

Financial Management Group/ Division of Reimbursement Review

January 27, 2020

Ms. Erin Campbell Acting Medicaid Director State of Louisiana Department of Health 628 N 4th St P.O. Box 91030 Baton Rouge, LA 70821-9030

RE: TN LA 19-0026

Dear Ms. Campbell:

We have reviewed the proposed amendment to Attachment 4.19-B of your Medicaid State plan submitted under transmittal number (TN) LA 19-0026. The proposed amendment is to amend the provisions governing the reimbursement methodology for outpatient hospital services in order to adjust the reimbursement rates.

Based upon the information provided by the State, we have approved the amendment for incorporation into the official Louisiana State Plan with an effective date of January 1, 2020. A copy of the CMS-179 and the approve plan page(s) are enclosed with this letter.

If you have any questions, please call Tobias Griffin at (214) 767-4425 or by email at tobias.griffin@cms.hhs.gov.

Sincerely,

Todd McMillion

Todd McMillion Acting Director

Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		1. TRANSMITTAL NUMBER 19-0026	2. STATE Louisiana	
		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)		
		4. PROPOSED EFFECTIVE DATE January 1, 2020		
5. TYPE OF PLAN MATERI	AL (Check One)	D AS NEW PLAN 🛛 AMENDME	NT	
COMPLET	E BLOCKS 6 THRU 10 IF THIS IS AN AMEN	DMENT (Separate transmittal for each	amendment)	
6. FEDERAL STATUTE/RE	5. FEDERAL STATUTE/REGULATION CITATION		7. FEDERAL BUDGET IMPACT a. FFY 2020 \$ 434,650	
42 CFR 447 Subpart (С	b. FFY <u>2021</u> \$ <u>658,31</u>		
8. PAGE NUMBER OF THE	PLAN SECTION OR ATTACHMENT	9. PAGE NUMBER OF THE SUPER SECTION OR ATTACHMENT (#		
Attachment 4.19-B, Iten	Attachment 4.19-B, Item 2a, Pages 1a, 1a(1) and 1a(2)			
Attachment 4,19-B, Iten		None – new page		
Attachment 4.19-B, Iten Attachment 4.19-B, Iten		Same (TN 18-0021) Same (TN 18-0021)		
Attachment 4.19-B, Iten		Same (TN 12-49)	-	
Attachment 4.19-B, Iten		None – new page		
		Same (TN 18-0021)		
Attachment 4.19-B, Iten	1 2a, 1 age ob(1)			
Attachment 4.19-B, Iten		None – new page nend the provisions governing the	reimbursement	
Attachment 4.19-B, Iten 0. SUBJECT OF AMENDM methodology for outp 1. GOVERNOR'S REVIEW (GOVERNOR'S OFF COMMENTS OF GO	n 2a, Page 6b(2) MENT The purpose of this SPA is to an atient hospital services in order to adju	None – new page nend the provisions governing the		
Attachment 4.19-B, Iten 0. SUBJECT OF AMENDM methodology for outp 11. GOVERNOR'S REVIEW (GOVERNOR'S OFF COMMENTS OF GC	A 2a, Page 6b(2) MENT The purpose of this SPA is to an atient hospital services in order to adju (Check One) ICE REPORTED NO COMMENT OVERNOR'S OFFICE ENCLOSED ED WITHIN 45 DAYS OF SUBMITTAL AGENCY OFFICIAL	None – new page nend the provisions governing the ust the reimbursement rates. Ø OTHER, AS SPECIFIED The Governor does not re 16. RETURN TO	view State Plan material.	
Attachment 4.19-B, Iten 0. SUBJECT OF AMENDM methodology for outpa 11. GOVERNOR'S REVIEW (GOVERNOR'S OFF COMMENTS OF GO NO REPLY RECEIV 12. SIGNATURE OF STATE A 13. TYPED NAME	MENT The purpose of this SPA is to an atient hospital services in order to adju (Check One) ICE REPORTED NO COMMENT OVERNOR'S OFFICE ENCLOSED ED WITHIN 45 DAYS OF SUBMITTAL AGENCY OFFICIAL	None – new page nend the provisions governing the ust the reimbursement rates. OTHER, AS SPECIFIED The Governor does not re 16. RETURN TO Jen Steele, Medicaid Direc State of Louisiana	view State Plan material.	
Attachment 4.19-B, Iten 0. SUBJECT OF AMENDM methodology for outpa 11. GOVERNOR'S REVIEW (GOVERNOR'S OFF COMMENTS OF GC NO REPLY RECEIV 12. SIGNATURE OF STATE 13. TYPED NAME Cindy Rives, design	A 2a, Page 6b(2) MENT The purpose of this SPA is to an atient hospital services in order to adju (Check One) ICE REPORTED NO COMMENT OVERNOR'S OFFICE ENCLOSED ED WITHIN 45 DAYS OF SUBMITTAL AGENCY OFFICIAL	None – new page nend the provisions governing the ust the reimbursement rates. © OTHER, AS SPECIFIED The Governor does not re 16. RETURN TO Jen Steele, Medicaid Direc State of Louisiana Department of Health	view State Plan material.	
Attachment 4.19-B, Iten 0. SUBJECT OF AMENDM methodology for output 1. GOVERNOR'S REVIEW (GOVERNOR'S OFF COMMENTS OF GO NO REPLY RECEIV 12. SIGNATURE OF STATE (13. TYPED NAME Cindy Rives, design 14. TITLE	MENT The purpose of this SPA is to an atient hospital services in order to adju (Check One) ICE REPORTED NO COMMENT OVERNOR'S OFFICE ENCLOSED ED WITHIN 45 DAYS OF SUBMITTAL AGENCY OFFICIAL	None – new page nend the provisions governing the ust the reimbursement rates. © OTHER, AS SPECIFIED The Governor does not re 16. RETURN TO Jen Steele, Medicaid Direc State of Louisiana Department of Health 628 North 4 th Street	view State Plan material.	
Attachment 4.19-B, Iten 0. SUBJECT OF AMENDM methodology for outpa 11. GOVERNOR'S REVIEW (GOVERNOR'S REVIEW (GOVERNOR'S OFF COMMENTS OF GC NO REPLY RECEIV 12. SIGNATURE OF STATE 13. TYPED NAME Cindy Rives, design 14. TITLE Secretary 15. DATE SUBMITTED	MENT The purpose of this SPA is to an atient hospital services in order to adju (Check One) ICE REPORTED NO COMMENT OVERNOR'S OFFICE ENCLOSED ED WITHIN 45 DAYS OF SUBMITTAL AGENCY OFFICIAL	None – new page nend the provisions governing the ust the reimbursement rates. © OTHER, AS SPECIFIED The Governor does not re 16. RETURN TO Jen Steele, Medicaid Direc State of Louisiana Department of Health	view State Plan material.	
Attachment 4.19-B, Iten 0. SUBJECT OF AMENDM methodology for outpa 11. GOVERNOR'S REVIEW (GOVERNOR'S REVIEW (GOVERNOR'S OFF COMMENTS OF GO NO REPLY RECEIV 12. SIGNATURE OF STATE 3. TYPED NAME Cindy Rives, design 14. TITLE Secretary	MENT The purpose of this SPA is to an atient hospital services in order to adju (Check One) ICE REPORTED NO COMMENT OVERNOR'S OFFICE ENCLOSED ED WITHIN 45 DAYS OF SUBMITTAL AGENCY OFFICIAL	None – new page nend the provisions governing the ust the reimbursement rates. © OTHER, AS SPECIFIED The Governor does not re 16. RETURN TO Jen Steele, Medicaid Direct State of Louisiana Department of Health 628 North 4 th Street P.O. Box 91030 Baton Rouge, LA 70821-90	view State Plan material.	
Attachment 4.19-B, Iten D. SUBJECT OF AMENDM methodology for outpart 1. GOVERNOR'S REVIEW (GOVERNOR'S REVIEW (GOVERNOR'S OFF COMMENTS OF GC NO REPLY RECEIV 2. SIGNATURE OF STATE 3. TYPED NAME Cindy Rives, design 4. TITLE Secretary 5. DATE SUBMITTED November 1, 2019	MENT The purpose of this SPA is to an atient hospital services in order to adju (Check One) ICE REPORTED NO COMMENT OVERNOR'S OFFICE ENCLOSED ED WITHIN 45 DAYS OF SUBMITTAL AGENCY OFFICIAL AGENCY OFFICIAL	None – new page nend the provisions governing the ust the reimbursement rates. © OTHER, AS SPECIFIED The Governor does not re 16. RETURN TO Jen Steele, Medicaid Direct State of Louisiana Department of Health 628 North 4 th Street P.O. Box 91030 Baton Rouge, LA 70821-90	view State Plan material.	
Attachment 4.19-B, Iten D. SUBJECT OF AMENDM methodology for outpart 1. GOVERNOR'S REVIEW (GOVERNOR'S REVIEW (GOVERNOR'S OFF COMMENTS OF GC NO REPLY RECEIV 2. SIGNATURE OF STATE 3. TYPED NAME Cindy Rives, design 4. TITLE Secretary 5. DATE SUBMITTED November 1, 2019 7. DATE RECEIVED	MENT The purpose of this SPA is to an atient hospital services in order to adju (Check One) ICE REPORTED NO COMMENT OVERNOR'S OFFICE ENCLOSED ED WITHIN 45 DAYS OF SUBMITTAL AGENCY OFFICIAL AGENCY OFFICIAL	None – new page nend the provisions governing the ust the reimbursement rates. OTHER, AS SPECIFIED The Governor does not re 16. RETURN TO Jen Steele, Medicaid Direc State of Louisiana Department of Health 628 North 4 th Street P.O. Box 91030 Baton Rouge, LA 70821-90 ICE USE ONLY	view State Plan material.	
Attachment 4.19-B, Iten D. SUBJECT OF AMENDM methodology for outpart 1. GOVERNOR'S REVIEW (GOVERNOR'S REVIEW (GOVERNOR'S OFF COMMENTS OF GC NO REPLY RECEIVED 3. TYPED NAME Cindy Rives, design 4. TITLE Secretary 5. DATE SUBMITTED November 1, 2019 7. DATE RECEIVED Nove	MENT The purpose of this SPA is to an atient hospital services in order to adju (Check One) ICE REPORTED NO COMMENT OVERNOR'S OFFICE ENCLOSED ED WITHIN 45 DAYS OF SUBMITTAL AGENCY OFFICIAL AGENCY OFFICIAL Mee for Rebekah E. Gee MD, MPH FOR REGIONAL OFF ember 1, 2019 PLAN APPROVED - ONE	None – new page nend the provisions governing the last the reimbursement rates. OTHER, AS SPECIFIED The Governor does not re 16. RETURN TO Jen Steele, Medicaid Direct State of Louisiana Department of Health 628 North 4 th Street P.O. Box 91030 Baton Rouge, LA 70821-90 ICE USE ONLY 18. DATE APPROVED January 27, 2020 COPY ATTACHED	view State Plan material. etor	
Attachment 4.19-B, Iten 0. SUBJECT OF AMENDM methodology for output 11. GOVERNOR'S REVIEW (GOVERNOR'S REVIEW (GOVERNOR'S OFF COMMENTS OF GC NO REPLY RECEIVE 12. SIGNATURE OF STATE A 13. TYPED NAME Cindy Rives, design 14. TITLE Secretary 15. DATE SUBMITTED November 1, 2019 17. DATE RECEIVED Nove	MENT The purpose of this SPA is to an atient hospital services in order to adju (Check One) ICE REPORTED NO COMMENT OVERNOR'S OFFICE ENCLOSED ED WITHIN 45 DAYS OF SUBMITTAL AGENCY OFFICIAL AGENCY OFFICIAL Mee for Rebekah E. Gee MD, MPH FOR REGIONAL OFF ember 1, 2019 PLAN APPROVED - ONE	None – new page nend the provisions governing the ust the reimbursement rates. ⊠ OTHER, AS SPECIFIED The Governor does not re 16. RETURN TO Jen Steele, Medicaid Direc State of Louisiana Department of Health 628 North 4 th Street P.O. Box 91030 Baton Rouge, LA 70821-90 ICE USE ONLY 18. DATE APPROVED January 27, 2020	view State Plan material. etor 030	

PAYMENT FOR MEDICAL AND REMEDIAL CARE AND SERVICES

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

Effective for dates of service on or after January 1, 2017, the reimbursement rates paid to non-rural, non-state hospitals for outpatient laboratory services shall be increased by 7.03 percent of the rates on file as of December 31, 2016. Our Lady of the Lake Regional Medical Center shall be exempted from this rate increase.

Effective for dates of service on or after January 1, 2018, the reimbursement rates paid to non-rural, non-state hospitals for outpatient laboratory services shall be increased by 4.82 percent of the rates on file as of December 31, 2017. Hospitals participating in public-private partnerships shall be exempted from this rate increase. Medicaid payments for clinical laboratory services must not exceed the Medicare fee for the service, on a per test basis.

Effective for dates of service on or after January 1, 2019, the reimbursement rates paid to non-rural, non-state hospitals for outpatient laboratory services shall be increased by 11.56 percent of the rates on file as of December 31, 2018. Payments for Medicaid clinical diagnostic laboratory services shall be limited to the amount that Medicare pays on a per test basis. If this or any other rate adjustment causes the Medicaid calculated rate to exceed the Medicare payment rate for a clinical laboratory test, then the rate shall be adjusted to the lower Medicare payment rate. Hospitals participating in public-private partnerships shall be exempted from this rate increase.

Effective for dates of service on or after January 1, 2020, the reimbursement rates paid to non-rural, non-state hospitals for outpatient laboratory services shall be increased by 3.2 percent of the rates on file as of December 31, 2019. Payments for Medicaid clinical diagnostic laboratory services shall be limited to the amount that Medicare pays on a per test basis. If this or any other rate adjustment causes the Medicaid calculated rate to exceed the Medicare payment rate for a clinical laboratory test, the rate shall be adjusted to the lower Medicare payment rate. Hospitals participating in public-private partnerships shall be exempted from this rate increase.

Outpatient hospital facility fees for office/outpatient visits are reimbursed at the lower of:

- 1) billed charges; or
- the State maximum amount (70 percent of the Medicare APC payment rates as published in the August 9, 2002 Federal Register). The fee schedule is published on the Medicaid provider website at <u>www.lamedicaid.com</u>.

Effective for dates of service on or after February 20, 2009, the reimbursement paid to non-rural, non-state hospitals for outpatient hospital facility fees shall be reduced by 3.5 percent of the fee schedule on file as of February 19, 2009.

Effective for dates of service on or after August 4, 2009, the reimbursement paid to non-rural, non-state hospitals for outpatient hospital facility fees for office/outpatient visits shall be reduced by 5.65 percent of the fee schedule on file as of August 3, 2009.

PAYMENT FOR MEDICAL AND REMEDIAL CARE AND SERVICES

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

Effective for the dates of service on or after February 3, 2010, the reimbursement paid to non-rural, nonstate hospitals for outpatient hospital surgery facility fees shall be reduced by 5 percent of the fee schedule on file as of February 2, 2010.

Effective for the dates of service on or after February 3, 2010, the reimbursement paid to non-rural, non-state hospitals for outpatient hospital facility fees for office/outpatient visits shall be reduced by 5 percent of the fee schedule on file as of February 2, 2010.

Effective for the dates of service on or after August 1, 2010, the reimbursement paid to non-rural, non-state hospitals for outpatient hospital facility fees for office/outpatient visits shall be reduced by 4.6 percent of the fee schedule on file as of July 31, 2010.

Effective for dates of service on or after August 1, 2012, the reimbursement rates paid to non-rural, non-state hospitals for outpatient hospital facility fees for office/outpatient visits shall be reduced by 3.7 percent of the fee schedule on file as of July 31, 2012.

Effective for dates of service on or after February 1, 2013, the reimbursement rates paid to non-rural, non-state hospitals for outpatient hospital facility fees for office/outpatient visits shall be reduced by 1 percent of the fee schedule on file as of January 31, 2013.

Effective for dates of service on or after January 1, 2017, the reimbursement rates paid to non-rural, nonstate hospitals for outpatient clinic services shall be increased by 7.03 percent of the rates on file as of December 31, 2016. Our Lady of the Lake Regional Medical Center shall be exempted from this rate increase.

Effective for dates of service on or after January 1, 2018, the reimbursement rates paid to nonrural, non-state hospitals for outpatient clinic services shall be increased by 4.82 percent of the rates on file as of December 31, 2017. Hospitals participating in public-private partnerships shall be exempted from this rate increase.

Effective for dates of service on or after January 1, 2019, the reimbursement rates paid to non-rural, nonstate hospitals for outpatient clinic services shall be increased by 11.56 percent of the rates on file as of December 31, 2018. Hospitals participating in public-private partnerships shall be exempted from this rate increase.

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:

Effective for dates of service on or after January 1, 2020, the reimbursement rates paid to non-rural, non-state hospitals for outpatient clinic services shall be increased by 3.2 percent of the rates on file as of December 31, 2019. Hospitals participating in public-private partnerships shall be exempted from this rate increase.

Outpatient hospital surgery facility fees are reimbursed at the lower of:

- 1) billed charges; or
- established Medicaid payment rates assigned to each Healthcare Common Procedure Coding System (HCPCS) code based on the Medicare payment rates for ambulatory surgery center services. These rates are published on the Medicaid provider website at www.lamedicaid.com.

Effective for dates of service on or after February 20, 2009, the reimbursement paid to non-rural, non-state hospitals for outpatient surgery shall be reduced by 3.5 percent of the fee schedule on file as of February 19, 2009.

Effective for dates of service on or after August 4, 2009, the reimbursement paid to non-rural, nonstate hospitals for outpatient hospital facility surgery fees shall be reduced by 5.65 percent of the fee schedule on file as of August 3, 2009.

Effective for the dates of service on or after February 3, 2010, the reimbursement paid to non-rural, non-state hospitals for outpatient hospital surgery facility fees shall be reduced by 5 percent of the fee schedule on file as of February 2, 2010.

Effective for the dates of service on or after August 1, 2010, the reimbursement paid to non-rural, nonstate hospitals for outpatient surgery facility fees shall be reduced by 4.6 percent of the fee schedule on file as of July 31, 2010.

Effective for the dates of service on or after January 1, 2011, the reimbursement paid to non-rural, nonstate hospitals for outpatient surgery facility fees shall be reduced by 2 percent of the fee schedule on file as of December 31, 2010.

Effective for dates of service on or after August 1, 2012, the reimbursement rates paid to non-rural, non-state hospitals for outpatient surgery facility fees shall be reduced by 3.7 percent of the fee schedule on file as of July 31, 2012.

Effective for dates of service on or after February 1, 2013, the reimbursement rates paid to non-rural, non-state hospitals for outpatient surgery facility fees shall be reduced by 1 percent of the fee schedule on file as of January 31, 2013.

		State: Louisiana
		Date Received: 11-01-2019
		Date Approved: 01-27-2020
		Date Effective: 01-01-2020
		Transmittal Number: 19-0026
TN <u>19-0026</u>	Approval Date 01-27-2020	Effective Date 01-01-2020

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:

Effective for dates of service on or after January 1, 2017, the reimbursement rates paid to non-rural, non-state hospitals for outpatient surgery, shall be increased by 7.03 percent of the rates on file as of December 31, 2016. Our Lady of the Lake Regional Medical Center shall be exempted from this rate increase.

Effective for dates of service on or after January 1, 2018, the reimbursement rates paid to nonrural, non-state hospitals for outpatient surgery, shall be increased by 4.82 percent of the rates on file as of December 31, 2017. Hospitals participating in public-private partnerships shall be exempted from this rate increase.

Effective for dates of service on or after January 1, 2019, the reimbursement rates paid to nonrural, non-state hospitals for outpatient surgery shall be increased by 11.56 percent of the rates on file as of December 31, 2018. Hospitals participating in public-private partnerships shall be exempted from this rate increase.

Effective for dates of service on or after January 1, 2020, the reimbursement rates paid to nonrural, non-state hospitals for outpatient surgery shall be increased by 3.2 percent of the rates on file as of December 31, 2019. Hospitals participating in public-private partnerships shall be exempted from this rate increase.

Current HCPS codes and modifiers shall be used to bill for all outpatient hospital surgery services.

State: Louisiana Date Received: 11-01-2019 Date Approved: 01-27-2020 Date Effective: 01-01-2020 Transmittal Number: 19-0026

Approval Date 01-27-2020

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:

Effective for services provided on or after July 21, 2010 for physical therapy, occupational therapy or speech-language therapy services provided in conjunction with the Pediatric Day Health Program, reimbursement is made pursuant to the methodology described on page 4.19-B, Item 4b, Page 5 under EPSDT – Pediatric Day Health Program.

Effective for dates of service on or after January 1, 2019, the reimbursement rates paid to nonrural, non-state hospitals for outpatient rehabilitation services provided to recipients over the age of three years shall be increased by 11.56 percent of the rates on file as of December 31, 2018. Hospitals participating in public-private partnerships shall be exempted from this rate increase.

Effective for dates of service on or after January 1, 2020, the reimbursement rates paid to nonrural, non-state hospitals for outpatient rehabilitation services shall be increased by 3.2 percent of the rates on file as of December 31, 2019. Hospitals participating in public-private partnerships shall be exempted from this rate increase.

State: Louisiana
Date Received: 11-01-2019
Date Approved: 01-27-2020
Date Effective: 01-01-2020
Transmittal Number: 19-0026

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:

Effective for dates of service on or after January 1, 2019, the reimbursement rates paid to nonrural, non-state hospitals for outpatient hospital services, other than clinical diagnostic laboratory services, outpatient surgeries, rehabilitation services and outpatient hospital facility fees shall be increased by 11.56 percent of the rates in effect as of December 31, 2018. Final reimbursement shall be 83.18 percent of allowable cost as calculated through the cost report settlement process.

Effective for dates of service on or after January 1, 2020, the reimbursement rates paid to non-rural, nonstate hospitals for outpatient hospital services, other than clinical diagnostic laboratory services, outpatient surgeries, rehabilitation services and outpatient hospital facility fees, shall be increased by 3.2 percent of the rates in effect as of December 31, 2019.

Final reimbursement shall be 85.84 percent of allowable cost as calculated through the cost report settlement process.

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

STATE OF <u>LOUISIANA</u>

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:

State Owned Hospitals

Effective for dates of services on or after July 1, 2008, state-owned hospitals shall be reimbursed for outpatient clinical laboratory services at 100 percent of the current Medicare Clinical Laboratory fee schedule.

Interim payment shall be one hundred percent of each hospital's cost to charge ratio as calculated from the latest filed cost report. Final reimbursement shall be one hundred percent of allowable cost as calculated through the cost report settlement process. Final cost is identified by mapping outpatient charges to individual cost centers on the Medicare Hospital Cost Report then multiplying such charges by the cost centers' individual cost to charge ratios. Dates of service associated with the charges match the rate year on the Medicare Hospital Cost Report.

Effective for dates of services on or after August 1, 2012, the reimbursement rate paid to stateowned hospitals for outpatient surgery, outpatient clinic services, outpatient laboratory services and outpatient hospital services, other than clinical diagnostic laboratory services, outpatient surgeries, rehabilitation services and outpatient hospital facility fees shall be reduced by 10 percent of the fee schedule on file as of July 31, 2012. Final reimbursement shall be at 90 percent of allowable cost through the cost settlement process.

Effective for dates of service on or after January 1, 2020, the reimbursement rates paid to stateowned hospitals for outpatient surgery and outpatient clinic services shall be increased by 14.67 percent of the rates on file as of December 31, 2019.

Effective for dates of service on or after January 1, 2020, the reimbursement rates paid to stateowned hospitals for outpatient rehabilitation services shall be increased by 3.2 percent of the rates on file as of December 31, 2019.

Effective for dates of service on or after January 1, 2020, the reimbursement rates paid to state hospitals for outpatient hospital services other than clinical diagnostic laboratory services, outpatient surgeries, rehabilitation services and outpatient hospital facility fees shall be increased by 11 percent of the rates on file as of December 31, 2019. Final reimbursement shall be at 100 percent of allowable cost as calculated through the cost report process.

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:

Medical Education Payments (State-Owned Hospitals)

A. <u>Outpatient Surgery</u>

Effective for dates of service on or after February 10, 2012, medical education payments for outpatient surgery services which are reimbursed by a prepaid risk-bearing managed care organization (MCO) shall be reimbursed by Medicaid annually through the cost report settlement process.

- 1. For purposes of these provisions, qualifying medical education programs are defined as graduate medical education, paramedical education, and nursing schools.
- 2. Final payment shall be determined based on the actual MCO covered outpatient surgery services and Medicaid medical education costs for the cost reporting period per the Medicaid cost report.

B. <u>Clinic Services</u>

Effective for dates of service on or after February 10, 2012, medical education payments for outpatient clinic services which are reimbursed by a prepaid risk-bearing managed care organization (MCO) shall be reimbursed by Medicaid annually through the cost report settlement process.

- 1. For purposes of these provisions, qualifying medical education programs are defined as graduate medical education, paramedical education, and nursing schools.
- 2. Final payment shall be determined based on the actual MCO covered outpatient clinic services and Medicaid medical education costs for the cost reporting period per the Medicaid cost report.

Out-of-State Hospital Outpatient Services

Effective for dates of services on or after April 1, 2003, services shall be reimbursed at 31.04 percent of billed charges.

State: Louisiana Date Received: 11-01-2019 Date Approved: 01-27-2020 Date Effective: 01-01-2020 Transmittal Number: 19-0026

Approval Date 01-27-2020

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:

Payments for Medicaid clinical diagnostic laboratory services shall be limited to the amount that Medicare pays on a per test basis. If this or any other rate adjustment causes the Medicaid calculated rate to exceed the Medicare payment rate for a clinical laboratory test, then the rate shall be adjusted to the lower Medicare payment rate.

- (16) Effective for dates of service on or after January 1, 2019, the reimbursement rates paid to children's specialty hospitals for outpatient rehabilitation services provided to recipients over the age of three years shall be increased by 5.26 percent of the rates on file as of December 31, 2018. Final reimbursement shall be 97 percent of allowable cost as calculated through the cost report settlement process.
- (17) Effective for dates of service on or after January 1, 2019, the reimbursement fees paid to children's specialty hospitals for outpatient hospital services, other than rehabilitation services and outpatient hospital facility fees, shall be increased by 5.26 percent of the rates in effect as of December 31, 2018. Final reimbursement shall be 97 percent of allowable cost as calculated through the cost report settlement process.
- (18) Effective for dates of service on or after January 1, 2020, the reimbursement fees paid to children's specialty hospitals for outpatient surgery shall be increased by 3.2 percent of the rates in effect as of December 31, 2019. Final reimbursement shall be 100 percent of allowable cost as calculated through the cost report settlement process.
- (19) Effective for dates of service on or after January 1, 2020, the reimbursement rates paid to children's specialty hospitals for outpatient hospital clinic services shall be increased by 3.2 percent of the rates on file as of December 31, 2019.
- (20) Effective for dates of service on or after January 1, 2020, the reimbursement rates paid to children's specialty hospitals for outpatient clinical diagnostic laboratory services shall be increased by 3.2 percent of the rates on file as of December 31, 2019. Payments for Medicaid clinical diagnostic laboratory services shall be limited to the amount that Medicare pays on a per test basis. If this or any other rate adjustment causes the Medicaid calculated rate to exceed the Medicare payment rate for a clinical laboratory test, the rate shall be adjusted to the lower Medicare payment rate.
- (21) Effective for dates of service on or after January 1, 2020, the reimbursement rates paid to children's specialty hospitals for outpatient rehabilitation services shall be increased by 3.2 percent of the rates on file as of December 31, 2019. Final reimbursement shall be 100 percent of allowable cost as calculated through the cost report settlement process.

		State: Louisiana
		Date Received: 11-01-2019
		Date Approved: 01-27-2020
		Date Effective: 01-01-2020
		Transmittal Number: 19-0026
0026	Approval Date 01-27-2	2020 Effective Date 01-01-2020

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:

(22) Effective for dates of service on or after January 1, 2020, the reimbursement rates paid children's specialty hospitals for outpatient hospital services, other than rehabilitation services and outpatient hospital facility fees, shall be increased by 3.2 percent of the rates in effect as of December 31, 2019. Final reimbursement shall be 100 percent of allowable cost as calculated through the cost report settlement process.

State: Louisiana
Date Received: 11-01-2019
Date Approved: 01-27-2020
Date Effective: 01-01-2020
Transmittal Number: 19-0026