

Table of Contents

State/Territory Name: Louisiana

State Plan Amendment (SPA) #: 17-0009

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) Companion Letter
- 3) CMS 179 Form
- 4) Approved Page(s)

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

September 6, 2017

Our Reference: SPA LA 17-0009

Ms. Jen Steele, State Medicaid Director
Department of Health and Hospitals
628 North 4th St.
Post Office Box 91030
Baton Rouge, LA 70821-9030

Attention: Karen Barnes

Dear Ms. Steele:

We have reviewed the State's proposed amendment to the Louisiana State Plan submitted under Transmittal Number 17-0009 dated June 8, 2017. This state plan amendment proposes to reinstate the Louisiana Health Insurance Premium Payment (LaHIPP) program in order to reduce Medicaid costs by establishing or maintaining a third party resource as the primary payer of the Medicaid recipient's medical expenses.

Based on the information submitted, we have approved the amendment for incorporation into the official Louisiana State Plan with an effective date change of April 20, 2017. A copy of the CMS-179 and approved plan pages are enclosed with this letter.

If you have any questions, please contact Cheryl Rupley at (214) 767-6278 or by email at Cheryl.Rupley@cms.hhs.gov.

Sincerely,

A black rectangular box redacting the signature of Bill Brooks.

Bill Brooks
Associate Regional Administrator

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

September 6, 2017

Our Reference: SPA LA 17-0009

Ms. Jen Steele, State Medicaid Director
Department of Health and Hospitals
628 North 4th St.
Post Office Box 91030
Baton Rouge, LA 70821-9030

Attention: Karen Barnes

Dear Ms. Steele:

This letter is being sent regarding the implementation of state plan amendment (SPA) #17-0009 which was approved on September 6, 2017, reinstating a voluntary premium assistance program (LaHIPP). As part of the review of the SPA, the Centers for Medicare & Medicaid Services (CMS) and the state discussed the statutory requirements to protect beneficiaries from incurring any out of pocket costs that exceed the limits in the state plan. This letter serves to memorialize agreement that the state will work with the provider community to enroll non-participating providers into Medicaid for purposes of limiting cost sharing in LaHIPP.

Individuals enrolled in premium assistance programs must be afforded the same benefits and cost sharing limits provided to all other Medicaid enrollees. Louisiana indicated it will provide a wrap-around benefit for any Medicaid service not included in the employer-sponsored insurance (ESI) and individual health insurance (IHI) plans. As for the cost sharing wrap-around, the state will implement a provider enrollment strategy, which utilizes an approach to outreach to providers directly, matches Medicaid lists to existing known provider lists, and uses the state's online provider pages to share information. The state may choose to create a shortened provider application for providers who are already known to the state, and who have already undergone screening, because they accept Medicare and have a National Provider Identifier, similar to the way that states implement an abbreviated provider enrollment application for Medicare cross-over claims. Upon enrollment, the provider will be able to bill the state for any out of pocket expenses that exceed the cost sharing limits in the Medicaid state plan. The state will also inform beneficiaries regarding options available when the beneficiary obtains care from a non-participating Medicaid provider.



During a call on August 23, 2017, the state agreed to work with CMS to identify metrics and collect data in order to evaluate the extent to which plan providers are enrolled in Medicaid, as well as the effectiveness of the state's strategies for enrolling additional plan providers.

CMS is available to provide ongoing technical assistance to the state on these issues as the state moves forward in implementing its premium assistance program. If you have any questions concerning this letter, please contact Cheryl Rupley at (214) 767-6278.

Sincerely,



Bill Brooks
Associate Regional Administrator

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: HEALTH CARE FINANCING ADMINISTRATION		1. TRANSMITTAL NUMBER: <div style="text-align: center;">17-0009</div>	2. STATE <div style="text-align: center;">Louisiana</div>
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
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)		4. PROPOSED EFFECTIVE DATE <div style="text-align: center;">April 20, 2017</div>	
6. FEDERAL STATUTE/REGULATION CITATION: 1906 of the Social Security Act	7. FEDERAL BUDGET IMPACT: a. FFY <u>2017</u> <u>\$(274,522)</u> b. FFY <u>2018</u> <u>\$(1,649,091)</u>		
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Section 4.22, Page 70 Attachment 4.22-C, Page 1 Attachment 4.22-C, Page 2 Section 3.2, Page 29b	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Same (TN 15-20) Same (TN 15-20) None - New page Same (TN 03-08)		
10. SUBJECT OF AMENDMENT: The SPA proposes to reinstate the Louisiana Health Insurance Premium Payment (LaHIPP) program in order to reduce Medicaid costs by establishing or maintaining a third party resource as the primary payer of the Medicaid recipient's medical expenses.			
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: Jen Steele, Medicaid Director State of Louisiana Department of Health 628 North 4th Street P.O. Box 91030 Baton Rouge, LA 70821-9030		
13. TYPED NAME: Rebekah E. Gee MD, MPH	17. DATE RECEIVED: June 9, 2017		
14. TITLE: Secretary			
15. DATE SUBMITTED: June 8, 2017			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: June 9, 2017		18. DATE APPROVED: September 6, 2017	
PLAN APPROVED – ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: April 20, 2017	20. SIGNATURE OF REGIONAL ADMINISTRATOR: 		
21. TYPED NAME: Bill Brooks	22. TITLE: Associate Regional Administrator Division of Medicaid & Children's Health		
23. REMARKS: The State requests a pen and ink change to boxes 8 and 9.			

Revision: HCFA-PM-97-3 (CMSO)
December 1997

State: LOUISIANA

Citation

1843(b) and 1905(a)
of the Act and 42
CFR 431.625

Section 3.2 (continued)

(vi) Other Medicaid Recipients

The Medicaid agency pays Medicare Part B premiums to make Medicare Part B coverage available to the following individuals:

 X All individuals who are: (a) receiving benefits under Titles I, IV-A, X, XIV, or XVI (AABD or SSI); b) receiving State supplements under Title XVI; or c) within a group listed at 42 CFR 431.625(d)(2).

 Individuals receiving Title II or Railroad Retirement benefits.

 Medically needy individuals (FFP is not available for this group).

1902(a)(30) and
1905(a) of the Act

(2) Other Health Insurance

 X The Medicaid agency pays insurance premiums for medical or any other type of remedial care to maintain a third party resource for Medicaid covered services provided to eligible individuals (except individuals 65 years of age or older and disabled individuals, entitled to Medicare Part A, but not enrolled in Medicare Part B).

State: Louisiana
Date Received: 6-8-17
Date Approved: 9-6-17
Date Effective: 4-20-17
Transmittal Number: 17-0009

TN 17-0009
Supersedes
TN TN 03-08

Approval Date September 6, 2017

Effective Date April 20, 2017

Revision: HCFA-PM-94-1 (MB)
FEBRUARY 1994

State/Territory: LOUISIANA

Citation

4.22 (continued)

- 42CFR 433.151 (a) (f) The Medicaid agency has written cooperative agreements for the enforcement of rights to and collection of third party benefits assigned to the State as a condition of eligibility for medical assistance with the following: (Check as appropriate.)
- ☒ State title IV-D agency. The requirements of 42 CFR 433.152(b) are met.
- ☒ Other appropriate State agency(s):
IV-A
IV-E
- ☐ Other appropriate agency(s) of another state:

- ☐ Courts and law enforcement officials.
- 1902(a) (60) of the Act (g) The Medicaid agency assures that the State has in effect the laws relating to medical child support under section 1908 of the Act.
- 1906 of the Act (h) The Medicaid agency specifies the guidelines used in determining the cost effectiveness of an employer-based group health plan by selecting one of the following:
- ☐ The Secretary's method as provided in the State Method Manual, Section 3910.
- ☒ The State provides methods for determining cost-effectiveness ATTACHMENT 4.22-C

State: Louisiana
Date Received: 6-8-17
Date Approved: 9-6-17
Date Effective: 4-20-17
Transmittal Number: 17-0009

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State/Territory: LOUISIANA

Citation

1905(a) and
1906 of the Act

State Method on Cost Effectiveness of Employer-Sponsored Insurance and Individual Health Insurance

Louisiana will utilize both Employer Sponsored Insurance (ESI) under section 1906 of the Social Security Act, and Individual Health Insurance (IHI) under 1905(a) for its Health Insurance Premium Payment program (LaHIPP).

Louisiana will use a hybrid of the Secretary's model that utilizes the per member per month (PMPM) cost associated with managed care organizations (MCO). The PMPM is the amount that Medicaid would be responsible for the given member, if Medicaid did not enroll them into LaHIPP.

The State will take the following steps when calculating the cost effectiveness of the ESI and IHI plans:

1. Total PMPM x 1.3 = total billed to ESI
2. Total billed to ESI x 0.75 = ESI recognized amount
3. Total billed to ESI - ESI recognized amount = wrap cost
4. Wrap cost + plan deductible = total wrap around
5. Annual premium cost + admin cost + total wrap around cost = total cost of ESI participation

ESI and IHI enrollment will be voluntary for all LaHIPP eligible populations.

Individuals enrolled in the State's premium assistance program are afforded the same beneficiary protections provided to all other Medicaid enrollees.

- A. The State will provide a benefits wrap to all services and benefits available under the Medicaid State Plan that are not provided through the ESI or IHI plan.

State: Louisiana
Date Received: 6-8-17
Date Approved: 9-6-17
Date Effective: 4-20-17
Transmittal Number: 17-0009

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State/Territory: LOUISIANA

- B. The State will provide a cost-sharing wrap to any cost-sharing amounts that exceed the cost-sharing limits described in the State Plan.
- C. To effectuate the cost sharing wrap:
- i. The State has elected to implement a provider enrollment strategy to enroll non-participating Medicaid providers;
 - ii. The State will conduct outreach to the provider community to educate non-participating Medicaid providers on how to enroll in Medicaid for the purposes of receiving payment from the State for cost-sharing amounts that exceed the Medicaid permissible limits for the patient responsibility portion of the claim.
 - iii. The State will assist beneficiaries in choosing a Medicaid enrolled provider that is also listed as an in-network provider of the health plan.

State: Louisiana
Date Received: 6-8-17
Date Approved: 9-6-17
Date Effective: 4-20-17
Transmittal Number: 17-0009