

Table of Contents

State/Territory Name: Louisiana

State Plan Amendment (SPA) #: 17-0013

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form
- 3) Approved Page

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-26-12
Baltimore, Maryland 21244-1850



MAY 31 2017

Mrs. Jen Steele, Director
Bureau of Health Services Financing
Department of Health
Post Office Box 91030
Baton Rouge, Louisiana 70821-9030

RE: Louisiana 17-0013

Dear Mrs. Steele:

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid State plan submitted under transmittal number (TN) 17-0013. The Louisiana Department of Health submitted this amendment to reduce the amount of the disproportionate share hospital (DSH) payments pool for federally mandated statutory hospitals from \$1,000,000 to \$1,000.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30), 1903(a), and 1923 of the Social Security Act and the implementing Federal regulations at 42 CFR 447 Subpart C. As part of the review process the State was asked to provide information regarding funding of the State share of expenditures under Attachment 4.19-A.

Based upon your assurances, Medicaid State plan amendment 17-0013 is approved effective March 1, 2017. We are enclosing the CMS-179 and the new plan page.

If you have any questions, please call Tamara Sampson at (214) 767-6431.

Sincerely,

A black rectangular box redacting the signature of Kristin Fan.

Kristin Fan
Director

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:

17-0013

2. STATE

Louisiana

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE
SOCIAL SECURITY ACT (MEDICAID)

4. PROPOSED EFFECTIVE DATE

March 1, 2017

5. TYPE OF PLAN MATERIAL (Check One):

☐ NEW STATE PLAN

☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN

☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:

Section 1932(a)(1)(A) of the Social Security Act

7. FEDERAL BUDGET IMPACT:

a. FFY **2017**

~~\$(777.72)~~(622,177)

b. FFY **2018**

~~\$(636.26)~~(636,263)

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 4.19-A Item 1, Page 10 k

9. PAGE NUMBER OF THE SUPERSEDED PLAN
SECTION OR ATTACHMENT (If Applicable):

Same (TN 15-0001)

10. SUBJECT OF AMENDMENT: **The purpose of this SPA is to reduce the amount of the DSH pool for federally mandated statutory hospitals from \$1,000,000 to \$1, 000.**

11. GOVERNOR'S REVIEW (Check One):

☐ GOVERNOR'S OFFICE REPORTED NO COMMENT

☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED

☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

☒ OTHER, AS SPECIFIED:

The Governor does not review state plan material.

12. SIGNATURE OF STATE AGENCY OFFICIAL:

13. TYPED NAME:

Rebekah E. Gee MD, MPH

14. TITLE:

Secretary

15. DATE SUBMITTED:

March 29, 2017

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

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED: **March 31, 2017**

18. DATE APPROVED: **MAY 31 2017**

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

March 1, 2017

20. SIGNATURE OF REGIONAL OFFICIAL:

21. TYPED NAME:

Kristin Fan

22. TITLE:

Director, FMC

23. REMARKS:

The State requests a pen and ink change to box number 7. Please replace prior revision with this final form 179.

STATE OF LOUISIANA
PAYMENT FOR MEDICAL AND REMEDIAL CARE AND SERVICES

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES - IN-PATIENT HOSPITAL CARE

c. Federally Mandated Statutory Hospitals

- 1) Hospitals that meet the federal DSH statutory utilization requirements in D.1.d.(i) and (ii).
- 2) DSH payments to individual federally mandated statutory hospitals shall be based on actual paid Medicaid days for a six-month period ending on the last day of the last month of that period, but reported at least 30 days preceding the date of payment. Annualization of days for the purposes of the Medicaid days pool is not permitted. The amount will be obtained by the Department from a report of paid Medicaid days by service date.
- 3) Disproportionate share payments for individual hospitals in this group shall be calculated based on the product of the ratio determined by:
 - (i) dividing each qualifying hospital's actual paid Medicaid inpatient days for a six month period ending on the last day of the month preceding the date of payment (which will be obtained by the Department from a report of paid Medicaid days by service date) by the total Medicaid inpatient days obtained from the same report of all qualified hospitals included in this group. Total Medicaid inpatient days include Medicaid nursery days but do not include skilled nursing facility or swing bed days; and
 - (ii) for the SFY 2016-2017 multiplying by \$1,000 which is the state appropriation share payments allocated for this pool of hospitals. Thereafter, multiplying by \$1,000, the state appropriation for disproportionate share payments allocated for this pool of hospitals.
- 4) A pro rata decrease necessitated by conditions specified in I.D.2. above for hospitals in this group will be calculated based on the ratio determined by dividing the hospitals' Medicaid days by the Medicaid days for all qualifying hospitals in this group; then multiplying by the amount of disproportionate share payments calculated in excess of the federal disproportionate share allotment or state disproportionate share appropriated amount as indicated in paragraph c.3) (ii) above.

Payments from this DSH category to hospitals qualifying for another DSH category will be made subsequent to the other DSH payments. Aggregate DSH payments for hospitals that received payment from this and any other DSH category shall not exceed the hospital's specific DSH limit as defined in section D.2.c. If payments calculated under this methodology would cause a hospital's aggregate DSH payment to exceed the limit, the payment from this category shall be adjusted downward not to exceed the limit.

State: Louisiana
Date Received: March 31, 2017
Date Approved: MAY 31 2017
Date Effective: March 1, 2017
Transmittal Number: 17-0013