

STATE OF LOUISIANA

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:

Other Rural Hospitals

In order to qualify as an other rural, non-state hospital the hospital shall meet the following criteria:

- a. Is a non-state owned hospital;
- b. Has no more than sixty licensed beds as of October 1, 2024, excluding distinct part psychiatric unit beds, distinct part rehabilitation unit beds, and nursery bassinets;
- c. Does not qualify as a rural hospital as defined in Attachment 4.19-A, Section D.3.b;
- d. Is not located within one of Louisiana's metropolitan statistical areas (MSA) as delineated in OMB Bulletin No. 23-01;
- e. Has an operational emergency room; and
- ~~a~~.f. Is located in a municipality with a population of less than 23,000 as measured by the 2020 United States Census.

Reimbursement Methodology

Effective for dates of service on or after July 1, 2024, reimbursement rates paid to other rural, non-state hospitals for outpatient hospital services shall be as follows:

- a. Surgery Services. The reimbursement amount for outpatient hospital surgery services shall be an interim payment equal to the Medicaid fee schedule amount on file for each service, and a final reimbursement amount of 95 percent of allowable Medicaid cost as calculated through the cost report settlement process.
- ~~a~~.b. Clinic Services. The reimbursement amount for outpatient hospital facility fees for clinic services shall be an interim payment equal to the Medicaid fee schedule amount on file for each service, and a final reimbursement amount of 95 percent of allowable Medicaid cost as calculated through the cost report settlement process.
- ~~b~~.c. Laboratory Services. The reimbursement amount for outpatient clinical diagnostic laboratory services shall be the Medicaid fee schedule amount on file for each service.
- d. Rehabilitation Services. The reimbursement amount for outpatient rehabilitation services shall be an interim payment equal to the Medicaid fee schedule amount on file for each service, and a final reimbursement amount of 95 percent of allowable Medicaid cost as calculated through the cost report settlement process.

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e. Other Outpatient Hospital Services. The reimbursement amount for outpatient hospital services other than surgery services, clinic services, clinical diagnostic laboratory services, and rehabilitation services shall be an interim payment equal to 95 percent of allowable Medicaid cost as calculated per the latest filed cost report. Final payment shall be 95 percent of allowable cost as determined through the cost report settlement process.

If a qualifying hospital's outpatient costs is greater in subsequent cost reporting periods than the initial implementation year cost report period's cost, outpatient costs shall be subjected to a cap prior to determination of cost settlement amount. Calculation of reimbursable costs shall be as follows:

- a. An average cost per Medicaid outpatient unduplicated encounter per day shall be established using Medicaid cost report and paid claims data from the initial cost report period of implementation. The average unduplicated encounter cost per day shall be calculated by dividing the total outpatient allowable costs for all Medicaid outpatient services by the number of paid unduplicated encounters per day. Clinical diagnostic laboratory services and vaccines are not included in this calculation.
- b. To determine the capped limit for each subsequent year's allowable cost settlement reimbursement, the base year outpatient unduplicated encounter per day cost shall be multiplied by the unduplicated encounters from the applicable subsequent cost reporting period's Medicaid paid claims data and then increased by three percent cumulatively for each year subsequent to the initial implementation year.
- c. Final reimbursement shall be 95 percent multiplied by the lesser of capped cost amount calculated per a.-b., or actual allowable cost for the applicable cost report.