## DEPARTMENT OF HEALTH & HUMAN SERVICES Centers for Medicare & Medicaid Services 7500 Security Boulevard, Mail Stop S2-26-12 Baltimore, Maryland 21244-1850



JAN 24 2014

Ms. Ruth Kennedy, Director Bureau of Health Services Financing Department of Health and Hospitals Post Office Box 91030 Baton Rouge, Louisiana 70821-9030

RE: Louisiana 13-39

Dear Ms. Kennedy:

We have reviewed the proposed State plan amendment (SPA) to Attachment 4.19-A of your Medicaid State plan submitted under transmittal number (TN) 13-39. This amendment proposes to reduce the amount of the Disproportionate Share Hospital (DSH) pool for federally mandated statutory hospitals from \$7,000,000 to \$2,000,000.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30), 1903(a), and 1923 of the Social Security Act and the implementing Federal regulations at 42 CFR 447 Subpart C. As part of the review process the State was asked to provide information regarding funding of the State share of expenditures under Attachment 4.19-A.

Based upon your assurances, Medicaid State plan amendment 13-39 is approved effective November 1, 2013. We are enclosing the HCFA-179 and the new plan page.

If you have any questions, please call Tamara Sampson at (214) 767-6431.

Sincerely,

Cindy Mann Director

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**Enclosures** 

DEPARTMENT OF HEALTH AND HUMAN SERVICES HEALTH CARE FINANCING ADMINISTRATION		FORM APPROVED OMB NO. 0938-0193	
TRANSMITTAL AND NOTICE OF APPROVAL OF	1. TRANSMITTAL NUMBER:	2. STATE	
STATE PLAN MATERIAL	13-39	Louisiana	
FOR: HEALTH CARE FINANCING ADMINISTRATION	3. PROGRAM IDENTIFICATION: FITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)		
TO: REGIONAL ADMINISTRATOR	4. PROPOSED EFFECTIVE DATE		
HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES	November 1, 2013		
5. TYPE OF PLAN MATERIAL (Check One):			
☐ NEW STATE PLAN ☐ AMENDMENT TO BE CONS	IDERED AS NEW PLAN 🛛 🛭 AN	VIENDMENT	
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMEN	DMENT (Separate Transmittal for eac	:h amendment)	
6. FEDERAL STATUTE/REGULATION CITATION:	7. FEDERAL BUDGET IMPACT:		
42 CFR 447, Subpart E	a. FFY 2014 b. FFY 2015	<u>\$0</u> <u>\$0</u>	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:	9. PAGE NUMBER OF THE SUPER SEDED PLAN SECTION OR ATTACHMENT ('f' Applicable'):		
Attachment 4.19-A, Item 1, Page 10k	Same (TN 12-14)		
10. SUBJECT OF AMENDMENT: The SPA proposes to reduce (DSH) pool for federally mandated statutory hospitals to \$			
(2011) hoor for remarkably armanance demonstrate, and presents to the	2,000,000 101 State 1150a1 year 20		
11. GOVERNOR'S REVIEW (Check One):  GOVERNOR'S OFFICE REPORTED NO COMMENT COMMENTS OF GOVERNOR'S OFFICE ENCLOSED NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL	☑ OTHER, AS SPECIFIED: The Governor does not revi	ew state plan material.	
12. SIGNATURE OF STATE AGENCY OFFICIAL:	16. RETURN TO:		
em & Whom In	J. Ruth Kennedy, Medicaid	Director	
13. TYPED NAME!	State of Louisiana	. 211 00001	
Kathy H. Kliebert	Department of Health and Hospitals 628 N. 4 <sup>th</sup> Street		
14. TITLE:			
Secretary	PO Box 91030		
15. DATE SUBMITTED:	Baton Rouge, LA 70821-9	630	
October 31, 2013	Datus Nuge, LA /VOLI-7	VJV	
FOR REGIONAL OF			
17. DATE RECEIVED: 10-31-2013	18. DATE APPROVED: JAN 2 4 20	111.	
PLAN APPROVED - ONE		114	
	20. SIGNATURE OF REGIONAL OF	FICIAL	
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NOV 0 1 2013	22 TITLE: / /W/V/ C		
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23. REMARKS:		)	
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## STATE OF <u>LOUISIANA</u> PAYMENT FOR MEDICAL AND REMEDIAL CARE AND SERVICES

## METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES - IN-PATIENT HOSPITAL CARE

## c. Federally Mandated Statutory Hospitals

- 1) Hospitals that meet the federal DSH statutory utilization requirements in D.1.d.(i) and (ii).
- 2) DSH payments to individual federally mandated statutory hospitals shall be based on actual paid Medicaid days for a six-month period ending on the last day of the last month of that period, but reported at least 30 days preceding the date of payment. Annualization of days for the purposes of the Medicaid days pool is not permitted. The amount will be obtained by the Department from a report of paid Medicaid days by service date.
- 3) Disproportionate share payments for individual hospitals in this group shall be calculated based on the product of the ratio determined by:
  - (i) dividing each qualifying hospital's actual paid Medicaid inpatient days for a six month period ending on the last day of the month preceding the date of payment (which will be obtained by the Department from a report of paid Medicaid days by service date) by the total Medicaid inpatient days obtained from the same report of all qualified hospitals included in this group. Total Medicaid inpatient days include Medicaid nursery days but do not include skilled nursing facility or swing bed days; and
  - (ii) for the SFY 2013-2014, multiplying by \$2,000,000 which is the state appropriation share payments allocated for this pool of hospitals. Thereafter, multiplying by \$2,000,000, the state appropriation for disproportionate share payments allocated for this pool of hospitals.
- 4) A pro rata decrease necessitated by conditions specified in I.D.2. above for hospitals in this group will be calculated based on the ratio determined by dividing the hospitals' Medicaid days by the Medicaid days for all qualifying hospitals in this group; then multiplying by the amount of disproportionate share payments calculated in excess of the federal disproportionate share allotment or state disproportionate share appropriated amount as indicated in paragraph c.3) (ii) above.

Payments from this DSH category to hospitals qualifying for another DSH category will be made subsequent to the other DSH payments. Aggregate DSH payments for hospitals that received payment from this and any other DSH category shall not exceed the hospital's specific DSH limit as defined in section D.2.c. If payments calculated under this methodology would cause a hospital's aggregate DSH payment to exceed the limit, the payment from this category shall be adjusted downward not to exceed the limit.

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TN#	13.39	Approval Date JAN 2 4 2011	Effective Date 11-1-2013
Supersedes	10.1		
TN#	12-14		