

## **Table of Contents**

**State/Territory Name: Louisiana**

**State Plan Amendment (SPA) #: 25-0009**

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS Form 179
- 3) Approved SPA Pages

**DEPARTMENT OF HEALTH & HUMAN SERVICES**

Centers for Medicare & Medicaid Services  
601 E. 12th St., Room 355  
Kansas City, Missouri 64106



Medicaid and CHIP Operations Group

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June 4, 2025

Kimberly Sullivan, Medicaid Executive Director  
State of Louisiana c/o Department of Health  
628 N. 4<sup>th</sup> Street  
PO Box 91030  
Baton Rouge, LA 70821-9030

Re: Louisiana State Plan Amendment (SPA) LA-25-0009

Dear Medicaid Executive Director Sullivan:

The Centers for Medicare & Medicaid Services (CMS) reviewed your Medicaid State Plan Amendment (SPA) submitted under transmittal number LA-25-0009. This State Plan Amendment requests an extension of the exemption from participation in the Recovery Audit Contractor (RAC) program.

We have conducted our review of your submittal according to statutory requirements in Title XIX of the Social Security Act. This letter is to inform you that the Louisiana Medicaid SPA LA-25-0009 was approved on June 4, 2025, with an effective date of August 6, 2025.

If you have any questions, please contact Cecilia Williams at 667-414-0674 or via email at [Cecilia.Williams@cms.hhs.gov](mailto:Cecilia.Williams@cms.hhs.gov).

Sincerely,

Shantrina Roberts

Digitally signed by Shantrina  
Roberts  
Date: 2025.06.04 16:22:13 -04'00'

Shantrina Roberts, Acting Director  
Division of Program Operations

Enclosures

cc: Najah Freeman  
Keuna Franklin  
Krystal Ceasor  
Marjorie Jenkins

**TRANSMITTAL AND NOTICE OF APPROVAL OF  
STATE PLAN MATERIAL  
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER  
**25-0009**

2. STATE  
**LA**

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT

TO: CENTER DIRECTOR  
CENTERS FOR MEDICAID & CHIP SERVICES  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE  
**August 6, 2025**

5. FEDERAL STATUTE/REGULATION CITATION

**42 CFR 455 Subpart F**

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)  
a. FFY **2025** **\$0**  
b. FFY **2026** **\$0**

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

**Section 4.5b, Pages 37 and 38**

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)  
**Same (TN 23-0026)**

9. SUBJECT OF AMENDMENT

**The purpose of this SPA is to request an extension of the exemption from participation in the Recovery Audit Contractor program.**

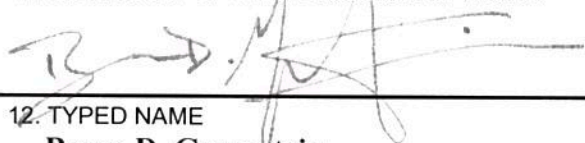
10. GOVERNOR'S REVIEW (Check One)

- ☐ GOVERNOR'S OFFICE REPORTED NO COMMENT  
☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED  
☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

☒ OTHER, AS SPECIFIED:

The Governor does not review State Plan material.

11. SIGNATURE OF STATE AGENCY OFFICIAL



12. TYPED NAME

**Bruce D. Greenstein**

13. TITLE

**Secretary**

14. DATE SUBMITTED

~~May 20, 2025~~ **May 22, 2025**

15. RETURN TO

**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**

**FOR CMS USE ONLY**

16. DATE RECEIVED

**May 22, 2025**

17. DATE APPROVED

**June 4, 2025**

**PLAN APPROVED - ONE COPY ATTACHED**

18. EFFECTIVE DATE OF APPROVED MATERIAL

**August 6, 2025**

19. SIGNATURE OF APPROVING OFFICIAL

**Shantrina Roberts**  
Digitally signed by Shantrina Roberts  
Date: 2025.06.04 16:22:59 -04'00'

20. TYPED NAME OF APPROVING OFFICIAL

**Shantrina Roberts**

21. TITLE OF APPROVING OFFICIAL

**Acting Director, Division of Program Operations**

22. REMARKS

**05/23/2025: LA requested a P&I change in writing via email to Box 14.**

Revision:

State **LOUISIANA**

## PROPOSED SECTION 4 - GENERAL PROGRAM ADMINISTRATION

#### 4.5b Medicaid Recovery Audit Contractor Program

<p><u>Citation</u></p> <p>Section 1902(a)(42)(B)(i) of the Social Security Act</p>	<p>_____ The State has established a program under which it will contract with one or more recovery audit contractors (RACs) for the purpose of identifying underpayments and overpayments of Medicaid claims under the State Plan and under any waiver of the State Plan.</p>
<p>Section 1902(a)(42)(B)(ii)(I) of the Act</p>	<p><u>X</u>_____ The State is requesting an extension of the exception to establishing such program for the following reasons:</p> <ol style="list-style-type: none"> <li>1. The provisions of Act 568 of Louisiana Legislature excluded claims processed or paid through a capitated Medicaid managed care program from the RAC’s scope of review.</li> <li>2. The majority of Louisiana’s Medicaid claims are processed or paid through a capitated managed care program.</li> <li>3. State law limits the potential recoveries, making it difficult to attract potential vendors. Furthermore, the Department has determined that there are adequate auditing processes currently in place through the Surveillance Utilization Review unit (SURS), the Managed Care Special Investigation units and the CMS Unified Program Integrity Contractor (UPIC).</li> </ol> <p><b>Louisiana was previously granted an exception from August 6, 2023 through August 6, 2025, and now seeks an exception from August 6, 2025 through August 5, 2027. Louisiana believes the objectives of the RAC program are effectively obtained through current program integrity efforts.</b></p>
<p>Section 1902 (a)(42)(B)(ii)(II)(aa) of the Act</p>	<p>_____ The State/Medicaid agency will have contracts of the type(s) listed in section 1902(a)(42)(B)(ii)(I) of the Act. All contracts will meet the requirements of the statute. RACs are consistent with the statute.</p> <p>Place a check mark to provide assurance of the following:</p> <p>_____ The State will make payments to the RAC(s) only from amounts recovered.</p> <p>_____ The State will make payments to the RAC(s) on a contingent basis for collecting overpayments.</p>

TN 25-0009  
Supersedes  
TN 23-0026

Approval Date June 4, 2025Effective Date August 6, 2025

<p>Section 1902 (a)(42)(B)(ii)(II)(bb) of the Act</p> <p>Section 1902 (a)(42)(B)(ii)(III) of the Act</p> <p>Section 1902 (a)(42)(B)(ii)(IV)(aa) of the Act</p> <p>Section 1902(a)(42)(B)(ii)(IV)(bb) of the Act</p> <p>Section 1902 (a)(42)(B)(ii)(IV)(cc) Of the Act</p>	<p>Payments to the RAC will be made on a flat fee basis from a pool of funds created through the identification of overpayments not to exceed the regulatory contingency fee percentage.</p> <p>The following payment methodology shall be used to determine State payments to Medicaid RACs for identification and recovery of overpayments (e.g., the percentage of the contingency fee):</p> <p>_____ The State attests that the contingency fee rate paid to the Medicaid RAC will not exceed the highest rate paid to Medicare RACs, as published in the Federal Register. The fees paid will not exceed the regulatory contingency fee percentage.</p> <p>_____ The State attests that the contingency fee rate paid to the Medicaid RAC will exceed the highest rate paid to Medicare RACs, as published in the Federal Register. The State will only submit for Federal Financial Participation (FFP) up to the amount equivalent to that published rate.</p> <p>_____ The contingency fee rate paid to the Medicaid RAC that will exceed the highest rate paid to Medicare RACs, as published in the Federal Register. The State will submit a justification for that rate and will submit for FFP for the full amount of the contingency fee.</p> <p>The following payment methodology shall be used to determine State payments to Medicaid RACs for the identification of underpayments (e.g., amount of flat fee, the percentage of the contingency fee):</p> <p>Payments to the RAC will be made on a flat fee basis from a pool of funds created through the identification of overpayments not to exceed the regulatory contingency fee percentage.</p> <p>_____ The State has an adequate appeal process in place for entities to appeal any adverse determination made by the Medicaid RAC(s).</p> <p>_____ The State assures that the amounts expended by the State to carry out the program will be amounts expended as necessary for the proper and efficient administration of the State Plan or a waiver of the plan.</p> <p>_____ The State assures that the recovered amounts will be subject to State's quarterly expenditure estimates and funding of the State's share.</p> <p>Efforts of the Medicaid RAC(s) will be coordinated with other contractors or entities performing audits of entities receiving payments under the State plan or waiver in the State, and/or state and federal law enforcement entities and the CMS Medicaid Integrity program.</p>
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