

Table of Contents

State/Territory Name: Louisiana

State Plan Amendment (SPA) #: 12-02

This file contains the following documents in the order listed:

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

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Dallas Regional Office
1301 Young Street, Suite 833
Dallas, Texas 75202



DIVISION OF MEDICAID & CHILDREN'S HEALTH - REGION VI

September 6, 2013

Our Reference: SPA LA 12-02

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

Attn: Darlene Adams
Jodie Hebert

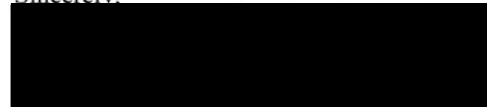
Dear Ms. Kennedy:

We have reviewed the proposed amendment to your Medicaid State Plan submitted under Transmittal Number 12-02. The state plan revises the reimbursement methodology for the EPSDT program to establish coverage for school-based nursing services rendered to children enrolled in Louisiana schools.


Transmittal Number 12-02 is approved with an effective date of January 1, 2012 as requested. A copy of the HCFA-179, Transmittal No. 12-02 dated February 17, 2012 is enclosed along with the approved plan pages.

If you have any questions, please contact Ford Blunt III at ford.blunt@cms.hhs.gov or by phone at (214) 767-6381.

Sincerely,


Bill Brooks
Associate Regional Administrator

Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: HEALTH CARE FINANCING ADMINISTRATION		1. TRANSMITTAL NUMBER: 12-02	2. STATE Louisiana
		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE January 1, 2012	
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 441, Subpart B		7. FEDERAL BUDGET IMPACT: a. FFY <u>2012</u> \$2,273.40 (\$703.99) b. FFY <u>2013</u> \$2,845.71 (\$994.00)	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 3.1-A, Item 4b Pages 19 and 19a Attachment 4.19-B, Item 4b Pages 6, 7, 8, and 9		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): None (New Pages) None (New Pages)	
10. SUBJECT OF AMENDMENT: The purpose of this amendment is to revise the reimbursement methodology for the EPSDT program to establish coverage for school-based nursing services rendered to children enrolled in Louisiana schools.			
11. GOVERNOR'S REVIEW (Check One): <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input checked="" type="checkbox"/> OTHER, AS SPECIFIED: <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED The Governor does not review state plan material. <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF STATE AGENCY OFFICIAL:		16. RETURN TO:	
13. TYPED NAME: Bruce D. Greenstein		State of Louisiana Department of Health and Hospitals 628 N. 4th Street PO Box 91030 Baton Rouge, LA 70821-9030	
14. TITLE: Secretary			
15. DATE SUBMITTED: February 14, 2012			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: 17 February, 2012		18. DATE APPROVED: 6 September, 2013	
PLAN APPROVED – ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: 1 January, 2012		20. SIGNATURE OF REGIONAL OFFICIAL: 	
21. TYPED NAME: Bill Brooks		22. TITLE: Associate Regional Administrator Division of Medicaid & Children's Health	
23. REMARKS: The State requests the above changes to Blocks 7 and 8. Please make a pen and ink change to Form 179 as shown above.			

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:

School-Based Services

- A. Effective on or after January 1, 2012, payment for EPSDT school-based nursing services shall be based on the most recent school year's actual cost as determined by desk review and/or audit for each local education agency (LEA) provider.
1. Each LEA shall determine cost annually by using DHH's Cost Report for Nursing Service Cost form based on the Direct Services Cost Report.
 2. Direct cost shall be limited to the amount of total compensation (salaries, vendor payments and fringe benefits) of current nursing service providers as allocated to nursing services for Medicaid special education recipients.
 3. Indirect cost shall be derived by multiplying the cognizant agency indirect cost unrestricted rate assigned by the Department of Education to each LEA. There are no additional indirect costs included.
 4. In order to calculate the ratio of total Medicaid students in the LEA, the numerator should be the students with an Individualized Education Plan (IEP) that are eligible for Medicaid and the denominator should be the total number of students with an IEP. Cost data is subject to certification by each LEA. This serves as the basis for obtaining Federal Medicaid funding.
- B. For the nursing services, the participating LEAs' actual cost of providing the services shall be claimed for Medicaid Federal Financial Participation (FFP) based on the following methodology.
1. The state shall gather actual expenditure information for each LEA through its Payroll/Benefits and Accounts Payable System.
 2. Develop Direct Cost - The Payroll Cost Base. Total annual salaries and benefits paid, as well as contracted (vendor) payments, shall be obtained initially from each LEA's Payroll/Benefits and Accounts Payable system. This data shall be reported on DHH's Nursing Services Cost Report form for all nursing service personnel (i.e. all personnel providing LEA nursing treatment services covered under the state plan).

State: Louisiana
Date Received: 2/17/12
Date Approved: 9/6/13
Date Effective: 1/1/12
Transmittal Number 12-02

TN# 12-02

Approval Date 9/6/13

Effective 1/1/12

Supersedes

TN# None: New Page

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:

3. Adjust the Payroll Cost Base

The payroll cost base shall be reduced for amounts reimbursed by other funding sources (e.g. federal grants). The payroll cost base shall not include any amounts for staff whose compensation is 100 percent reimbursed by a funding source other than state/local funds. This application results in total adjusted salary cost.

4. Determine the Percentage of Time to Provide All Nursing Services

A time study which incorporates the CMS-approved Medicaid Administrative Claiming (MAC) methodology for nursing service personnel shall be used to determine the percentage of time nursing service personnel spend on nursing services and General and Administrative (G&A) time. This time study will assure that there is no duplicate claiming. The G&A percentage shall be reallocated in a manner consistent with the CMS approved Medicaid Administrative Claiming methodology. Total G&A time shall be allocated to all other activity codes based on the percentage of time spent on each respective activity. To reallocate G&A time to nursing services, the percentage of time spent on nursing services shall be divided by 100 percent minus the percentage of G&A time. This shall result in a percentage that represents the nursing services with appropriate allocation of G&A. This percentage shall be multiplied by total adjusted salary cost as determined B.4 above to allocate cost to school based services. The product represents total direct cost. A sufficient number of nursing service personnel shall be sampled to ensure results that will have a confidence level of at least 95 percent with a precision of plus or minus five percent overall. The CMS approval letter for the time study will be maintained by the State of Louisiana and CMS.

5. Determine Indirect Cost

Indirect cost shall be determined by multiplying each LEA's indirect unrestricted rate assigned by the cognizant agency (the Department of Education) by total adjusted direct cost as determined under B.3 above. No additional indirect cost shall be recognized outside of the cognizant agency indirect rate. The sum of direct cost and indirect cost shall be the total direct service cost for all students receiving nursing services

State: Louisiana
Date Received: 2/17/12
Date Approved: 9/6/13
Date Effective: 1/1/12
Transmittal Number 12-02

TN# 12-02

Approval Date 9/6/13

Effective 1/1/12

Supersedes

TN# None: New Page

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:

6. Allocate Direct Service Cost to Medicaid

To determine the amount of cost that may be attributed to Medicaid, total cost as determined under B.5 above shall be multiplied by the ratio of Medicaid students in the LEA to all students in the LEA. This results in total cost that may be certified as Medicaid's portion of school-based nursing services cost.

C. Reconciliation of LEA Certified Costs and Medicaid Management Information System (MMIS) Paid Claims.

Each LEA shall complete the Nursing Services Cost Report and submit the cost report(s) no later than five months after the fiscal year period ends (June 30), and reconciliation shall be completed within 12 months from the fiscal year end. All filed nursing services cost reports shall be subject to desk review by the Department's audit contractor. The department shall reconcile the total expenditures (both state and federal share) for each LEA's nursing services. The Medicaid certified cost expenditures from the nursing services cost report(s) will be reconciled against the MMIS paid claims data and the department shall issue a notice of final settlement pending audit that denotes the amount due to or from the LEA. This reconciliation is inclusive of all nursing services provided by the LEA.

D. Cost Settlement Process.

As part of its financial oversight responsibilities, the department shall develop audit and review procedures to audit and process final settlements for certain LEAs. The audit plan shall include a risk assessment of the LEAs using available paid claims data to determine the appropriate level of oversight.

1. The financial oversight of all LEAs shall include reviewing the costs reported on the Nursing Services Cost Reports against the allowable costs, performing desk reviews and conducting limited reviews.
2. The Department will make every effort to audit each LEA at least every four years. These activities shall be performed to ensure that audit and final settlement occurs no later than two years from the LEA's fiscal year end for the cost reporting period audited. LEAs may appeal audit findings in accordance with DHH appeal procedures.

State: Louisiana
Date Received: 2/17/12
Date Approved: 9/6/13
Date Effective: 1/1/12
Transmittal Number 12-02

TN# 12-02

Approval Date 9/6/13

Effective 1/1/12

Supersedes

TN# None: New Page

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:

3. The Department shall adjust the affected LEA's payments no less than annually, when any reconciliation or final settlement results in significant underpayments or overpayments to any LEA. By performing the reconciliation and final settlement process, there shall be no instances where total Medicaid payments for services exceed 100 percent of actual certified expenditures for providing LEA services for each LEA.
4. If the interim payments exceed the actual certified costs of an LEA's Medicaid services, the department shall recoup the overpayment in one of the following methods:
 - a. Offset all future claim payments from the affected LEA until the amount of the overpayment is recovered;
 - b. Recoup an agreed upon percentage from future claims payments to the LEA to ensure recovery of the overpayment within one year; or
 - c. Recoup an agreed upon dollar amount from future claims payments to the LEA to ensure recovery of the overpayment within one year.
5. If the actual certified costs of an LEA's Medicaid services exceed interim Medicaid payments, the department will pay this difference to the LEA in accordance with the final actual certification agreement.

State: Louisiana
Date Received: 2/17/12
Date Approved: 9/6/13
Date Effective: 1/1/12
Transmittal Number 12-02

TN# 12-02 Approval Date 9/6/13 Effective 1/1/12
Supersedes
TN# None: New page

AMOUNT, DURATION AND SCOPE OF MEDICAL AND REMEDIAL CARE AND SERVICES PROVIDED

LIMITATIONS ON THE AMOUNT, DURATION AND SCOPE OF CERTAIN ITEMS OF PROVIDED MEDICAL SERVICES ARE DESCRIBED AS FOLLOWS:

<u>CITATION</u>	<u>Medical and Remedial Care and Services</u> Item 4b (Cont'd)	<u>School-Based Medicaid Nursing Services</u>
42 CFR 447.201 42 CFR 441.57		Effective on or after January 1, 2012, EPSDT school-based nursing services are provided by a registered nurse (RN) within a local education agency (LEA). The goal of these services is to prevent or mitigate disease, enhance care coordination, and reduce costs by preventing the need for tertiary care. Providing these services in the school increases access to health care for children and youth resulting in a more efficient and effective delivery of care.

Eligibility

School-based nursing services will be provided to those medically eligible recipients under 21, and who are enrolled in a public school:

1. Are Medicaid eligible when services are provided;
 2. The recipient's need for treatment has been ordered by a licensed physician; and
 3. The recipient receives the service(s) in the public school setting and the services are part of an Individualized Education Program (IEP).
- A. RNs providing school-based nursing services are required to maintain an active RN license with the state and comply with the Louisiana Nurse Practice Act.
- B. School boards and staff shall collaborate for all services with the Medicaid recipient's BAYOU HEALTH plan and ensure compliance with established protocols. In a fee-for-service situation, for the non-Bayou Health individuals, staff will make necessary referrals.

Covered Services

Nursing services are those medically necessary services that are directly related to an IEP or IFSP under IDEA and based on a physician's written order. The following school-based nursing services shall be covered:

1. **Chronic Medical Condition Management and Care Coordination**

This is care based on one of the following criteria:

- a. The child has a chronic medical condition or disability requiring implementation of a health plan/protocol (examples would be children with asthma, diabetes, or cerebral palsy). This service will only be covered when the child is on an IEP. There must be a written health care plan based on a health assessment performed by the RN.

State: Louisiana
Date Received: 2/17/12
Date Approved: 9/6/13
Date Effective: 1/1/12
Transmittal Number 12-02

TN# 12-02

Approval Date 9/6/13

Effective Date 1/1/12

Supersedes

TN# None: New Page

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:

The date of completion and the name of the person completing the plan must be included in the written plan. Each health care service required and the schedule for its provision must be described in the plan.

b. Medication Administration

This service is scheduled as part of a health care plan developed by either the treating physician or the school district LEA. Administration of medication will be at the direction of the physician and within the license of the RN and must be approved within the district LEA policies.

c. Implementation of Physician's Orders

These services shall be provided as a result of receipt of a written plan of care from the child's physician/BAYOU HEALTH provider or an IEP/health care plan for students with disabilities.

NOTE: All recipients have free choice of providers (per section 4.10 of Medicaid State Plan).

2. EPSDT Program Periodicity Schedule for Screenings

A nurse employed by a school district may perform any of these screens within their licensure for BAYOU HEALTH members as authorized by the BAYOU HEALTH plan; or, as compliant with fee-for-service for non-BAYOU HEALTH individuals. The results of these screens must be made available to the BAYOU HEALTH provider as part of the care coordination plan of the district. The screens shall be performed according to the periodicity schedule including any inter-periodic screens. This service is available to all Medicaid-individuals eligible for EPSDT.

3. EPSDT Nursing Assessment/Evaluation Services

A nurse employed by a school district may perform services to protect the health status of children and correct health problems. These services may include health counseling and triage of childhood illnesses and conditions.

Consultations are to be face-to-face contact in one-on-one sessions. These are services for which a parent would otherwise seek medical attention at physician provider's office. This service would only be covered when the individual is on an IEP or IFSP under IDEA.

State: Louisiana
Date Received: 2/17/12
Date Approved: 9/6/13
Date Effective: 1/1/12
Transmittal Number 12-02

TN# 12-02

Approval Date 9/6/13

Effective Date 1/1/12

Supersedes

TN# None: New page