John Bel Edwards
GOVERNOR

Rebekah E. Gee MD, MPH
SECRETARY

State of Louisiana

Louisiana Department of Health
Office of the Secretary

VIA ELECTRONIC MAIL ONLY

March 29, 2017

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. 17-0013

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.

Warmly,

Approved for

Rebekah E. Gee MD, MPH
Secretary

Attachments (3)

REG:JS:JH

DEPARTMENT OF HEALTH AND HUMAN SERVICES
HEALTH CARE FINANCING ADMINISTRATION

FORM APPROVED
OMB NO. 0938-0193

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL

FOR: HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER: **17-0013**

2. STATE: **Louisiana**

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: **March 1, 2017**

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:
Section 1932(a)(1)(A) of the Social Security Act

7. FEDERAL BUDGET IMPACT:
a. FFY **2017** ~~$(777,72)~~ (777,722)
b. FFY **2018** ~~$(636,26)~~ (636,263)

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:
Attachment 4.19-A Item 1, Page 10 k

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT *(If Applicable)*:
Same (TN 15-0001)

10. SUBJECT OF AMENDMENT: **The purpose of this SPA is to reduce the amount of the DSH pool for federally mandated statutory hospitals from $1,000,000 to $1, 000.**

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:
March 29, 2017

16. RETURN TO:
Jen Steele, Medicaid Director
State of Louisiana
Department of Health
628 North 4th Street
P.O. Box 91030
Baton Rouge, LA 70821-9030

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:
The State requests a pen and ink change to box number 7.

FORM HCFA-179 (07-92)

LA TITLE XIX SPA
TRANSMITTAL #: 17-0013
TITLE: Disproportionate Share Hospital Payments Federally Mandated Statutory Hospitals
EFFECTIVE DATE: March 1, 2017

FISCAL IMPACT:
(Decrease)

	year	% inc.	fed. match	*# mos	range of mos.	dollars
1st SFY	2017		0.00%	12	July 2016 - June 2017	($999,000)
2nd SFY	2018		0.00%	12	July 2017- June 2018	($999,000)
3rd SFY	2019		0.00%	12	July 2018 - June 2019	($999,000)

*#mos-Months remaining in fiscal year

Total Decrease in Cost FFY 2017

SFY 2017 ($999,000) for 12 months — July 2016 - June 2017 — ($999,000)

SFY 2018 ($999,000) for 12 months — July 2017- June 2018
($999,000) / 12 X 3 — July 2017 - September 2017 = ($249,750)
($1,248,750)

FFP (FFY 2017) = ($1,248,750) X 62.28% = ($777,722)

Total Decrease in Cost FFY 2018

SFY 2018 ($999,000) for 12 months — July 2017- June 2018
($999,000) / 12 X 9 — October 2017 - June 2018 = ($749,250)

SFY 2019 ($999,000) for 12 months — July 2018 - June 2019
($999,000) / 12 X 3 — July 2018 - September 2018 = ($249,750)
($999,000)

FFP (FFY 2018)= ($999,000) X 63.69% = ($636,263)

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 2016-2017 multiplying by $1,000 which is the state appropriation share payments allocated for this pool of hospitals. Thereafter, multiplying by $1,000, 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.