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State/Territory Name: Louisiana

State Plan Amendment (SPA) #: 12-65

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

May 22, 2013

Our Reference: SPA LA 12-65

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 12-65. This state plan amendment revises the provisions governing coordinated care networks to include pharmacy services as a covered service under the BAYOU HEALTH Program for recipients enrolled in pre-paid health plans.

Transmittal Number 12-65 is approved with an effective date of November 1, 2012 as requested. A copy of the HCFA-179, Transmittal No. 12-65 dated November 2, 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	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES	1. TRANSMITTAL NUMBER: 12-65 2. STATE Louisiana
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)	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)
6. FEDERAL STATUTE/REGULATION CITATION: Social Security Act, Section 1932 (a)(4) 42 CFR 448.50	4. PROPOSED EFFECTIVE DATE November 1, 2012
7. FEDERAL BUDGET IMPACT: a. FFY 2012 (\$4,276.36) b. FFY 2013 (\$16,179.17)	8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 3.1-F, Page 1a Attachment 3.1-F, Page 12
9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Same (TN 11-21) Same (TN 11-21)	10. SUBJECT OF AMENDMENT: The purpose of this SPA is to revise the provisions governing coordinated care networks to include pharmacy services as a covered service under the BAYOU HEALTH Program for recipients enrolled in pre-paid health plans.
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: The Governor does not review state plan material.
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	17. DATE RECEIVED: 2 November, 2012
14. TITLE: Secretary	18. DATE APPROVED: 23 May, 2013
15. DATE SUBMITTED: November 1, 2012	19. EFFECTIVE DATE OF APPROVED MATERIAL: 2 November, 2012
FOR REGIONAL OFFICE USE ONLY	
20. PLAN APPROVED - ONE COPY TO BE RETURNED TO: 	21. TYPED NAME: Bill Brooks
22. TITLE: Associate Regional Administrator Division of Medicaid & Children's Health	23. REMARKS:

STATE <u>Louisiana</u>	A
DATE REC'D <u>2 Nov, 2012</u>	
DATE APPV'D <u>23 May, 2013</u>	
DATE EFF <u>1 Nov, 2012</u>	
HCFA 179 <u>12-65</u>	

State: Louisiana

Citation

Condition or Requirement

1932(a)(5)(D)
1905(t)

L. List all services that are excluded for each model (MCO & PCCM)

The following services are excluded from coverage under the CCN-P Model:

- Dental;
- Hospice
- ICF/DD Services*;
- Personal Care Services;
- Nursing Facility Services*;
- Individualized Education Plan (IEP) Services provided by a school district and billed through the intermediate school district, or school-based services funded with certified public expenditures (these services are not provided by OPH certified school-based health clinics);
- All Home & Community-Based Waiver Services;
- Specialized Behavioral Health;
- Targeted Case Management Services including Nurse Family Partnership; and
- Services provided through DHH's Early-Steps Program (Individuals with Disabilities Education Act (IDEA) Part C Program Services)

***Individuals receiving these services are excluded from enrollment or will be disenrolled from the CCN-P.**

Medicaid state plan covered services other than primary care case management services are covered and reimbursed outside of the CCN through the Medicaid fee-for-service payment system or other managed care programs. The CCN-S is responsible for authorizing all State plan covered service, except:

- Services provided through DHH's Early Step Services (IDEA Part C Program Services)
- Dental Services
- Personal Care Services (EPSDT and LT-PCS)
- Intermediate Care Facilities for the Developmentally Disabled (ICF/DD) Services*
- Home & Community-Based Waiver Services
- Hospice Services*
- Non-Emergency Transportation
- School-based Individualized Education Plan (IEP) Services provided by a school district and billed through the intermediate school district
- Nursing Facility Services*
- Specialized Behavioral Health Services
- Targeted Case Management

TN No. 12-65
Supersedes
TN No. 11-21

Approval Date 5-23-13Effective Date 11-1-12

SUPERSEDES: TN- 11-21

State: Louisiana

Citation

Condition or Requirement

- specified Medicaid State Plan services (referred to as core benefits and services) and care management services. The CCN-P will also provide additional services not included in the Medicaid State Plan and provide incentive programs to their network providers. All plans will be paid the same actuarially determined risk adjusted rates. PMPM payments related to pharmacy services will be adjusted to account for pharmacy rebates.
- The CCN-S is an enhanced PCCM Medicaid managed care model in which the entity receives a monthly per-member fee to provide enhanced PCCM services and PCP care management, with opportunities for the CCN entity to share in any cost savings realized from coordinating care with PCPs. The CCN-S's network shall consist of primary care providers. All CCN-S are required to share a portion of savings received with providers and their plan to share savings must be approved by DHH.

In both models, the state program includes significant administrative monitoring and controls to ensure that appropriate access, services and levels of quality are maintained including sanctions for non-reporting or non-performance.

42 CFR 438.50(b)(2)
42 CFR 438.50(b)(3)

2. The payment method to the contracting entity will be:

- ☒ i. fee for service; (E-PCCM only)
☒ ii. capitation; (MCO only)
☒ iii. a case management fee; (E-PCCM only)
☒ iv. a bonus/incentive payment; (E-PCCM only)
☐ v. a supplemental payment, or
☐ vi. other. (Please provide a description below).

A	
STATE	LOUISIANA
DATE REC'D	2 NOV 2012
DATE APP'D	23 MAY 2013
DATE EFF	1 NOV 2012
HCFR 179	12-65

*For the CCN-S model, the State will pay the CCN-S, which is the primary care case manager, an enhanced primary care case management fee consisting of: (1) a primary care management fee and (2) an enhanced care management fee. The enhanced care management portion of the E-PCCM fee will be for care management activities such as additional disease management, assistance provided to PCPs with obtaining NCQA patient-centered medical home recognition, chronic care management, and prior authorization. The E-PCCM fee will be paid on a per member per month basis and will be subject to an annual incentive based on savings determined, performance under the contract and quality indicators.

**For the CCN-P model, the MCOs will be paid actuarially sound capitation rates subject to actuarial soundness requirements at 42 CFR 438.6(c).

*** For the CCN-P model, the CCN-P shall pay a pharmacy dispensing fee, as defined in the contract, at a rate no less than the minimum specified in the terms of the contract. The CCN-P is not required to reimburse for pharmacy delivered by out-of-network providers. The CCN-P shall maintain a system that denies the claim at point-of-sale for providers not contracted in the network.

TN No. 12-65Approval Date 5-23-13Effective Date 11-1-12

Supersedes

TN No.

11-21SUPERSEDES: TN- 11-21