




State of Louisiana
Louisiana Department of Health
Office of the Secretary

February 10, 2025

Via Statutorily Prescribed Email

To: The Honorable Cameron Henry, President, Louisiana Senate
The Honorable Phillip DeVillier, Speaker, Louisiana House of Representatives
The Honorable Chairman Patrick McMath, Senate Health & Welfare Committee
The Honorable Chairman Dustin Miller, House Health & Welfare Committee

From: Michael Harrington, MBA, MA
Secretary 

Re: First Report: Proposed Amendments to LAC 50:III.2309 – Medicaid Purchase Plan – Recipient Eligibility

Under the authority of the laws of the State of Louisiana and in accordance with the provisions of Chapter 6 of Title 36 of the Louisiana Revised Statutes of 1950, and with the Administrative Procedure Act, La. R.S. 49:950 *et seq.*, the secretary hereby gives notice that rulemaking procedures have been initiated to promulgate amendments to the rules governing Medicaid Purchase Plan – Recipient Eligibility, LAC 50:III.2309.

- I. Copy of the rule as it is proposed after amendment, with new proposed language indicated by the underscored text and deleted language indicated by the strike-through type.

See attachment.

- II. A statement of the proposed action.

The Medicaid Purchase Plan Program for workers with disabilities under title XIX of the Social Security Act. The Medicaid Purchase Plan allows persons who meet the Social Security disability criteria to seek the employment services, vocational rehabilitation services, and other support services needed to obtain, regain or maintain employment, and reduce their independence on cash benefit programs. The changes proposed to the Medicaid Purchase Plan Program are to increase the income limit to 200% of the Federal Poverty Level from 100%, to increase the amount of countable resources (assets) the worker may own up to \$25,000 from \$10,000 and to impose a buy in premium for workers with a net

income above 150% up to 250% of the federal poverty level. If the worker has a net income less than or equal to 150 percent of the federal poverty level, there shall be no cost to the worker. If the worker has a net income greater than 150 percent of the federal poverty level but equal to or less than or equal to 200 percent of the federal poverty level, there shall be a buy in premium of \$131 per month.

III. Specific citation of law authorizing promulgation of the rule.

La. R.S. 36:254, Title XIX of the Social Security Act, SCR 17 of the 2024 Regular Session, and La. R.S. 49:950 *et seq.*

IV. Circumstances that require the amendment of the rule.

SCR 17 of the 2024 Regular Session requested LDH to increase eligibility requirements for the Medicaid Purchase Plan.

V. Statement of Fiscal and Economic Impact.

See attachment.

Please contact Joseph Wade Henry, Joseph.Henry@la.gov, if you have any questions or require additional information about this matter.

Attachments (2)

Cc: Kimberly Sullivan, Medicaid Director, LDH
Brian Bennett, Medicaid Deputy Director, LDH
Charlene Julien, Medicaid Deputy Director, LDH
Christopher Chase, 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**

**Medicaid Purchase Plan
Recipient Eligibility
(LAC 50:III.2309)**

The Department of Health, Bureau of Health Services Financing proposes to amend LAC 50:III.2309 in the Medical Assistance Program as authorized by R.S. 36:254 and pursuant to Title XIX of the Social Security Act and SCR 17 of the 2024 Regular Session. This proposed Rule is promulgated in accordance with the provisions of the Administrative Procedure Act, R.S. 49:950 et seq.

The Medicaid Purchase Plan allows persons who meet the Social Security disability criteria to seek the employment services, vocational rehabilitation services, and other support services needed to obtain, regain or maintain employment, and reduce their independence on cash benefit programs. Senate Concurrent Resolution 17 of the 2024 Regular Session of the Louisiana Legislature requests that the Department of Health increase eligibility requirements for the Medicaid Purchase Plan. This rulemaking action proposes to increase the income limit for this program from 100 percent to 200 percent of the federal poverty level (FPL), requires premiums for workers with

income above 150 percent of FPL and increases the countable resources the worker can own from \$10,000 to \$25,000.

Title 50
PUBLIC HEALTH-MEDICAL ASSISTANCE
Part III. Eligibility
Subpart 3. Eligibility Groups and Factors
Chapter 23. Eligibility Groups and Medicaid Programs
§2309. Medicaid Purchase Plan [Formerly LAC 50:III.763-765]

A. ~~Effective January 1, 2004, the Department of Health and Hospitals, Office of the Secretary, Bureau of Health Services Financing implemented the Medicaid Purchase Plan Program for workers with disabilities under title XIX of the Social Security Act. The Medicaid Purchase Plan allows persons who meet the Social Security disability criteria to seek the employment services, vocational rehabilitation services, and other support services needed to obtain, regain or maintain employment, and reduce their independence on cash benefit programs.~~ The Medicaid Purchase Plan provides Medicaid coverage to individuals who meet the following criteria:

1. have earned income;
2. are at least 16, but not yet 65 years of age;
3. meet the Supplemental Security Income's definition of disability, except for earnings;
4. have countable income less than or equal to 200 percent of the federal poverty level (FPL);

5. have countable resources less than or equal to \$25,000; and

6. pay a monthly premium, if applicable.

B. ~~Recipient Eligibility. Effective January 1, 2014, the Medicaid purchase plan shall cover workers with disabilities who meet the following criteria:~~Premium Payment. Eligible individuals with countable income less than or equal to 150 percent~~percent~~ of the FPL are not required to pay a premium. Eligible individuals with countable income greater than 150 percent of the FPL are required to pay a premium of \$131 per month.

1. ~~are employed;~~

2. ~~are age 16 through age 64;~~

3. ~~meet the Social Security Administration criteria for disability;~~

4. ~~have net income less than 100 percent of the federal poverty level;~~

5. ~~have countable resources (assets) less than \$10,000;~~

a. ~~all life insurance policies, medical savings accounts, and retirement accounts shall be counted towards the resource limit; and~~

6. ~~are enrolled in no-cost health insurance.~~

~~C. Spousal income and resources shall be counted towards the income and resource limits.~~

~~D. Effective January 1, 2014, buy-in premiums shall be eliminated from the Medicaid Purchase Plan Program. B.1.- D.~~

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, Bureau of Health Services Financing, LR 39:3299 (December 2013), amended by the Department of Health, Bureau of Health Services Financing, 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 a positive impact on family functioning, stability and autonomy as described in R.S. 49:972, as it provides access to the Medicaid Purchase Plan for persons who may have been previously denied due to income exclusions.

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 a positive impact on child, individual, or family poverty in relation to individual or community asset development as described in R.S. 49:973, as it provides access to the Medicaid Purchase Plan for persons who may have been previously denied due to income exclusions.

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 positive 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 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**

Person Preparing Statement	<u>Lyrica Johnson</u>	Dept:	<u>LDH</u>
			<u>Bureau of Health Services</u>
Phone:	<u>342-6375</u>	Office:	<u>Financing</u>
Return Address:	<u>P.O. Box 91030</u>	Rule Title:	<u>Medicaid Purchase Plan</u>
	<u>Baton Rouge LA</u>		<u>Recipient Eligibility</u>
	<u>70821-9030</u>	Date Rule Takes Effect:	<u>May 20, 2025</u>

SUMMARY
(Use complete sentences)

In accordance with Section 961 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 STATEMENTS SUMMARIZE ATTACHED WORKSHEETS, I THROUGH IV AND 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 increased state costs of approximately \$20,299 for FY 24-25, \$ 1,872,137 for FY 25-26, and \$3,028,718 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 increases the eligibility income limit for this program from 100 percent to 200 percent of the federal poverty, requires premiums for workers with income above 150 percent of federal poverty, and increases the countable resource the worker can own from \$10,000 to \$25,000.

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 \$35,524 for FY 24-25, for \$3,707,689 for FY 25-26, and \$6,039,148 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 NON-GOVERNMENTAL GROUPS (Summary)

This proposed rule increases the eligibility income limit for this program from 100 percent to 200 percent of the federal poverty, requires premiums for workers with income above 150 percent of federal poverty, and increases the countable resource the worker can own from \$10,000 to \$25,000. This proposed rule amends current eligibility provisions by increasing eligibility limits for persons who meet the Social Security disability criteria. It is anticipated this proposed rule will benefit recipients by providing an affordable health insurance option for participants who were previously excluded due to income restrictions. It is anticipated that this proposed rule will result in estimated costs to the Medicaid program of \$55,283 for FY 24-25, \$5,579,826 for FY 25-26, and \$9,067,866 for FY 26-27.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

This proposed rule amends current eligibility provisions by increasing eligibility limits for persons who meet the Social Security disability criteria. This proposed rule will provide an affordable insurance option that allows for these participants to enter the workforce and/or to retain Medicaid's coverage of medical care as their income increases.



Signature of Head or Designee

Kimberly Sullivan, JD
Medicaid Executive Director

Typed Name & Title of Agency Head or Designee

02/07/2025

Date of Signature



Legislative Fiscal Officer or Designee

2/10/2025

Date of Signature



State of Louisiana
Louisiana Department of Health
Office of the Secretary

February 10, 2025

Via Statutorily Prescribed Email

To: The Honorable Cameron Henry, President, Louisiana Senate
The Honorable Phillip DeVillier, Speaker, Louisiana House of Representatives
The Honorable Chairman Patrick McMath, Senate Health & Welfare Committee
The Honorable Chairman Dustin Miller, House Health & Welfare Committee

From: Michael Harrington, MBA, MA
Secretary

A handwritten signature in blue ink, appearing to be "MH", next to the name Michael Harrington.

Re: First Report: Proposed Amendments to LAC 50:XI.10703 – Federally Qualified Health Centers – Alternative Payment Methodology

Under the authority of the laws of the State of Louisiana and in accordance with the provisions of Chapter 6 of Title 36 of the Louisiana Revised Statutes of 1950, and with the Administrative Procedure Act, La. R.S. 49:950 *et seq.*, the secretary hereby gives notice that rulemaking procedures have been initiated to promulgate amendments to the rules governing Federally Qualified Health Centers – Alternative Payment Methodology, LAC 50:XI.10703.

- I. Copy of the rule as it is proposed after amendment, with new proposed language indicated by the underscored text and deleted language indicated by the strike-through type.

See attachment.

- II. A statement of the proposed action.

The Department of Health, Bureau of Health Services Financing provides reimbursement for services rendered by federally qualified health centers (FQHCs) on a per visit basis under a prospective payment system (PPS) methodology. The department proposes to amend the provisions governing reimbursement for FQHCs in order to establish an alternative payment methodology to pay an add-on amount of \$50 per encounter in addition to the PPS rate on file for the date of service.

III. Specific citation of law authorizing promulgation of the rule.

La. R.S. 36:254, Title XIX of the Social Security Act, and La. R.S. 49:950 *et seq.*

IV. Circumstances that require the amendment of the rule.

This payment will only be allowed when the FQHC has a participating provider agreement with a managed care organization contracted with the department and the agreement includes a Category 3B alternative payment methodology as defined in the managed care organization's contract with the department and the Category 3B alternative payment methodology has been in effect for no less than twelve months prior to June 30, 2025.

V. Statement of Fiscal and Economic Impact.

See attachment.

Please contact Christine Sullivan, christine.sullivan@la.gov, if you have any questions or require additional information about this matter.

Attachments (2)

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**

**Federally Qualified Health Centers
Alternative Payment Methodology
(LAC 50:X1.10703)**

The Department of Health, Bureau of Health Services Financing proposes to amend LAC 50:X1.10703 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 for services rendered by federally qualified health centers (FQHCs) on a per visit basis under a prospective payment system (PPS) methodology. The department proposes to amend the provisions governing reimbursement for FQHCs in order to establish an alternative payment methodology to pay an add-on of \$50 per encounter in addition to the PPS rate on file for the date of service.

Title 50

PUBLIC HEALTH-MEDICAL ASSISTANCE

Part XI. Clinic Services

Subpart 13. Federally Qualified Health Centers

Chapter 107. Reimbursement Methodology

§10703. Alternative Payment Methodology

A. - J. ...

K. Effective for dates of service on or after July 1, 2025, Medicaid will increase FQHC payments by \$50 per encounter. This payment shall be reimbursed through an APM when these services are provided on the same date as a medical/dental/behavioral health visit that includes an evaluation and management procedure code as one of the detailed lines on the claim. This payment will only be allowed when the FQHC has a network provider agreement with a managed care organization that includes a Category 3B alternative payment methodology in accordance with the managed care organization's contract with the department, and the Category 3B alternative payment methodology has been in effect for no less than 12 months prior to June 30, 2025. The alternative payment methodology will pay qualifying FQHCs an add-on of \$50 in addition to the PPS rate on file for the date of service. The alternative payment methodology must be agreed to by the department and the FQHC.

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 34:1033 (June 2008), amended by the Department of Health, Bureau of Health Services Financing, LR 44:1894 (October 2018), LR 44:2162 (December 2018), LR 45:434

(March 2019), amended LR 46:182 (February 2020), LR 47:1528 (October 2021), LR 47:1875 (December 2021), LR 49:1214 (July 2023), 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 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 a positive impact on small businesses as it will increase reimbursement to providers for the services they already render.

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, but may reduce the total direct and indirect cost to the provider to provide the same level of service, and may enhance the provider's ability to provide the same level of service as described in HCR 170 since this proposed Rule increases payments to providers for the services they already render.

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 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**

Person Preparing Statement:	<u>Lyrica Johnson</u>	Dept.:	<u>Health</u>
			<u>Bureau of Health Services</u>
Phone:	<u>342-6375</u>	Office:	<u>Financing</u>
Return Address:	<u>PO Box 91030</u>	Rule Title:	<u>Federally Qualified Health Centers</u>
	<u>Baton Rouge, LA</u>		<u>Alternate Payment Methodology</u>
		Date Rule Takes Effect:	<u>May 20, 2025</u>

SUMMARY
(Use complete sentences)

In accordance with Section 961 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 STATEMENTS SUMMARIZE ATTACHED WORKSHEETS, I THROUGH IV AND 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 increased state costs of approximately \$270 for FY 24-25, \$1,566,207 for FY 25-26, and \$1,597,255 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.

The proposed rule amends the provisions governing reimbursement to federally qualified health centers in order to establish an alternative payment methodology to pay an add-on amount of \$50 per encounter in addition to the prospective payment rate on file for the date of service.

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

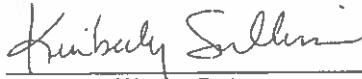
It is anticipated that the implementation of this proposed rule will increase federal revenue collections by approximately \$270 for FY 24-25, \$5,239,933 for FY 25-26, and \$5,344,457 for FY 26-27. It is anticipated that \$270 will be collected in FY 24-25 for the federal share of the expense for promulgation of this proposed rule and the final rule.

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

The proposed rule amends the provisions governing reimbursement to federally qualified health centers in order to establish an alternative payment methodology to pay an add-on amount of \$50 per encounter in addition to the prospective payment rate on file for the date of service. It is anticipated that this proposed rule will benefit providers by providing increased payment to providers for services they already render. The proposed rule is anticipated to increase payments to providers by approximately \$0 for FY 24-25 \$6,806,140 for FY 25-26, and \$6,941,712 for FY 26-27.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

This proposed rule has no known effect on competition and employment.



Signature of Head or Designee

Kimberly Sullivan, JD
Medicaid Executive Director

Typed Name & Title of Agency Head or Designee

02/07/2025

Date of Signature



Legislative Fiscal Officer or Designee

2/10/2025

Date of Signature



State of Louisiana

Louisiana Department of Health
Office of the Secretary

February 10, 2025

Via Statutorily Prescribed Email

To: The Honorable Cameron Henry, President, Louisiana Senate
The Honorable Phillip DeVillier, Speaker, Louisiana House of Representatives
The Honorable Chairman Patrick McMath, Senate Health & Welfare Committee
The Honorable Chairman Dustin Miller, House Health & Welfare Committee

From: Michael Harrington, MBA, MA
Secretary

A handwritten signature in blue ink, appearing to be "MH", with a horizontal line underneath.

Re: First Report: Proposed Amendments to LAC 50:VII.32903 – Intermediate Care Facilities for Persons with Intellectual Developmental Disabilities – Rate Determination

Under the authority of the laws of the State of Louisiana and in accordance with the provisions of Chapter 6 of Title 36 of the Louisiana Revised Statutes of 1950, and with the Administrative Procedure Act, La. R.S. 49:950 *et seq.*, the secretary hereby gives notice that rulemaking procedures have been initiated to promulgate amendments to the rules governing Intermediate Care Facilities for Persons with Intellectual Developmental Disabilities – Rate Determination, LAC 50:VII.32903.

- I. Copy of the rule as it is proposed after amendment, with new proposed language indicated by the underscored text and deleted language indicated by the strike-through type.

See attachment.

- II. A statement of the proposed action.

The rule amends the provisions governing intermediate care facilities for persons with intellectual disabilities (ICF/IID) to eliminate the expiration date on an increased per diem rate for ICFs/IID that downsized from over 100 beds to less than 35 beds prior to December 31, 2010, without the benefit of a cooperative endeavor agreement or transitional rate and that incurred excessive capital costs.

III. Specific citation of law authorizing promulgation of the rule.

La. R.S. 36:254, Title XIX of the Social Security Act, and La. R.S. 49:950 *et seq.*

IV. Circumstances that require the amendment of the rule.

This action is being taken to continue to provide services to the residents of these facilities.

V. Statement of Fiscal and Economic Impact.

See attachment.

Please contact Jackie Cummings, Jackie.Cummings2@la.gov, if you have any questions or require additional information about this matter.

Attachments (2)

Cc: Kimberly Sullivan, Medicaid Director, LDH
Brian Bennett, Medicaid Deputy Director, 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
Rate Determination
(LAC 50:VII.32903)**

The Department of Health, Bureau of Health Services Financing proposes to amend LAC 50:VII.32903 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.

Private Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICFs/IID) receive a reimbursement rate based on utilization and resident acuity. These rates are calculated using cost components appropriate for an economic and efficient ICFs/IID providing quality service. The resident per diem rates represent the best judgment of the state to provide reasonable and adequate reimbursement required to cover the costs of economic and efficient operation of ICFs/IID.

The existing provision allowed private ICFs/IID that downsized from over 100 beds to less than 35 beds prior to December 31, 2010, without the benefit of a cooperative endeavor agreement (CEA) or transitional rate and that incurred excessive capital costs, to have their per diem rates (excluding provider

fees) increased by a percent equal to the percent difference of per diem rates (excluding provider fees and dental pass through). The applicable differential was scheduled to expire on December 31, 2024. The Department of Health, Bureau of Health Services Financing promulgated an Emergency Rule amending provisions governing ICFs/IID to eliminate the expiration date. This change allows more time to address the needs of private ICFs/IID that rely on this variance, ensuring uninterrupted services to the residents of these facilities (*Louisiana Register*, Volume 51, Number 1). This proposed Rule is being promulgated to continue the provisions of the December 30, 2024 Emergency Rule.

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

§32903. Rate Determination

A. - M. ...

N. ~~Pursuant to the provisions of Act 1 of the 2020 First Extraordinary Session of the Louisiana Legislature, effective~~
~~Effective~~ for dates of service on or after July 1, 2020, private
~~ICF/IID facilities~~ ICFs/IID that downsized from over 100 beds to
less than 35 beds prior to December 31, 2010, without the
benefit of a cooperative endeavor agreement (CEA) or

transitional rate and who incurred excessive capital costs, shall have their per diem rates (excluding provider fees) increased by a percent equal to the percent difference of per diem rates (excluding provider fees and dental pass through) they were paid as of June 30, 2019. See chart below with the applicable percentages:

	Intermittent	Limited	Extensive	Pervasive
1-8 beds	6.2 percent	6.2 percent	6.2 percent	6.1 percent
9-15 beds	3.2 percent	6.2 percent	6.2 percent	6.1 percent
16-32 beds	N/A	N/A	N/A	N/A
33+ beds	N/A	N/A	N/A	N/A

1. The applicable differential shall be applied anytime there is a change to the per diem rates ~~(for example, during rebase, rate reductions, inflationary changes, or special legislative appropriations). This differential shall not extend beyond December 31, 2024.~~

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 31:2253 (September 2005), amended LR 33:462 (March 2007), LR 33:2202 (October 2007), amended by the Department of Health and Hospitals, Bureau of Health Services Financing, LR 36:1555 (July 2010), LR 37:3028 (October 2011), LR 39:1780 (July 2013), LR 39:2766 (October 2013), LR 41:539 (March

2015), amended by the Department of Health, Bureau of Health Services Financing, LR 47:370 (March 2021), LR 49:687 (April 2023), 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 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 a 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, and will have no impact on the total direct and indirect cost to the provider to provide the same level of service, but will enable providers to provide the same level of service as described in HCR 170 since this proposed Rule continues the current per diem rates for qualifying facilities.

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

Person Preparing Statement:	<u>Lyrice Johnson</u>	Dept.:	<u>Health</u>
Phone:	<u>342-6375</u>	Office:	<u>Bureau of Health Services Financing</u>
Return Address:	<u>P.O. Box 91030</u>	Rule Title:	<u>Intermediate Care Facilities for Individuals with Intellectual Disabilities</u>
	<u>Baton Rouge, LA</u>		<u>Rate Determination</u>
		Date Rule Takes Effect:	<u>December 30, 2024</u>

SUMMARY (Use complete sentences)

In accordance with Section 961 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 STATEMENTS SUMMARIZE ATTACHED WORKSHEETS, I THROUGH IV AND 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 costs that are currently allocated in the budget and continue an existing fee. The cost to the state will be approximately \$207,748 for FY 24-25, \$417,055 for FY 25-26, and \$427,713 for FY 26-27. It is anticipated that \$648 (\$324 SGF and \$324 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 continues a December 30th, 2024, Emergency Rule which eliminates the expiration date on a per diem rate increase for qualified intermediate care facilities for individuals with intellectual disabilities (ICFs/IID). This increased rate applies to private ICFs/IID that downsized from over 100 beds to less than 35 beds prior to December 31, 2010, without the benefit of a cooperative endeavor agreement (CEA) or transitional rate and that incurred excessive capital costs.

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

It is anticipated that the implementation of this proposed rule will result in federal revenue collections that are currently allocated in the budget and continue an existing fee. The anticipated federal revenue collections are approximately \$442,317 for FY 24-25, \$881,777 for FY 25-26, and \$904,312 for FY 26-27. It is anticipated that \$324 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 NON-GOVERNMENTAL GROUPS (Summary)

This proposed rule continues a December 30th, 2024, Emergency Rule which eliminates the expiration date on a per diem rate increase for qualified intermediate care facilities for individuals with intellectual disabilities (ICFs/IID). This increased rate applies to private ICFs/IID that downsized from over 100 beds to less than 35 beds prior to December 31, 2010, without the benefit of a cooperative endeavor agreement (CEA) or transitional rate and that incurred excessive capital costs. The proposed rule will be beneficial to providers by continuing the rate that they currently receive, allowing them to continue providing the current level of services to recipients. It is anticipated that the cost as a result of this proposed rule will be approximately \$649,417 for FY 24-25, \$1,298,832 for FY 25-26, and \$1,332,025 for FY 26-27.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

This proposed rule has no known effect on competition and employment.



Signature of Head or Designee

Kimberly Sullivan, JD
Medicaid Executive Director

Typed Name & Title of Agency Head or Designee

02/07/2025

Date of Signature

 Patricia Thomas, Deputy Fiscal Officer

Legislative Fiscal Officer or Designee

2/10/2025

Date of Signature



State of Louisiana
Louisiana Department of Health
Office of the Secretary

February 10, 2025

Via Statutorily Prescribed Email

To: The Honorable Cameron Henry, President, Louisiana Senate
The Honorable Phillip DeVillier, Speaker, Louisiana House of Representatives
The Honorable Chairman Patrick McMath, Senate Health & Welfare Committee
The Honorable Chairman Dustin Miller, House Health & Welfare Committee

From: Michael Harrington, MBA, MA
Secretary

A handwritten signature in blue ink, appearing to be "MH", written over a horizontal line.

Re: First Report: Proposed Amendments to LAC 50:VII.32904 – Intermediate Care Facilities for Persons with Intellectual Disabilities – Temporary Reimbursement for Private Facilities

Under the authority of the laws of the State of Louisiana and in accordance with the provisions of Chapter 6 of Title 36 of the Louisiana Revised Statutes of 1950, and with the Administrative Procedure Act, La. R.S. 49:950 *et seq.*, the secretary hereby gives notice that rulemaking procedures have been initiated to promulgate amendments to the rules governing Intermediate Care Facilities for Persons with Intellectual Disabilities – Temporary Reimbursement for Private Facilities, LAC 50:VII.32904.

- I. Copy of the rule as it is proposed after amendment, with new proposed language indicated by the underscored text and deleted language indicated by the strike-through type.

See attachment.

- II. A statement of the proposed action.

This rule will extend the temporary rates for ICF residents with criminal-like behavior who transferred from Robinswood to 2 facilities with Harmony. There will be a 4-year Cooperative Endeavor Agreement (CEA) for this transition.

III. Specific citation of law authorizing promulgation of the rule.

La. R.S. 36:254, Title XIX of the Social Security Act, and La. R.S. 49:950 *et seq.*

IV. Circumstances that require the amendment of the rule.

This rule will extend the temporary rates for intermediate care facilities for persons with intellectual disabilities (ICFs/IID) that have a cooperative endeavor agreement with the Office for Citizens with Developmental Disabilities and have a high concentration of people who have intellectual/ developmental disabilities, significant behavioral health needs, and high risk behavior resulting in previous interface with the judicial system, and for whom no other private ICFs/IID provider is able to support.

V. Statement of Fiscal and Economic Impact.

See attachment.

Please contact Enrika LaCour, enrika.lacour@la.gov, if you have any questions or require additional information about this matter.

Attachments (2)

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 Temporary Reimbursement for Private Facilities (LAC 50:VII.32904)

The Department of Health, Bureau of Health Services Financing amends LAC 50:VII.32904 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 previously promulgated an Emergency Rule to extend the temporary rates for intermediate care facilities for persons with intellectual disabilities (ICFs/IID) that have a cooperative endeavor agreement with the Office for Citizens with Developmental Disabilities and have a high concentration of people who have intellectual developmental disabilities, significant behavioral health needs, and high risk behavior resulting in previous interface with the judicial system, and for whom no other private ICF/IID provider is able to support (*Louisiana Register*, Volume 51, Number 2). This proposed Rule is being promulgated to continue the provisions of the January 30, 2025 Emergency Rule.

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

§32904. Temporary Reimbursement for Private Facilities

A. - A.4. ...

B. The temporary Medicaid reimbursement rate shall ~~only~~
~~not be for the period of four years~~ not extend beyond December
31, 2028.

C. - E.2.d. ...

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 47:593 (May
2021), amended LR 48:2129 (August 2022), LR 49:688 (April 2023),
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 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 Template Language

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, but may reduce the total direct and indirect cost to the provider to provide the same level of service, and may enhance the provider's ability to provide the same level of service as described in HCR 170 since this proposed Rule increases payments to providers for the services they already render.

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 March 23, 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**

Person Preparing Statement:	<u>Lyrica Johnson</u>	Dept.:	<u>Health</u>
			<u>Bureau of Health Services</u>
Phone:	<u>342-6375</u>	Office:	<u>Financing</u>
			<u>Intermediate Care Facilities for</u>
Return Address:	<u>P.O. Box 91030</u>	Rule Title:	<u>Persons</u>
			<u>with Intellectual Disabilities</u>
	<u>Baton Rouge, LA</u>		<u>Temporary Reimbursement for</u>
			<u>Private Facilities</u>
		Date Rule Takes Effect:	<u>January 30, 2025</u>

SUMMARY
(Use complete sentences)

In accordance with Section 961 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 STATEMENTS SUMMARIZE ATTACHED WORKSHEETS, I THROUGH IV AND 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 costs that are currently allocated in the budget and continue an existing rate. The cost to the state will be approximately \$178,080 for FY 24-25, \$445,956 for FY 25-26, and \$445,956 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 continues the provisions of the January 30, 2025, Emergency Rule which will extend the temporary rates for intermediate care facilities for persons with intellectual disabilities (ICFs/IID) that have a cooperative endeavor agreement with the Office for Citizens with Developmental Disabilities and have a high concentration of people who have intellectual developmental disabilities, significant behavioral health needs, and high risk behavior resulting in previous interface with the judicial system, and for whom no other private ICF/IID provider is able to support.

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

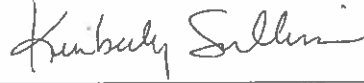
It is anticipated that the implementation of this proposed rule will result in federal revenue collections that are currently allocated in the budget and continue an existing rate. It is anticipated federal revenue collections will be approximately \$377,422 for FY 24-25, \$942,882 for FY 25-26, and \$942,882 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 NON-GOVERNMENTAL GROUPS (Summary)

This proposed rule continues the provisions of the January 30, 2025, Emergency Rule which will extend the temporary rates for intermediate care facilities for persons with intellectual disabilities (ICFs/IID) that have a cooperative endeavor agreement with the Office for Citizens with Developmental Disabilities and have a high concentration of people who have intellectual developmental disabilities, significant behavioral health needs, and high risk behavior resulting in previous interface with the judicial system, and for whom no other private ICF/IID provider is able to support. This action is being taken to promote the health and welfare of Medicaid recipients by ensuring that eligible ICFs/IID are able to maintain the current level of service. It is anticipated that implementation of this proposed rule will result in costs to the Medicaid program of approximately \$554,962 for FY 24-25, \$1,388,838 for FY 25-26, and \$1,388,838 for FY 26-27.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

This proposed rule has no known effect on competition and employment.



Signature of Head or Designee

Kimberly Sullivan, JD
Medicaid Executive Director

Typed Name & Title of Agency Head or Designee

02/07/2025

Date of Signature


Patricia Thomas, Deputy Fiscal Officer

Legislative Fiscal Officer or Designee

2/10/2025

Date of Signature



State of Louisiana
Louisiana Department of Health
Office of the Secretary

February 10, 2025

Via Statutorily Prescribed Email

To: The Honorable Cameron Henry, President, Louisiana Senate
The Honorable Phillip DeVillier, Speaker, Louisiana House of Representatives
The Honorable Chairman Patrick McMath, Senate Health & Welfare Committee
The Honorable Chairman Dustin Miller, House Health & Welfare Committee

From: Michael Harrington, MBA, MA
Secretary

A handwritten signature in blue ink, appearing to be "MH", with a horizontal line underneath.

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

Under the authority of the laws of the State of Louisiana and in accordance with the provisions of Chapter 6 of Title 36 of the Louisiana Revised Statutes of 1950, and with the Administrative Procedure Act, La. R.S. 49:950 *et seq.*, the secretary hereby gives notice that rulemaking procedures have been initiated to promulgate amendments to the rules governing Intermediate Care Facilities for Persons with Intellectual Disabilities – Reimbursement Methodology, LAC 50:VII.32917.

- I. Copy of the rule as it is proposed after amendment, with new proposed language indicated by the underscored text and deleted language indicated by the strike-through type.

See attachment.

- II. A statement of the proposed action.

This rule will provide for a one time lump sum payout in FY 2025 to all privately owned or operated ICF/IIDs (excluding state facilities and non-state government owned facilities) that had billed Medicaid days between August 1, 2024 and October 31, 2024, that are active and Medicaid certified at the time of payment. The total not to exceed \$31,000,000 will be prorated among the eligible facilities based on their Medicaid days during the specified period of time.

III. Specific citation of law authorizing promulgation of the rule.

La. R.S. 36:254, Title XIX of the Social Security Act, and La. R.S. 49:950 *et seq.*

IV. Circumstances that require the amendment of the rule.

There has been an unexpected increase in the expenses necessary to properly care for the residents in ICFs. This lump sum payment will assist them in meeting some of these additional expenses.

V. Statement of Fiscal and Economic Impact.

See attachment.

Please contact Enrika LaCour, enrika.lacour@la.gov, if you have any questions or require additional information about this matter.

Attachments (2)

Cc: Kimberly Sullivan, Medicaid Director, LDH
Brian Bennett, Medicaid Deputy Director, 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**

Person Preparing Statement:	<u>Lyrica Johnson</u>	Dept.:	<u>Health</u>
Phone:	<u>342-6375</u>	Office:	<u>Bureau of Health Services</u>
Return Address:	<u>P.O. Box 91030</u>	Rule Title:	<u>Financing</u>
	<u>Baton Rouge LA</u>		<u>Intermediate Care Facilities for Persons with Intellectual Disabilities</u>
		Date Rule Takes Effect:	<u>Reimbursement Methodology</u>
			<u>May 20, 2025</u>

SUMMARY
(Use complete sentences)

in accordance with Section 961 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 STATEMENTS SUMMARIZE ATTACHED WORKSHEETS, I THROUGH IV AND 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 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 NON-GOVERNMENTAL 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.



Signature of Head or Designee

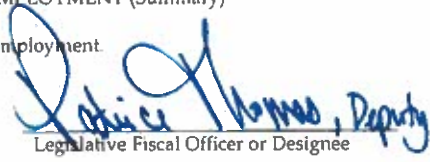
Kimberly Sullivan, JD

Medicaid Executive Director

Typed Name & Title of Agency Head or Designee

02/07/2025

Date of Signature


Legislative Fiscal Officer or Designee

Deputy Fiscal Officer



Date of Signature