

Table of Contents

State/Territory Name: Louisiana

State Plan Amendment (SPA) #: 20-0018

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form (with 179-like data)
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services
Center for Medicaid & CHIP Services
233 North Michigan Ave., Suite 600
Chicago, Illinois 60601



Financial Management Group

December 15, 2020

Tara LeBlanc
Interim Medicaid Executive Director
Louisiana Medicaid Program
Louisiana Department of Health
Bureau of Health Services Financing
628 North Fourth Street
Post Office Box 91030
Baton Rouge, Louisiana 70821-9030

RE: TN 20-0018

Dear Ms. LeBlanc:

We have reviewed the proposed Louisiana State Plan Amendment (SPA) to Attachment 4.19-B, 20-0018, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on November 18, 2020. The purpose of this SPA is to amend the reimbursement rates for outpatient hospital services.

Based upon the information provided by the State, we have approved the amendment with an effective date of January 1, 2021. We are enclosing the approved CMS-179 and a copy of the new state plan pages.

If you have any additional questions or need further assistance, please contact Tamara Sampson at 214-767-6431 or Tamara.Sampson@cms.hhs.gov.

Sincerely,

A solid black rectangular box redacting the signature of Todd McMillion.

Todd McMillion
Director
Division of Reimbursement Review

Enclosures

CENTERS FOR MEDICARE & MEDICAID SERVICES

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES	1. TRANSMITTAL NUMBER 20-0018	2. STATE Louisiana
	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE January 1, 2021	
5. TYPE OF PLAN MATERIAL (Check One) <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT		

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION 42 CFR 447 Subpart C	7. FEDERAL BUDGET IMPACT a. FFY 2021 \$ 790,004 b. FFY 2022 \$ 1,538,644
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Attachment 4.19-B, Item 2a, Page 1a(3) Attachment 4.19-A, Item 2a, Page 2a	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) Same (TN 19-0026) Same (TN 19-0026)

10. SUBJECT OF AMENDMENT **The purpose of this SPA is to amend the provisions governing the reimbursement methodology for outpatient hospital services in order to adjust the reimbursement rates.**

11. GOVERNOR'S REVIEW (Check One)

GOVERNOR'S OFFICE REPORTED NO COMMENT OTHER, AS SPECIFIED
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED The Governor does not review State Plan material.
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL 	16. RETURN TO Tara A. LeBlanc Interim Medicaid Executive Director State of Louisiana Department of Health 628 North 4th Street P.O. Box 91030 Baton Rouge, LA 70821-9030
13. TYPED NAME Ruth Johnson, designee for Dr. Courtney N. Phillips	
14. TITLE Secretary	
15. DATE SUBMITTED November 18, 2020	

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED 11/18/2020	18. DATE APPROVED 12/15/2020
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PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL 1/1/2021	20. SIGNATURE OF REGIONAL OFFICIAL 
21. TYPED NAME Todd McMillion	22. TITLE Director, Division of Reimbursement Review

23. REMARKS

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:

Effective for dates of service on or after January 1, 2017, the reimbursement rates paid to non-rural, non-state hospitals for outpatient surgery, shall be increased by 7.03 percent of the rates on file as of December 31, 2016. Our Lady of the Lake Regional Medical Center shall be exempted from this rate increase.

Effective for dates of service on or after January 1, 2018, the reimbursement rates paid to non-rural, non-state hospitals for outpatient surgery, shall be increased by 4.82 percent of the rates on file as of December 31, 2017. Hospitals participating in public-private partnerships shall be exempted from this rate increase.

Effective for dates of service on or after January 1, 2019, the reimbursement rates paid to non-rural, non-state hospitals for outpatient surgery shall be increased by 11.56 percent of the rates on file as of December 31, 2018. Hospitals participating in public-private partnerships shall be exempted from this rate increase.

Effective for dates of service on or after January 1, 2020, the reimbursement rates paid to non-rural, non-state hospitals for outpatient surgery shall be increased by 3.2 percent of the rates on file as of December 31, 2019. Hospitals participating in public-private partnerships shall be exempted from this rate increase.

Effective for dates of service on or after January 1, 2021, the reimbursement rates paid to non-rural, non-state hospitals for outpatient surgery shall be increased by 3.2 percent of the rates on file as of December 31, 2020. Hospitals participating in public-private partnerships shall be exempted from this rate increase.

Current HCPS codes and modifiers shall be used to bill for all outpatient hospital surgery services.

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:

State Owned Hospitals

Effective for dates of services on or after July 1, 2008, state-owned hospitals shall be reimbursed for outpatient clinical laboratory services at 100 percent of the current Medicare Clinical Laboratory fee schedule.

Interim payment shall be one hundred percent of each hospital's cost to charge ratio as calculated from the latest filed cost report. Final reimbursement shall be one hundred percent of allowable cost as calculated through the cost report settlement process. Final cost is identified by mapping outpatient charges to individual cost centers on the Medicare Hospital Cost Report then multiplying such charges by the cost centers' individual cost to charge ratios. Dates of service associated with the charges match the rate year on the Medicare Hospital Cost Report.

Effective for dates of services on or after August 1, 2012, the reimbursement rate paid to state-owned hospitals for outpatient surgery, outpatient clinic services, outpatient laboratory services and outpatient hospital services, other than clinical diagnostic laboratory services, outpatient surgeries, rehabilitation services and outpatient hospital facility fees shall be reduced by 10 percent of the fee schedule on file as of July 31, 2012. Final reimbursement shall be at 90 percent of allowable cost through the cost settlement process.

Effective for dates of service on or after January 1, 2020, the reimbursement rates paid to state-owned hospitals for outpatient surgery and outpatient clinic services shall be increased by 14.67 percent of the rates on file as of December 31, 2019.

Effective for dates of service on or after January 1, 2020, the reimbursement rates paid to state-owned hospitals for outpatient rehabilitation services shall be increased by 3.2 percent of the rates on file as of December 31, 2019.

Effective for dates of service on or after January 1, 2020, the reimbursement rates paid to state hospitals for outpatient hospital services other than clinical diagnostic laboratory services, outpatient surgeries, rehabilitation services and outpatient hospital facility fees shall be increased by 11 percent of the rates on file as of December 31, 2019. Final reimbursement shall be at 100 percent of allowable cost as calculated through the cost report process.

Effective for dates of services on or after January 1, 2021, the reimbursement rates paid to state-owned hospitals for outpatient surgery shall be increased by 3.2 percent of the fee schedule rates on file as of December 31, 2020.

Effective for dates of service on or after January 1, 2021, the reimbursement rates paid to state-owned hospitals for outpatient laboratory services shall be reimbursed at 100 percent of the current Medicare clinical laboratory fee schedule.