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



Financial Management Group

OCT 06 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 14-29

Dear Ms. Kennedy:

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid State plan submitted under transmittal number (TN) 14-29. Louisiana Department of Health and Hospitals submitted this amendment to remove provisions on reimbursing out-of-state hospitals for providing inpatient hospital services.

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 14-29 is approved effective July 1, 2014. 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,

Timothy Hill

Director

Enclosures

| TRANSMITTAL AND NOTICE OF APPROVAL OF | 1. TRANSMITTAL NUMBER: | 2. STATE | |
|--|--|------------------------------------|--|
| STATE PLAN MATERIAL | 14-29 | Louisiana | |
| FOR: HEALTH CARE FINANCING ADMINISTRATION | 3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID) | | |
| TO: REGIONAL ADMINISTRATOR | 4. PROPOSED EFFECTIVE DATE | | |
| HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES | July 1, 2014 | | |
| 5. TYPE OF PLAN MATERIAL (Check One): | | | |
| G NEW STATE PLAN G AMENDMENT TO BE CONSIDERED AS NEW PLAN AMENDMENT | | | |
| COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment) | | | |
| 6. FEDERAL STATUTE/REGULATION CITATION: | 7. FEDERAL BUDGET IMPACT: | | |
| 42 CFR 447.253 | a. FFY <u>2015</u> | <u>\$1,571.42</u> | |
| | b. FFY <u>2016</u> | <u>\$1,295.53</u> | |
| 8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: | 9. PAGE NUMBER OF THE SUPER | SEDED PLAN | |
| | SECTION OR ATTACHMENT (If Applicable): | | |
| Attachment 4.19-A, Item 1, Page 10 | Same (TN 03-26) | | |
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| 10. SUBJECT OF AMENDMENT: The purpose of this amendment is to revise the provisions governing the reimbursement methodology for inpatient hospital services provided by out-of-state border hospitals in order to remove these provisions from the State Plan. 11. GOVERNOR=S REVIEW (Check One): | | | |
| G GOVERNOR=S REVIEW (CHECK ONE): G GOVERNOR=S OFFICE REPORTED NO COMMENT SO OTHER, AS SPECIFIED: | | | |
| G COMMENTS OF GOVERNOR=S OFFICE ENCLOSED The Governor does not review state plan material. | | | |
| G NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL | | | |
| 12. SIGNATURE OF STATE AGENCY OFFICIAL: | 16. RETURN TO: | | |
| 12. SIGNATORE STATE AGENCY OFFICIAL: | 16. RETURN 10: | | |
| 13. TYPED NAME: | J. Ruth Kennedy, Medicaid Director | | |
| · · · · · · · · · · · · · · · · · · · | State of Louisiana | | |
| Kathy H. Kliebert 14. TITLE: | | Department of Health and Hospitals | |
| Secretary | 628 N. 4 th Street | | |
| 15. DATE SUBMITTED: | PO Box 91030 | | |
| August 22, 2014 | | | |
| August 22, 2014 | Baton Rouge, LA 70821-90 | 30 | |
| FOR REGIONAL OFFICE USE ONLY | | | |
| | 18. DATE APPROVED: | | |
| | OCT 0 6 2014 | | |
| PLAN APPROVED - ONE COPY ATTACHED | | | |
| | 20. SIGNATURE OF REGIONAL OFF | ICIAL: | |
| July 1, 2014 | Kul F | | |
| 21. TYPED NAME / 2 | 22. TITLE: | | |
| Knistin HAN | Deputy Director, FMG | | |
| 23. REMARKS: | | | |
| | | | |

STATE OF <u>LOUISIANA</u> PAYMENT FOR MEDICAL AND REMEDIAL CARE AND SERVICES

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

<u>CITATION</u> 42CFR 447.253, OBRA 90 P.L. 101-508, Sections 4702-4703 Medical and Remedial Care and Services Item 1 (Cont.)

C. Out-of-State Facilities-

Effective for dates of service on or after April 1, 2003, out-of-state facilities are reimbursed for inpatient hospital services at the lower of 40% of billed charges or the Medicaid per diem rate of the state wherein the services are provided for recipients age 21 and older and the lower of 60% of billed charges or the Medicaid per diem rate of the state wherein the services are provided for recipients under the age of 21. Hospitals designated as children's hospitals that are located in states that border Louisiana shall be reimbursed at the lower of the Medicaid per diem rate of the state wherein the services are provided or the Louisiana children's hospital Medicaid peer group rate. Neonatal intensive care unit services, pediatric intensive care unit services, and burn unit services provided in these children's hospitals shall be paid the Louisiana peer group rate for the qualifying level of service documented by the hospital. The hospital stay and the level of service shall be authorized by the Bureau.

D. Disproportionate Share Hospitals

Effective for inpatient hospital services provided on or after July 1, 2003, a payment adjustment for hospitals serving a disproportionate share of low income patients (DSH) shall be implemented in the following manner:

State: Louisiana

Date Received: August 22, 2014
Date Approved: 0 - 6 2014
Date Effective: July 1, 2014
Transmittal Number: 14-29

TN# 14-29 Approval Date Effective Date 7-1-2014
Supersedes
TN# 03-26