DEPARTMENT OF HEALTH & HUMAN SERVICES Centers for Medicare & Medicaid Services 7500 Security Boulevard, Mail Stop S3-14-28 Baltimore, Maryland 21244-1850



Financial Management Group

MAR 1.6 2015

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 15-0001

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) 15-0001. This amendment proposes to reduce the amount of the state appropriations for the Disproportionate Share Hospital (DSH) pool for federally mandated statutory hospitals from \$2,000,000 to \$1,000,000.

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 the information provided by the State, Medicaid State plan amendment 15-0001 is approved effective January 10, 2015. We are enclosing the CMS-179 and the new plan page.

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

Sincerely,

Timothy Hill Director

Enclosures

DEPARTMENT OF HEALTH AND HUMAN SERVICES HEALTH CARE FINANCING ADMINISTRATION	FORM APPROVED OMB NO. 0938-0193			
		2. STATE		
STATE PLAN MATERIAL	15-001	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	January 10, 2015			
5. TYPE OF PLAN MATERIAL (Check One):				
□ NEW STATE PLAN □ AMENDMENT TO BE CONSIDERED AS NEW PLAN ☑ AMENDMENT				
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMEN 6. FEDERAL STATUTE/REGULATION CITATION:	DMENT (Separate Transmittal for each 7. FEDERAL BUDGET IMPACT:	amendment)		
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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):			
Attachment 4.19-A, Item 1, Page 10k	Same (TN 13-39)			
(DSH) pool for federally mandated statutory hospitals to \$ 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 12. SIGNATURE OF SPATE AGENCY OFFICIAL: 13. TYPED NAME: Kathy H. Kliebert 14. TITLE: Secretary	☑ OTHER, AS SPECIFIED: The Governor does not revie	w state plan material. Director		
15. DATE SUBMITTED:	Baton Rouge, LA 70821-90	30		
February 20, 2015				
FOR REGIONAL OF	FICE USE ONLY 18. DATE APPROVED:			
17. DATE RECEIVED: 2-20-2015		16 2019		
PLAN APPROVED - ON	E COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: JAN 1 0 2015	20. SIGNATURE OF REGIONAL OFF	FICIAL:		
21. TYPED NAME:	22. TITLE: Deputy Director Fl	NG		
23. REMARKS:	-1			

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT MEDICAL ASSISTANCE PROGRAM

ATTACHMENT 4.19-A Item 1, Page 10 k

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 2014-2015, multiplying by \$1,000,000 which is the state appropriation share payments allocated for this pool of hospitals. Thereafter, multiplying by \$1,000,000, 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.

State: Louisiana

Date Received: February 20, 2015

Date Approved:

Date Effective: January 10, 2015 Transmittal Number: 15-0001

TN# 15-0001	Approval Date MAR 1.6 2015	Effective Date 1-10-2015
Supersedes TN#		