

## **Table of Contents**

**State/Territory Name: Louisiana**

**State Plan Amendment (SPA) #: 12-30**

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**

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July 9, 2013

**Our Reference: SPA LA 12-30**

Ms. Ruth Kennedy, State Medicaid Director  
Department of Health and Hospitals  
Bienville Building  
628 North 4<sup>th</sup> 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 12-30. The state plan amendment reduces the reimbursement rates for substance abuse services provided to children/adolescents by 1.44 percent in order to avoid a budget deficit.

Transmittal Number 12-30 is approved with an effective date of July 1, 2012 as requested. A copy of the HCFA-179, Transmittal No. 12-30 dated August 6, 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](mailto:ford.blunt@cms.hhs.gov) or by phone at (214) 767-6381.

Sincerely,



A black rectangular redaction box covering 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: <b>12-30</b>		2. STATE <b>Louisiana</b>
3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)		
4. PROPOSED EFFECTIVE DATE <b>July 1, 2012</b>		
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES		
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: <b>42 CFR 447 Subpart B</b>		7. FEDERAL BUDGET IMPACT: a. FFY <b>2012</b> <b>(\$1.07)</b> b. FFY <b>2013</b> <b>(\$4.05)</b>
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:  <b>Attachment 4.19-B, Item 13.d, Page 4</b> <b>Attachment 4.19 B, Item 13.d, Page 4a</b>		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):  <b>Same (04-08) (11-10)</b> <b>None (New Page)</b>
10. SUBJECT OF AMENDMENT: <b>The purpose of this State Plan amendment is to reduce the reimbursement rates for substance abuse services provided to children/adolescents by 1.44 percent in order to avoid a budget deficit.</b>		
11. GOVERNOR'S REVIEW (Check One): <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL <input checked="" type="checkbox"/> OTHER, AS SPECIFIED: <b>The Governor does not review state plan material.</b>		
12. SIGNATURE OF STATE AGENCY OFFICIAL: 		16. RETURN TO: <b>J. Ruth Kennedy, Medicaid Director</b> <b>State of Louisiana</b> <b>Department of Health and Hospitals</b> <b>628 N. 4<sup>th</sup> Street</b> <b>PO Box 91030</b> <b>Baton Rouge, LA 70821-9030</b>
13. TYPED NAME: <b>Bruce D. Greenstein</b>		
14. TITLE: <b>Secretary</b>		
15. DATE SUBMITTED: <b>August 6, 2012</b>		
<b>FOR REGIONAL OFFICE USE ONLY</b>		
17. DATE RECEIVED: <b>6 August, 2012</b>		18. DATE APPROVED: <b>9 JULY, 2013</b>
<b>PLAN APPROVED - ONE COPY ATTACHED</b>		
19. EFFECTIVE DATE OF APPROVED MATERIAL: <b>1 July, 2012</b>		20. SIGNATURE: 
21. TYPED NAME: <b>Bill Brooks</b>		22. TITLE: <b>Associate Regional Administrator</b> <b>Division of Medicaid &amp; Children's Health</b>
23. REMARKS: <b>* PEN AND INK CHANGE AS PER EMAIL DATED 7/10/13.</b>		



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:

**Substance Abuse Rehabilitation Health Services**

Reimbursements for services are based upon a Medicaid fee schedule established by the State of Louisiana.

If a Medicare fee exists for a defined covered procedure code, then Louisiana will pay Psychologists and APRNs at 80% of the Medicaid physician rates as outlined under 4.19-B, item 5. If a Medicare fee exists for a defined covered procedure code, then Louisiana will pay LCSWs, LPCs, LMFTs, and LAC's as well as qualified unlicensed practitioners delivering substance abuse services at 70% of the Medicaid physician rates as outlined under 4.19-B, item 5.

Where Medicare fees do not exist for a covered code, the fee development methodology will build fees considering each component of provider costs as outlined below. These reimbursement methodologies will produce rates sufficient to enlist enough providers so that services under the Plan are available to individuals at least to the extent that these services are available to the general population, as required by 42 CFR 447.204. These rates comply with the requirements of Section 1902(a)(3) of the Social Security Act 42 CFR 447.200, regarding payments and consistent with economy, efficiency and quality of care. Provider enrollment and retention will be reviewed periodically to ensure that access to care and adequacy of payments are maintained. The Medicaid fee schedule will be equal to or less than the maximum allowable under the same Medicare rate, where there is a comparable Medicare rate. Room and board costs are not included in the Medicaid fee schedule.

Except as otherwise noted in the Plan, the State-developed fee schedule is the same for both governmental and private individual providers and the fee schedule and any annual/periodic adjustments to the fee schedule are published in the Louisiana Register. The Agency's fee schedule rate was set as of August 1, 2011 and is effective for services provided on or after that date. All rates are published on the agency's website at [www.lamedicaid.com](http://www.lamedicaid.com). The fee development methodology will primarily be composed of provider cost modeling, though Louisiana provider compensation studies, cost data and fees from similar State Medicaid programs may be considered, as well. The following list outlines the major components of the cost model to be used in fee development.

- Staffing Assumptions and Staff Wages
- Employee-Related Expenses – Benefits, Employer Taxes (e.g., FICA, unemployment, and workers compensation)
- Program-Related Expenses (e.g., supplies)
- Provider Overhead Expenses
- Program Billable Units

STATE	<u>LOUISIANA</u>
DATE REC'D	<u>8-6-12</u>
DATE APP'V'D	<u>7-9-13</u>
DATE EFF	<u>7-1-12</u>
HOSEA 179	<u>12-30</u>

**A**

TN# 12-30 Approval Date 7-9-13 Effective 7-1-12  
Supersedes  
TN# 11-10 **SUPERSEDES: TN- 11-10**



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

ATTACHMENT 4.19-B  
Item 13d Page 4a

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 fee schedule rates will be developed as the ratio of total annual modeled provider costs to the estimated annual billable units.

Effective for dates of service on or after July 1, 2012, the reimbursement rates for outpatient substance abuse services provided to children/adolescents shall be reduced by 1.44 percent of the rates in effect on June 30, 2012.

STATE	<u>LOUISIANA</u>
DATE REC'D	<u>8-6-12</u>
DATE APPV'D	<u>7-9-13</u>
DATE EFF	<u>7-1-12</u>
NOEA 179	<u>12-30</u>

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TN# 12-30  
Supersedes  
TN# 11-10

Approval Date 7-9-13

Effective 7-1-12

SUPERSEDES: NONE - NEW PAGE