Act 840 of the 1997 Regular Session of the Louisiana Legislature.

The department promulgated an Emergency Rule which amended the provisions governing inpatient hospital services in order to establish Medicaid reimbursement to OPH for newborn screenings provided in an acute care inpatient hospital setting, and to ensure that these provisions are promulgated in a clear and concise manner in the Louisiana Administrative Code (Louisiana Register, Volume 43, Number 8). The department subsequently promulgated an Emergency Rule which amended the provisions of the August 5, 2017 Emergency Rule in order to clarify the legislatively mandated requirements for OPH newborn screenings governed by these provisions (Louisiana Register, Volume 43, Number 10). This proposed Rule is being promulgated to continue the provisions of the August 5, 2017 and October 20, 2017 Emergency Rules.

- 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.

No. 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 17-18. It is anticipated that \$432 will be expended in FY 17-18 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 17-18	FY 18-19	FY 19-20
PERSONAL SERVICES			
OPERATING EXPENSES	\$432	\$0	\$0
PROFESSIONAL SERVICES			
OTHER CHARGES			
REPAIR & CONSTR.			
POSITIONS (#)			
TOTAL	\$432	\$0	\$0

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.

In FY 17-18, \$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 17-18	FY 18-19	FY 19-20
STATE GENERAL FUND	\$216	\$0	\$0
SELF-GENERATED			
FEDERAL FUND	\$216	\$0	\$0
OTHER (Specify)			
Total	\$432	\$0	\$0

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 17-18	FY 18-19	FY 19-20
STATE GENERAL FUND			
AGENCY SELF-GENERATED			
RESTRICTED FUNDS*			
FEDERAL FUNDS	\$216	\$0	\$0
LOCAL FUNDS			
Total	\$216	\$0	\$0

***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 17-18, \$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 August 5, 2017 and October 20, 2017 Emergency Rules which amended the provisions governing inpatient hospital services in order to establish in the Louisiana Administrative Code (LAC) the Medicaid reimbursement methodology that is used to make payments to the Office of Public Health for legislatively mandated newborn screenings provided in an acute care inpatient hospital setting. This action will align the department's rule provisions with current operational procedures.

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

Since these expenditures are already included in the payments made to the managed care organizations, it is anticipated that implementation of this proposed rule will not have a fiscal impact to the Medicaid Program for FY 17-18, FY 18-19 and FY 19-20. The proposed rule will not have an economic impact to providers, but may be beneficial since the rule will establish and authorize the payment authority in the LAC.

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.