

Table of Contents

State/Territory Name: Louisiana

State Plan Amendment (SPA) #: 12-03

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

January 29, 2013

Our Reference: SPA LA 12-03

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 York
Keydra Singleton


Dear Ms. Kennedy:

We have reviewed the proposed amendment to your Medicaid State Plan submitted under Transmittal Number 12-03. This state plan amendment proposes a supplemental payment to physicians and other eligible professional services practitioners affiliated with the Tulane University School of Medicine.

Transmittal Number 12-03 is approved with an effective date of July 1, 2012 as requested. A copy of the HCFA-179, Transmittal No. 12-03 dated June 24, 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: 12-03		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 July 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 447 Subpart B	7. FEDERAL BUDGET IMPACT: a. FFY <u>2012</u> \$597.47 b. FFY <u>2013</u> \$2,260.47	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-B, Item 5, Pages 12 & 13	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): None (New Pages)	
10. SUBJECT OF AMENDMENT: The purpose of this State Plan is to amend the provisions governing the Professional Services Program to provide supplemental payments to physicians and other eligible professional service practitioners affiliated with the Tulane University School of Medicine.		
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: Bruce D. Greenstein Secretary		16. RETURN TO: J. Ruth Kennedy, Medicaid Director State of Louisiana Department of Health and Hospitals 628 N. 4th Street PO Box 91030 Baton Rouge, LA 70821-9030
13. TYPED NAME: Bruce D. Greenstein		
14. TITLE: Secretary		
15. DATE SUBMITTED: July 20, 2012		
FOR REGIONAL OFFICE USE ONLY		
17. DATE RECEIVED: 24 July, 2012	18. DATE APPROVED: 29 January, 2013	
PLAN APPROVED - ONE COPY ATTACHED		
19. EFFECTIVE DATE OF APPROVED MATERIAL: 1 July, 2012	20. SIGN/ [Redacted]	
21. TYPED NAME: Bill Brookis	22. TITLE: Associate Regional Administrator Division of Medicaid & Children's Health	
23. REMARKS:		

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:

Practitioners Affiliated with Tulane School of Medicine.

1. Qualifying Criteria

- A. Effective for dates of service on or after July 1, 2012, physicians and other eligible professional service practitioners who are employed by, or under contract to provide services to Tulane University School of Medicine located in the city of New Orleans may qualify for supplemental payments for services rendered to Medicaid recipients. To qualify for the supplemental payment, the physician or professional service practitioner must be:

1. licensed by the state of Louisiana;
2. enrolled as a Louisiana Medicaid provider; and
3. identified by Tulane University School of Medicine as a physician or other professional service practitioner that is employed by, or under contract to provide services for that entity.

- B. The following professional services practitioners shall qualify to receive supplemental payments:

1. physicians;
2. physician assistants;
3. certified registered nurse practitioners; and
4. certified registered nurse anesthetists.

2. Reimbursement Methodology

The supplemental payment will be determined in a manner to bring payments for these services up to the community rate level. The community rate level is defined as the rates paid by commercial payers for the same service. Under this methodology the terms physician and physician services include services provided by all qualifying provider types as set forth in (B) above.

The base average commercial factor calculated for SFY 13 is 118.20% of Medicare.

A	
STATE	LOUISIANA
DATE RECD	6-24-12
DATE APP'D	1-29-13
DATE EFF	7-1-12
ISSA	179
	12-03

TN# 12-03 Approval Date 1-29-13 Effective Date 7-1-12
Supersedes
TN# SUPERSEDES: NONE - NEW PAGE

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
MEDICAL ASSISTANCE PROGRAM
STATE OF LOUISIANA

ATTACHMENT 4.19-B
Item 5, Page 13

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 specific methodology to be used in establishing the supplemental payment for physician services is as follows:

- a. For services provided by physicians at a non-state governmental hospital, the state will collect from the hospital its current commercial physician fees by CPT code for the hospital's top three commercial payers by volume.
- b. The state will calculate the average commercial fee for each CPT code for each physician practice plan or physician that provides services at the non-state governmental hospital.
- c. The state will extract from its paid claims history file for the preceding fiscal year all paid claims for those physicians who will qualify for a supplemental payment. The state will align the average commercial fee for each CPT code as determined in b. above to each Medicaid claim for that physician or physician practice plan and calculate the average commercial payments for the claims.
- d. The state will also align the same paid Medicaid claims with the Medicare fees for each CPT code for the physician or physician practice plan and calculate the Medicare payment amounts for those claims. The Medicare fees will be the most currently available national non-facility fees.
- e. The state will then calculate an overall Medicare to commercial conversion factor by dividing the total amount of the average commercial payments for the claims by the total Medicare payments for the claims. The commercial to Medicare ratio will be re-determined every three years.
- f. For each quarter the state will extract paid Medicaid claims for each qualifying physician or physician practice plan for that quarter.
- g. The state will then calculate the amount Medicare would have paid for those claims by aligning the claims with the Medicare fee schedule by CPT code. The Medicare fees will be the most currently available national non-facility fees.
- h. The total amount that Medicare would have paid for those claims is then multiplied by the Medicare to commercial conversion factor and the amount Medicaid actually paid for those claims is subtracted to establish the supplemental payment amount for the physician or physician practice plan for that quarter.

STATE	Louisiana
DATE REC'D	6-24-12
DATE APP'D	1-29-13
DATE EFF	7-1-12
FA 179	12-03

A

TN# 12-03 Approval Date 1-29-13 Effective Date 7-1-12
Supersedes

TN# SUPERSEDES NONE - NEW PAGE