



Division of Medicaid & Children's Health, Region VI

March 14, 2011

Our Reference: SPA-LA-10-74

Mr. Don Gregory, State Medicaid Director
Department of Health and Hospitals
Bienville Building
628 North 4th Street
Post Office Box 91030
Baton Rouge, LA 70821-9030

Dear Mr. Gregory:

We have reviewed the proposed amendment to your Medicaid State Plan submitted under Transmittal Number 10-74. This state plan amendment reduces the reimbursement rates for non-rural, non-state outpatient hospitals and children's hospitals by 2 percent.

In the future, when the State submits a State Plan Amendment (SPA) that may impact Indians or Indian health providers, CMS will look for evidence of the State's tribal consultation process for the SPA. Pursuant to section 1902 (a) (73) of the Act added by section 5006 (e) of the Recovery and Reinvestment Act of 2009, the State must submit evidence to CMS regarding the solicitation of advice prior to submission of the SPA. This consultation must include all federally recognized tribes, Indian Health Service and Urban Indian Organizations within the state.

Transmittal Number 10-74 is approved with an effective date of January 1, 2011 as requested. A copy of the HCFA-179, Transmittal No. 10-74 dated December 20, 2010 is enclosed along with the approved plan pages.

CMS is approving this SPA; however, due to concerns regarding potential problems with access to care, CMS will continue to inquire about the results of the State's planned efforts to monitor access to care to help determine whether it has been negatively affected by this rate reduction or due to the State's rate reductions since 2009. Thank you for working with CMS on this issue.

If you have any questions, please contact Ford Blunt III at (214) 767-6381.

Sincerely,

/s/

Bill Brooks
Associate Regional Administrator

Enclosures