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State/Territory Name: Louisiana

State Plan Amendment (SPA) #: 13-12

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

June 6, 2013

Our Reference: SPA LA 13-12

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 13-12. The state plan increases the reimbursement rates for physician services rendered by health plans in the coordinated care networks as well as fee-for-service visits to meet compliance with Section 1202 of the Patient Protection and Affordable Care Act (PPACA) and federal regulations.

Transmittal Number 13-12 is approved with an effective date of January 1, 2013 as requested. A copy of the HCFA-179, Transmittal No. 13-12 dated March 8, 2013 is enclosed along with the approved plan pages.

As we are working in partnership to implement this important provision, the State has informed us that it will begin to pay the increased rates to your providers on July 1, 2013. Additionally, to the extent you have information regarding the number of providers receiving the enhanced payments; we would appreciate that information as well.

If you have any questions, please contact Ford Blunt III at ford.blunt@cms.hhs.gov or by phone at (214) 767-6381.

Sincerely,

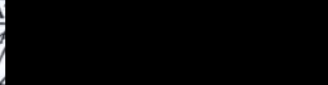
A black rectangular box redacting the signature of Bill Brooks.

Bill Brooks
Associate Regional Administrator

Enclosures

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

FOR: HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER: 13-12		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 January 1, 2013
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 F	7. FEDERAL BUDGET IMPACT: a. FFY 2013 \$23,988.79 b. FFY 2014 \$39,120.77	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-B, Item 5, Pages 14, 15, 16, 17, and 18 Attachment 4.19-B, Item 4b, Page 1h(1) and 1h(2) Attachment 4.19-B, Item 6, Page 11 Attachment 4.19-B, Item 6, Page 12 and 13 Attachment 3.1-F, Page 1b Attachment 3.1-F, Page 12a	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): None (New Pages) None (New Pages) Pending (TN-12-32) None (New Pages) None (New Page) Same (TN-11-21)	
10. SUBJECT OF AMENDMENT: The SPA proposes to increase the reimbursement rates for physician services rendered by health plans in the coordinated care networks as well as fee-for-service visits to meet compliance with the Patient Protection and Affordable Care Act (PPACA) and federal regulations.		
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	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: March 8, 2013		
FOR REGIONAL OFFICE USE ONLY		
17. DATE RECEIVED: MARCH 13, 2013	18. DATE APPROVED: JUNE 6, 2013	
PLAN APPROVED - ONE COPY A		
19. EFFECTIVE DATE OF APPROVED MATERIAL: JANUARY 1, 2013	20. SIGNATURE: 	
21. TYPED NAME: Bill Brooks	22. TITLE: Associate Regional Administrator Division of Medicaid & Children's Health	
23. REMARKS: * Pages deleted from submission as per pem and inc change dated 6/5/13. Only Attachment 4.19-B, Item 5, Pages 14-16 are submitted with this SPA.		

Physician Services: Increased Primary Care Service Payment
42 CFR 447.405, 447.410, 447.415

Attachment 4.19-B: Physician Services 42 CFR 447.405 Amount of Minimum Payment

The state reimburses for services provided by physicians meeting the requirements of 42 CFR 447.400(a) at the Medicare Part B fee schedule rate using the Medicare physician fee schedule rate in effect in calendar years 2013 and 2014 or, if greater, the payment rates that would be applicable in those years using the calendar year 2009 Medicare physician fee schedule conversion factor. If there is no applicable rate established by Medicare, the state uses the rate specified in a fee schedule established and announced by CMS.

- ☒ For dates of service on or after February 20, 2013, the rate paid will be based on the site of service and the mean rate over all counties (parishes).
- ☒ For dates of service from January 1, 2013 through February 19, 2013 the rate paid will be based on the office setting and mean rate over all counties (parishes)
- ☐ The rates reflect all Medicare geographic/locality adjustments.
- ☒ The rates are statewide and reflect the mean value over all counties (parishes) for each of the specified evaluation and management and vaccine billing codes.

The following formula was used to determine the mean rate over all counties for each code: Rates were calculated based on the January 2, 2013 release of the Medicare geographic practice cost index (GPCI) factors and 2009 RVUs issued by CMS.

Mean over all parishes/counties per code = $(4/64 \times \text{GPCIs for Region 01}) + (60/64 \times \text{GPCIs for Region 99})$

Region 01 New Orleans, LA

Region 99 Rest of Louisiana

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DATE REC'D	<u>3-13-13</u>
DATE APPV'D	<u>6-6-13</u>
DATE EFF	<u>1-1-13</u>
HCFR 179	<u>13-12</u>

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Method of Payment

- ☒ The state has adjusted its fee schedule to make payment at the higher rate for each E&M and vaccine administration code.
- ☐ The state reimburses a supplemental amount equal to the difference between the Medicaid rate in effect on July 1, 2009 and the minimum payment required at 42 CFR 447.405.

Supplemental payment is made: ☐ monthly ☐ quarterly

TN# 13-12 Approval Date 6-6-13 Effective Date 1-1-13
Supersedes
TN# NONE-NEW PAGE

SUPERSEDES: NONE - NEW PAGE

Primary Care Services Affected by this Payment Methodology

☐ This payment applies to all Evaluation and Management (E&M) billing codes 99201 through 99499.

☒ The State did not make payment as of July 1, 2009 for the following codes and will not make payment for those codes under this SPA (specify codes): 99217; 99261-99275; 99288-99290; 99293-99303; 99311-99313; 99318-99323; 99331-99333; 99339-99340; 99351-99359; 99361-99373; 99375-99376; 99378; 99401-99420; 99431-99456; 99485-99496.

The State did make payment as of July 1, 2009 for the following codes but has since made them non-payable (see effective dates below). The State will not make payment for these codes under this SPA.

- 90465-90468: Non-payable as of January 1, 2011
- 99241-99255: Non-payable as of July 1, 2012

(Primary Care Services Affected by this Payment Methodology – continued)

☒ The state will make payment under this SPA for the following codes which have been added to the fee schedule since July 1, 2009 (specify code and date added).

- 99224-99226: Payable as of January 1, 2011

Physician Services – Vaccine Administration

For calendar years (CYs) 2013 and 2014, the state reimburses vaccine administration services furnished by physicians meeting the requirements of 42 CFR 447.400(a) at the lesser of the state regional maximum administration fee set by the Vaccines for Children (VFC) program or the Medicare rate in effect in CYs 2013 and 2014 or, if higher, the rate using the CY 2009 conversion factor.

☐ Medicare Physician Fee Schedule rate

☒ State regional maximum administration fee set by the Vaccines for Children program for billing codes 90471 and 90473

☒ Rate using the CY 2009 conversion factor for billing codes 90472 and 90474

Documentation of Vaccine Administration Rates in Effect 7/1/09

The state uses one of the following methodologies to impute the payment rate in effect at 7/1/09 for code 90460, which was introduced in 2011 as a successor billing code for billing codes 90465 and 90471.

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SUPERSEDES: NONE - NEW PAGE

☐ The imputed rate in effect at 7/1/09 for code 90460 equals the rate in effect at 7/1/09 for billing codes 90465 and 90471 times their respective claims volume for a 12 month period which encompasses July 1, 2009. Using this methodology, the imputed rate in effect for code 90460 at 7/1/09 is: _____.

☐ A single rate was in effect on 7/1/09 for all vaccine administration services, regardless of billing code. This 2009 rate is: _____.

☒ Alternative methodology to calculate the vaccine administration rate in effect 7/1/09:

90460 and 90461 are non-covered. Providers must bill 90471 - 90474. The rates in effect on July 1, 2009 will be used as the basis for the July 1, 2009 rates.

Note: This section contains a description of the state's methodology and specifies the affected billing codes.

Effective Date of Payment

E & M Services: This reimbursement methodology applies to services delivered on and after January 1, 2013, ending on December 31, 2014. All rates are published at www.lamedicaid.com.

Vaccine Administration Services: This reimbursement methodology applies to services delivered on and after January 1, 2013, ending on December 31, 2014. All rates are published at www.lamedicaid.com.

Supersedes Page: None (New Page)

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SUPERSEDES: NONE - NEW PAGE