

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Dallas Regional Office
1301 Young Street, Suite 833
Dallas, Texas 75202



DIVISION OF MEDICAID & CHILDREN'S HEALTH - REGION VI

December 1, 2016

Our Reference: SPA LA 16-0020

Ms. Jen Steele, State Medicaid Director
Department of Health and Hospitals
628 North 4th St.
Post Office Box 91030
Baton Rouge, LA 70821-9030

Attention: Darlene Budgewater

Dear Ms. Steele:

We have reviewed the State's proposed amendment to the Louisiana State Plan submitted under Transmittal Number 16-0020 dated September 30, 2016. This state plan amendment amends the provisions governing the pediatric health care program to clarify recipient criteria and reimbursement methodology.

Based on the information submitted, we have approved the amendment for incorporation into the official Louisiana State Plan with an effective date change of September 1, 2016. A copy of the CMS-179 and approved plan pages are enclosed with this letter.

If you have any questions, please contact Cheryl Rupley at (214) 767-6278 or by email at Cheryl.Rupley@cms.hhs.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Bill Brooks", is positioned above the printed name.

Bill Brooks
Associate Regional Administrator

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

FOR: HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER:

16-0020

2. STATE

Louisiana

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE
SOCIAL SECURITY ACT (MEDICAID)

4. PROPOSED EFFECTIVE DATE

September 1, 2016

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

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 AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:

42 CFR 447 Subpart B

7. FEDERAL BUDGET IMPACT:

a. FFY **2016**

\$(466.94)

b. FFY **2017**

\$(445.85)

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 3.1-A, Item 4b, Page 12 – 12b

Attachment 4.19-B, Item 4b, Page 5

9. PAGE NUMBER OF THE SUPERSEDED PLAN
SECTION OR ATTACHMENT (If Applicable):

SAME (TN 14-09)

SAME (TN 12-27)

10. SUBJECT OF AMENDMENT: **The SPA proposes to revise the provisions governing Pediatric Day Health Care services in order to clarify and revise the recipient criteria and reimbursement methodology.**

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 review state plan material.

12. SIGNATURE OF STATE AGENCY OFFICIAL:

13. TYPED NAME:

Rebekah E. Gee MD, MPH

14. TITLE:

Secretary

15. DATE SUBMITTED:

September 30, 2016

16. RETURN TO:

Jen Steele, Medicaid Director

State of Louisiana

Department of Health

628 N. 4th Street

P.O. Box 91030

Baton Rouge, LA 70821-9030

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

29 September, 2016

18. DATE APPROVED:

1 December, 2016

PLAN APPROVED – ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

1 September, 2016

20. SIGNATURE OF REGIONAL OFFICIAL:

21. TYPED NAME:

BILL BROOKS

22. TITLE: **Associate Regional Administrator**
Division of Medicaid and Children's Health

23. REMARKS:

STATE OF LOUISIANA

AMOUNT, DURATION AND SCOPE OF MEDICAL AND REMEDIAL CARE AND SERVICES PROVIDED
LIMITATIONS ON THE AMOUNT, DURATION AND SCOPE OF CERTAIN ITEMS OF PROVIDED MEDICAL
SERVICES ARE DESCRIBED AS FOLLOWS:

| | |
|----------------------|------------------|
| <u>CITATION</u> | Medical and |
| 42 CFR 441.57 | Remedial Care |
| Section 1905 of the | and Services |
| Act. Section 6403 of | Item 4b (Cont'd) |
| OBRA 1989 | |

Pediatric Day Health Care Program

Pediatric day health care (PDHC) services are an array of services that are designed to meet the medical, social and developmental needs of children up to the age of 21 who have a complex medical condition which requires skilled nursing care and therapeutic interventions on an ongoing basis in order to:

- a. preserve and maintain health status;
- b. prevent death;
- c. treat/cure disease;
- d. ameliorate disabilities or other adverse health conditions;
and/or
- e. prolong life.

PDHC services offer a community-based alternative to traditional long-term care services or extended nursing services for children with medically complex conditions.

These services are provided in a non-residential setting which is licensed as a PDHC facility and enrolled to participate in the Medicaid Program. These services are for the maximum reduction of physical or mental disability and restoration of the recipient to the best functioning level.

Recipient Criteria

In order to qualify for PDHC services, a Medicaid recipient must meet the following criteria. The recipient must:

1. be from birth up to 21 years of age;

State: Louisiana
Date Received: 29 September, 2016
Date Approved: 1 December, 2016
Date Effective: 1 September, 2016
Transmittal Number: 16-0020

TN 16-0020
Supersedes
TN 14-0009

Approval Date 12-1-16

Effective Date 9-1-16

STATE OF LOUISIANA

AMOUNT, DURATION AND SCOPE OF MEDICAL AND REMEDIAL CARE AND SERVICES PROVIDED
LIMITATIONS ON THE AMOUNT, DURATION AND SCOPE OF CERTAIN ITEMS OF PROVIDED MEDICAL
SERVICES ARE DESCRIBED AS FOLLOWS:

2. have a medically complex condition which involves one or more physiological or organ systems and requires skilled nursing and therapeutic interventions performed by a knowledgeable and experienced licensed professional registered nurse (RN) or licensed practical nurse (LPN) on an ongoing basis in order to:
 - a.. preserve and maintain health status;
 - b. prevent death;
 - c. treat/cure disease;
 - d. ameliorate disabilities or other adverse health conditions; and/or
 - e. prolong life;
3. have a signed physician's order and plan of care, not to exceed 90 days, for pediatric day health care by the recipient's physician specifying the frequency and duration of services; and
4. be stable for outpatient medical services in a home or community-based setting.

If the medical director of the PDHC facility is also the child's prescribing physician, the Department reserves the right to review the prescription for the recommendation of the child's participation in the PDHC Program.

Re-evaluation of PDHC services must be performed, at a minimum, every 90 days. This evaluation must include a review of the recipient's current medical plan of care and provider agency documented current assessment and progress toward goals.

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

Attachment 3.1-A
Item 4b, Page 12b

STATE OF LOUISIANA

AMOUNT, DURATION AND SCOPE OF MEDICAL AND REMEDIAL CARE AND SERVICES PROVIDED
LIMITATIONS ON THE AMOUNT, DURATION AND SCOPE OF CERTAIN ITEMS OF PROVIDED MEDICAL
SERVICES ARE DESCRIBED AS FOLLOWS:

A face-to-face evaluation shall be held every 90 days by the child's prescribing physician. Services shall be revised during evaluation periods to reflect accurate and appropriate provision of services for current medical status.

Physician's orders for services are required to individually meet the needs of each recipient and shall not be in excess of the recipient's needs. Physician orders prescribing or recommending PDHC services do not, in themselves, indicate services are medically necessary or indicate a necessity for a covered service. Eligibility for participation in the PDHC Program must also include meeting the medically complex provisions.

When determining the necessity for PDHC services, consideration shall be given to all of the services the recipient may be receiving, including waiver services and other community supports and services. This consideration must be reflected and documented in the recipient's treatment plan.

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STATE OF LOUISIANA

PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES - OTHER TYPES OF CARE OR SERVICE LISTED IN SECTION 1905 (A) OF THE ACT THAT ARE INCLUDED IN THE PROGRAM UNDER THE PLAN ARE DESCRIBED AS FOLLOWS:

Pediatric Day Health Care Program

Effective July 21, 2010, reimbursement for PDHC services shall be a statewide fixed per diem rate which is based on the number of hours that a qualified recipient attends the PDHC facility.

- A full day of service is more than six hours, not to exceed a maximum of 12 hours per day.
- A partial day of service is six hours or less per day.

Reimbursement shall only be made for services authorized by the Medicaid Program or its approved designee.

The initial per diem rate for the Pediatric Day Health Care providers was set based on projections of the daily cost. The Department will require the PDHC providers to submit annual cost reports reflecting their actual costs and statistics related to providing care for this program. The costs would include all costs of the operation and segregate the cost into cost categories. The direct care cost category would include a breakdown of the nursing services and the different therapies. The statistics would include the daily census information as well as the encounters for each of the therapies.

These cost reports will be used by the Department to evaluate the cost effectiveness and the reasonableness of the daily rate paid to the providers. Rate adjustments may be made from time to time based on the data obtained through the cost reports or other sources.

Effective for dates of service on or after July 1, 2012, the reimbursement for pediatric day health care services shall be reduced by 3.7 percent of the rates in effect on June 30, 2012.

The fee schedule will be available through the Louisiana Medicaid provider website, www.lamedicaid.com.

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