



State of Louisiana
Department of Health and Hospitals
Office of the Secretary

December 5, 2013

Bill Brooks
Associate Regional Administrator
Division of Medicaid & Children's Health
DHHS/Centers for Medicare and Medicaid Services
1301 Young Street, Room #833
Dallas, Texas 75202

Dear Mr. Brooks:

RE: Louisiana Title XIX State Plan
Transmittal No. 13-48

I have reviewed and approved the enclosed Louisiana Title XIX State Plan material.


I recommend this material for adoption and inclusion in the body of the State Plan.

Sincerely,



Kathy H. Kliebert
Secretary

Attachments (1)

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL		1. TRANSMITTAL NUMBER: 13-48	2. STATE Louisiana
FOR: HEALTH CARE FINANCING ADMINISTRATION		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE November 20, 2013	
5. TYPE OF PLAN MATERIAL (Check One): G NEW STATE PLAN G AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)			
6. FEDERAL STATUTE/REGULATION CITATION: 42 CFR 447 Subpart C		7. FEDERAL BUDGET IMPACT: a. FFY <u>2014</u> (\$3,469.72) b. FFY <u>2015</u> (\$4,154.53)	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-A, Item 1, Page 8b		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Same (TN 09-12)	
10. SUBJECT OF AMENDMENT: The purpose of this amendment is to reduce annual supplemental Medicaid payments to \$1,000,000 for qualifying non-rural, non-state acute care hospitals that qualify as high Medicaid hospitals.			
11. GOVERNOR=S REVIEW (Check One): G GOVERNOR=S OFFICE REPORTED NO COMMENT G COMMENTS OF GOVERNOR=S OFFICE ENCLOSED G NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL		<input checked="" type="checkbox"/> OTHER, AS SPECIFIED: The Governor does not review state plan material.	
12. SIGNATURE OF STATE AGENCY OFFICIAL: 		16. RETURN TO: State of Louisiana Department of Health and Hospitals 628 N. 4th Street PO Box 91030 Baton Rouge, LA 70821-9030	
13. TYPED NAME: Kathy H. Kliebert			
14. TITLE: Secretary			
15. DATE SUBMITTED: December 5, 2013			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED:		18. DATE APPROVED:	
PLAN APPROVED – ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL:		20. SIGNATURE OF REGIONAL OFFICIAL:	
21. TYPED NAME:		22. TITLE:	
23. REMARKS:			

LOUISIANA TITLE XIX STATE PLAN

TRANSMITTAL #: 13-48

TITLE: Inpatient Hosp. Serv. NR, NS Supplemental Payments Pool Reduction (High Medicaid Hospitals)

EFFECTIVE DATE: November 20, 2013

FISCAL IMPACT:

Decrease

	year	% inc.	fed. match	*# mos	range of mos.	dollars
1st SFY	2014		62.11%	7.3	November 20, 2013 - June 2014	(\$3,925,000)
2nd SFY	2015		62.05%	12	July 2014 - June 2015	(\$6,645,616)
3rd SFY	2016		62.05%	12	July 2015- June 2016	(\$6,844,984)

*#mos-Months remaining in fiscal year minus months in claims processing lag time
60 day lag time

Total Decrease in Cost FFY		<u>2014</u>					
SFY	2014	(\$3,925,000)	7.3	months	November 20, 2013 - June 2014		(\$3,925,000)
SFY	2015	(\$6,645,616)	12	months	July 2014 - June 2015		
		(\$6,645,616)	12 X 3		July 2014 - September 2014	=	<u>(\$1,661,404)</u>
							<u>(\$5,586,404)</u>

$$\text{FFP (F 2014)} = (\$5,586,404) \times 62.11\% = \underline{\underline{(\$3,469,716)}}$$

Total Decrease in Cost FFY		<u>2015</u>					
SFY	2015	(\$6,645,616)	12	months	July 2014 - June 2015		
		(\$6,645,616)	12 X 9		October 2014 - June 2015	=	(\$4,984,212)
SFY	2016	(\$6,844,984)	12	months	July 2015- June 2016		
		(\$6,844,984)	12 X 3		July 2015 - September 2015	=	<u>(\$1,711,246)</u>
							<u>(\$6,695,458)</u>

$$\text{FFP (FF 2015)} = (\$6,695,458) \times 62.05\% = \underline{\underline{(\$4,154,532)}}$$

STATE OF LOUISIANA
PAYMENT FOR MEDICAL AND REMEDIAL CARE AND SERVICES

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

9. Supplemental Payment for Non-Rural, Non-State Hospitals

A non-rural, non-state hospital is a hospital which is owned and operated by either a private entity, a hospital service district or a parish and does not meet the definition of a rural hospital as set forth in Louisiana R.S. 40:1300.143.

a. Acute Care Hospitals

i. Definition of Qualifying Hospitals

A hospital is considered to be a "high Medicaid hospital" if it has a Medicaid inpatient utilization percentage greater than 30 percent based on the 12 month cost report ending in SFY 2006. For the purpose of calculating the Medicaid inpatient utilization percentage, Medicaid days shall include nursery and distinct part psychiatric unit days, but shall not include Medicare crossover days.

ii. Reimbursement Methodology

Effective for dates of services on or after October 1, 2007, a quarterly supplemental payment will be issued to non-rural, non-state acute care hospitals that qualify as a high Medicaid hospital.

Each eligible hospital will receive a quarterly supplemental payment which shall be calculated based on the pro rata share of each qualifying hospital's paid Medicaid days (including covered nursery and distinct part psychiatric unit days).

Payment of one third of \$5,000,000 will be made at the beginning of the three remaining calendar quarters in SFY 2008 beginning with October 2007. The \$5,000,000 pool amount will be paid to qualifying hospitals in four equal quarterly payments beginning with SFY 2009.

Effective for dates of service on or after November 20, 2013, the amount appropriated for annual supplemental payments to non-rural, non-state acute care hospitals that qualify as a high Medicaid hospital shall be reduced to \$1,000,000. Each qualifying hospital's annual supplemental payment shall be calculated based on the pro rata share of the reduced appropriation.

TN# _____
Supersedes
TN# _____

Approval Date _____

Effective Date _____