

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



Mrs. Jen Steele, Director  
Bureau of Health Services Financing  
Department of Health and Hospitals  
Post Office Box 91030  
Baton Rouge, Louisiana 70821-9030

RE: Louisiana 18-0018

November 1, 2018

Dear Mrs. Steele:

We have reviewed the proposed amendment to Attachment 4.19-D of your Medicaid State plan submitted under transmittal number (TN) 18-0018. The purpose of this SPA is to extend the period of transitional rates for one large Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICF/IID) that provide continuous nursing coverage to medically fragile populations for an additional two years.

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.

We are pleased to inform you that Medicaid State plan amendment 18-0018 is approved effective October 11, 2018. We are enclosing the CMS-179 and the amended plan page.

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

Sincerely,

A handwritten signature in blue ink that reads "Kristin Fan". The signature is written in a cursive, flowing style.

Kristin Fan  
Director

Enclosures

**TRANSMITTAL AND NOTICE OF APPROVAL OF  
STATE PLAN MATERIAL  
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER  
**18 - 0018**

2. STATE  
**Louisiana**

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

4. PROPOSED EFFECTIVE DATE  
**October 11, 2018**

TO: REGIONAL ADMINISTRATOR  
CENTERS FOR MEDICARE & MEDICAID SERVICES  
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 C**

7. FEDERAL BUDGET IMPACT

a. FFY **2019** \$ **0.00**

b. FFY **2020** \$ **0.00**

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

**Attachment 4.19-D, Page 11a**

9. PAGE NUMBER OF THE SUPERSEDED PLAN  
SECTION OR ATTACHMENT (If Applicable)  
**Same (TN 17-0027)**

10. SUBJECT OF AMENDMENT

**The purpose of this SPA is to revise the provisions governing reimbursement for public facilities in order to extend the period of transitional rates for two additional years for ARC of Acadiana, a large facility that provides continuous nursing coverage to medically fragile populations.**

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

*Cindy Rhee*

13. TYPED NAME

**Rebekah E. Gee MD, MPH**

14. TITLE

**Secretary**

15. DATE SUBMITTED

**October 18, 2018**

16. RETURN TO

**Jen Steele, Medicaid Director**

**State of Louisiana**

**Department of Health**

**628 North 4<sup>th</sup> Street**

**P.O. Box 91030**

**Baton Rouge, LA 70821-9030**

**FOR REGIONAL OFFICE USE ONLY**

17. DATE RECEIVED

**October 18, 2018**

18. DATE APPROVED

**NOV 01 2018**

**PLAN APPROVED - ONE COPY ATTACHED**

19. EFFECTIVE DATE OF APPROVED MATERIAL

**October 11, 2018**

20. SIGNATURE OF REGIONAL OFFICIAL

*Kristin Fan*

21. TYPED NAME

**Kristin Fan**

22. TITLE

**Director, FMG**

23. REMARKS



STATE OF LOUISIANA

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Effective October 1, 2017, the Department may extend the period of transition for ARC of Acadiana (Bossier) for an additional year, if deemed necessary.

Effective October 11, 2018, the Department may extend the period of transition for ARC of Acadiana (Bossier) for two additional years, if deemed necessary.

The transitional rate and supplement shall not be subject to the following:

- a. inflationary factors or adjustments;
- b. rebasing;
- c. budgetary reductions; or
- d. other rate adjustments.

Any ICF/IID home to which individuals transition to satisfy downsizing requirements, shall not exceed 6-8 beds.

No payment under this section is dependent on any agreement or arrangement for providers or related entities to donate money or services to a governmental entity.

2. Quasi-public facilities are reimbursed a facility specific prospective rate based on budgeted costs. Providers submit a projected budget for the state fiscal year (SFY) beginning July 1. Rates are determined as follows:
  - a. Determine each ICF/IID's per diem for the base year beginning July 1.
  - b. Calculate the inflation factor using an average CPI index applied to each facility's per diem for the base year to determine the inflated per diem.
  - c. Calculate the median per diem for the facilities' base year.
  - d. Calculate the facility's routine cost per diem for the SFY beginning July 1, by using the lowest of the budgeted, inflated, or median per diem rates plus any additional allowances.
  - e. Calculate the final approved per diem rate for each facility by adding routine costs plus any "pass through" amounts for ancillary services, provider fees, and grant expenses.
  - f. Providers may request a final rate adjustment subject to submission of supportive documentation and approval by the LDH rate committee.

D. REIMBURSEMENT TO PRIVATE ICF/IID PROVIDERS

Private providers are reimbursed a per diem rate for each resident. Rates are calculated based on information reported on the cost report.

1. **Definitions**

- a. *Acuity Factor*—an adjustment factor which will modify the direct care portion of the Inventory for Client and Agency Planning (ICAP) rate based on the ICAP level for each resident.

**State: Louisiana**  
**Date Received: October 18, 2018**  
**Date Approved: NOV 01 2018**  
**Date Effective: October 11, 2018**  
**Transmittal Number: 18-0018**

TN 18-0018  
Supersedes  
TN 17-0027

Approval Date NOV 01 2018

Effective Date 10-11-18