

STATE OF LOUISIANA

PAYMENT FOR MEDICAL AND REMEDIAL CARE AND SERVICES

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES - INPATIENT HOSPITAL CARE

High Medicaid Utilization Academic Hospitals

Qualifying Criteria

Effective for dates of service on or after July 1, 2024, the hospital shall meet the following criteria per the Medicare/Medicaid as filed cost report for their fiscal year ended in state fiscal year 2023:

1. have a Medicaid inpatient utilization of at least 39 percent; and
2. have an approved graduate medical education program with at least 400 intern and resident full-time equivalents (FTEs). The intern and resident FTE count must be included on the Medicare/Medicaid cost report on worksheet E-4, line 6 plus worksheet E-3, Part II, line 6.

Qualifying hospitals shall not add additional locations under their license without prior written approval of the Department. The addition of any off-site campus, beyond an outpatient primary care clinic, to the license of this hospital will invalidate the provisions of this reimbursement methodology.

Payment Methodology

High Medicaid academic hospitals that meet all of the criteria above shall be reimbursed a prospective per diem rate of \$3,880.73 for acute inpatient hospital services, including special care units. This rate is based on the allowable Medicaid cost determined from the latest filed Medicare/Medicaid cost report as of March 31, 2024. The prospective graduate medical education component included in this rate is \$271.12.

Reimbursement for inpatient hospital psychiatric services to qualifying high Medicaid academic hospitals that meet all of the criteria above, shall be reimbursed a prospective per diem rate of \$1,705.76. This rate is based on the allowable Medicaid cost report as of March 31, 2024.

These rates are conditional on the hospital continuing to meet all qualifying criteria above. If the hospital no longer qualifies, payments will revert back to appropriate non-rural, non-state hospital assigned rates effective on the date that the qualification(s) are no longer met. The Department may review all above provisions every three years, at a minimum, to evaluate continuation of these enhanced reimbursements.