

STATE OF LOUISIANA

PAYMENT FOR MEDICAL AND REMEDIAL CARE AND SERVICES

METHODS AND STANDARDS FOR ESTABLISHING RATES - INPATIENT HOSPITAL CARE

The following payments shall be made in addition to the prospective rate described above:

a. **Infant Care**

(1) **Nursery Boarder Infants Payment**

On some occasions a newborn remains in a hospital nursery after the mother has been discharged. Reimbursement is established at the weighted median for all hospitals providing maternity care, based on 1991 cost inflated to the implementation year as described in "Inflation Factor" above, and annually thereafter.

(2) **Well Baby Care**

A separate prospective per diem rate ~~is established~~ shall be paid for to qualifying hospitals for well baby care rendered to infants who are discharged at the same time that the mother is discharged. ~~The separate per diem rate for well baby care shall be available to private hospitals that perform more than 1500 Medicaid deliveries per year.~~ The per diem rate for well baby care shall be the ~~lesser of actual costs as documented on the last finalized cost report or the same prospective rate that is paid for a nursery boarder~~ baby service.

**Qualifying Criteria**

Non-state, non-rural hospitals that perform more than 1,500 Medicaid deliveries per year shall be eligible for this payment. The Department will verify that qualifying hospitals meet the required delivery threshold each state fiscal year. Well baby payments shall be discontinued should a hospital fail to meet the qualifying criteria.

b. **Outlier Payments**

In compliance with the requirement of §1902(s)(1) of the Social Security Act, additional payment shall be made for catastrophic costs associated with services provided to 1) children under age six who received inpatient services in a disproportionate share hospital setting, and 2) infants who have not attained the age of one year who received inpatient services in any acute care setting.

Cost is defined as the hospital-specific cost to charge ratio based on the hospital's cost report period ending in state fiscal year (SFY) 2000 (July 1, 1999 through June 30, 2000).

For new hospitals and hospitals that did not provide Medicaid Neonatal Intensive Care Unit (NICU) services in SFY 2010, the hospital-specific cost to charge ratio will be calculated based on the first full year cost reporting period that the hospital was open or that Medicaid NICU services were provided.

The hospital specific cost to charge ratio will be reviewed bi-annually to determine the need for adjustment to the outlier payment.

A deadline of six months subsequent to the date that the final claim is paid shall be established for receipt of the written request filing for outlier payments. In addition, effective March 1, 2011, outlier claims for dates of service on or before February 28, 2011 must be received by the Department on or before May 31, 2011 in order to qualify for payment. Claims for this time period received by the Department after May 31, 2011 shall not qualify for payment.