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State/Territory Name: Louisiana

State Plan Amendment (SPA) #: 12-42

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 12-42

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 12-42. The state plan reduces reimbursement rates for medical equipment, supplies and appliances by 3.7 percent in order to avoid a budget deficit.

Transmittal Number 12-42 is approved with an effective date of July 1, 2012 as requested. A copy of the HCFA-179, Transmittal No. 12-42 dated August 3, 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: 12-42	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> (\$111.79) b. FFY <u>2013</u> (\$422.94)	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-B, Item 7, Page 2a Attachment 4.19-B, Item 7, Page 2.a (1)		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Same (10-48) Same (10-17)	
10. SUBJECT OF AMENDMENT: The purpose of this SPA is to reduce the reimbursement rates for medical equipment, supplies and appliances by 3.7 percent in order to avoid a budget deficit.			
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: 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 25, 2012			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: 3 August, 2012		18. DATE APPROVED: 22 August, 2013	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: 1 July, 2013		20. SIGNATURE OF REGIONAL OFFICIAL: 	
21. TYPED NAME: Bill Brooks		22. TITLE: Associate Regional Administrator Division of Medicaid & Children's Health	
23. REMARKS:			

STATE OF LOUISIANA

PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES - OTHER TYPES OF CARE OR SERVICES LISTED IN SECTION 1902 (A) OF THE ACT THAT ARE INCLUDED IN THE PROGRAM, UNDER THE PLAN ARE DESCRIBED AS FOLLOWS:

Effective for dates of service on or after January 22, 2010, the reimbursement paid for medical equipment, supplies and appliances shall be reduced by 5 percent of the rates on file as of January 21, 2010. The following medical equipment, supplies and appliances are excluded from this rate reduction:

- a. enteral therapy, pumps and related supplies;
- b. intravenous therapy and administrative supplies;
- c. apnea monitor and accessories;
- d. nebulizers;
- e. hearing aids and related supplies;
- f. respiratory care
- g. tracheostomy and suction equipment and related supplies;
- h. ventilators and related equipment;
- i. vagus nerve stimulator and related supplies; and
- j. augmentative and alternative communication devices.
- k. oxygen, oxygen equipment and related supplies

State: Louisiana
Date Received: 8/3/12
Date Approved: 8/22/13
Date Effective: 7/1/12
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Effective for dates of service on or after July 1, 2012, the reimbursement paid for medical equipment, supplies and appliances shall be reduced by 3.7 percent of the rates on file as of June 30, 2012.

Effective for services on or after July 21, 2010 for respiratory care services provided in conjunction with the Pediatric Day Health Program, reimbursement is made pursuant to the methodology described on page 4.19-B, Item 4b, Page 5 under EPSDT- Pediatric Day Health Program.

- B. Continuous subcutaneous insulin external infusion pumps shall be reimbursed the lesser of 5 percent over the provider's actual cost or the provider's usual and customary charge, not to exceed \$5,745. Related diabetic supplies shall be reimbursed the lesser of 10 percent over the provider's actual cost or the provider's usual and customary charge.
- C. Ostomy supplies are reimbursed at the lesser of:
 - billed charges; or
 - eighty percent (80%) of 2000 Medicare fee schedule for the procedure codes that were listed on the 2000 Medicare fee schedule and at the same amount for the HIPAA compliant codes which replaced them or 80 % of the Medicare fee schedule under which the procedure code first appeared; or

STATE OF LOUISIANA

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- eighty percent (80%) of the Manufacturer's Suggested Retail Price (MSRP).
- D. Tracheostomy tubes and care kits are reimbursed at ninety percent (90%) of the 2000 Medicare fee schedule for the procedure codes that were listed on the 2000 Medicare fee schedule and at the same amount for the HIPAA compliant codes which replaced them or 80 % of the Medicare fee schedule under which the procedure code first appeared.
- E. Enteral formulas are reimbursed at the lesser of:
- billed charges; or
 - eighty percent (80%) of 2000 Medicare fee schedule for the procedure codes that were listed on the 2000 Medicare fee schedule and at the same amount for the HIPAA compliant codes which replaced them or 80 % of the Medicare fee schedule under which the procedure code first appeared.
- F. Enteral infusion pumps, standard type wheelchairs, hospital beds, commode chairs, and stationary suction machines are reimbursed at the Medicaid established flat fee amount.

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