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State/Territory Name: Louisiana

State Plan Amendment (SPA) #: 12-25

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

August 22, 2013

Our Reference: SPA LA 12-25

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 12-25. The state plan reduces reimbursement rates for Professional Services Program for formula-based and flat-fee anesthesia services rendered by physicians by 3.7 percent in order to avoid a budget deficit.

Transmittal Number 12-25 is approved with an effective date of July 1, 2012 as requested. A copy of the HCFA-179, Transmittal No. 12-25 dated August 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,

A black rectangular box redacting the signature of Bill Brooks.

Bill Brooks
Associate Regional Administrator

Enclosures

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

FOR: HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER:

12-25

2. STATE

Louisiana

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

4. PROPOSED EFFECTIVE DATE

July 1, 2012

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

5. TYPE OF PLAN MATERIAL (Check One):

☐ NEW STATE PLAN

☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN

☒ 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 **2012** (\$23.81)

b. FFY **2013** (\$90.07)

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 4.19-B, Item 5, Page 2a (1)

9. PAGE NUMBER OF THE SUPERSEDED PLAN
SECTION OR ATTACHMENT (If Applicable):

Same (TN10-15)

10. SUBJECT OF AMENDMENT: **The purpose of this SPA is to reduce the reimbursement rates for the Professional Services Program for formula-based and flat-fee anesthesia services rendered by physicians by 3.7 percent in order to avoid a budget deficit.**

11. 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.

12. SIGNATURE OF STATE AGENCY OFFICIAL:

13. TYPED NAME:

Bruce D. Greenstein

14. TITLE:

Secretary

15. DATE SUBMITTED:

August 17, 2012

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

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED: **17 August, 2012**

18. DATE APPROVED: **22 August, 2013**

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

1 July, 2012

20. S

21. TYPED NAME:

Bill Brooks

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 SERVICES LISTED IN SECTION 1905(A) OF THE ACT THAT IS INCLUDED IN THE PROGRAM UNDER THE PLAN ARE DESCRIBED AS FOLLOWS:

Anesthesia Services

A. The most appropriate procedure codes and modifiers shall be used when billing for surgical anesthesia procedures and/or other services performed under the professional licensure of the physician (anesthesiologist or other specialty).

B. Formula Based Reimbursement.

Reimbursement is based on formulas related to 100 percent of the 2003 Medicare Region 99 payable.

Effective for dates of service on or after July 1, 2012, the reimbursement for formula-based anesthesia services shall be reduced by 3.7 percent of the rates in effect on June 30, 2012.

C. Flat Fee Reimbursement.

Reimbursement for maternity related anesthesia services is a flat fee except for general anesthesia related to a vaginal delivery which is reimbursed according to a formula.

Other anesthesia services that are performed under the professional licensure of the physician (anesthesiologist or other specialty) are reimbursed a flat fee based on the appropriate procedure code.

Effective for dates of service on or after July 1, 2012, the flat fee reimbursement rates paid for anesthesia services shall be reduced by 3.7 percent of the rates in effect on June 30, 2012.

D. Maternity Related Anesthesia Services

The delivering physician will be reimbursed when he initiates the epidural procedure with inclusion of the appropriate procedure code and modifier.

The anesthesiologist or CRNA who is called in to continue administering the anesthesia after the epidural was inserted will be reimbursed for the continued administration of the anesthesia.

Anesthesiologists and/or CRNAs may not bill for both continued administration and general anesthesia.

E. Surgeons shall not be reimbursed for the personal medical direction of a CRNA. The anesthesia service will be considered non-medically directed and should be billed as such by the CRNA.

State: Louisiana
Date Received: 17 August, 2012
Approval Date: 22 August, 2013
Effective Date: 1 July, 2012
Transmittal Number: LA 12-25