



**State of Louisiana**  
Louisiana Department of Health  
Office of the Secretary

July 2, 2024

James G. Scott, Director  
Division of Program Operations  
Medicaid & CHIP Operations Group  
601 East 12<sup>th</sup> Street, Room 0300  
Kansas City, Missouri 64106-2898

RE: Louisiana Title XIX State Plan  
Transmittal No. 24-0012

Dear Mr. Scott:

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.  
Should you have any questions or concerns regarding this matter, please contact Karen  
Barnes at (225) 342-3881 or via email at [Karen.Barnes@la.gov](mailto:Karen.Barnes@la.gov).


Respectfully,

A handwritten signature in blue ink that reads "Michael Harrington".

Michael Harrington, MBA, MA  
Secretary

Attachments (3)

MH:KS:NF

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b> <b>FOR: CENTERS FOR MEDICARE &amp; MEDICAID SERVICES</b>		1. TRANSMITTAL NUMBER <b>24-0012</b>	2. STATE <b>LA</b>
		3. PROGRAM IDENTIFICATION: TITLE <u>XIX</u> OF THE SOCIAL SECURITY ACT	
TO: CENTER DIRECTOR CENTERS FOR MEDICAID & CHIP SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE <b>July 1, 2024</b>	
5. FEDERAL STATUTE/REGULATION CITATION  <b>42 CFR Part 447 Subpart C</b>		6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars) a. FFY <b>2024</b> <b>\$7,435,987</b> b. FFY <b>2025</b> <b>\$31,871,730</b>	
7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT  <b>Attachment 4.19-A, Item 1, Page 8j (New Page)</b>		8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)	
9. SUBJECT OF AMENDMENT <b>The purpose of this SPA is to adopt provisions governing qualifying criteria and reimbursement methodology for high Medicaid utilization academic hospitals in order to increase payments for inpatient hospital services.</b>			
10. GOVERNOR'S REVIEW (Check One) <div><input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL</div> <div><input checked="" type="checkbox"/> OTHER, AS SPECIFIED: The Governor does not review State Plan material.</div>			
11. SIGNATURE OF STATE AGENCY OFFICIAL 		15. RETURN TO <b>Kimberly Sullivan, J.D. Medicaid Executive Director Louisiana Department of Health 628 North 4<sup>th</sup> Street P.O. Box 91030 Baton Rouge, LA 70821-9030</b>	
12. TYPED NAME <b>Michael Harrington, MBA, MA</b>			
13. TITLE <b>Secretary</b>			
14. DATE SUBMITTED <b>July 2, 2024</b>			
<b>FOR CMS USE ONLY</b>			
16. DATE RECEIVED		17. DATE APPROVED	
<b>PLAN APPROVED - ONE COPY ATTACHED</b>			
18. EFFECTIVE DATE OF APPROVED MATERIAL		19. SIGNATURE OF APPROVING OFFICIAL	
20. TYPED NAME OF APPROVING OFFICIAL		21. TITLE OF APPROVING OFFICIAL	
22. REMARKS			

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	LA TITLE XIX SPA														
2	TRANSMITTAL #:		24-0012												
3	TITLE:		Inpatient Hospital Services - High Medicaid Utilization Academic Hospitals										FISCAL IMPACT:		
4	EFFECTIVE DATE:		July 1, 2024										Increase		
5															
6		year	% inc.					fed. match	*# mos		range of mos.			dollars	
7	1st SFY	2025							12	July 2024 - June 2025				\$43,954,409	
8	2nd SFY	2026							12	July 2025 - June 2026				\$55,452,258	
9	3rd SFY														
10			*#mos-months remaining in fiscal year												
11															
12	Total increase or decrease cost FFY		2024												
13			\$43,954,409	/		12	X	3 months		July 2024 - September 2024			=	\$10,988,602	
14															
15								FFP (FFY 2024 ) =		\$10,988,602	X		67.67%		\$7,435,987
16															
17															
18															
19															
20															
21															
22															
23															
24	Total increase or decrease cost FFY		2025												
25															
26			\$43,954,409	/		12	X	9 months		October 2024 - June 2025			=	\$32,965,807	
27															
28										\$32,965,807	X		68.06%	=	\$22,436,528
29															
30			\$55,452,258	/		12	X	3 months		July 2025 - September 2025			=	\$13,863,065	
31															
32										\$13,863,065	X		68.06%	=	\$9,435,202
33															
34															
35															
36															\$31,871,730
37								FFP (FFY 2025 )=							

STATE OF LOUISIANA

PAYMENT FOR MEDICAL AND REMEDIAL CARE AND SERVICES

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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.