

## Table of Contents

State/Territory Name: Louisiana

State Plan Amendment (SPA) #: 17-0015 NIRT

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 16 2017

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

RE: Louisiana 17-0015

Dear Mrs. Steele:

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid State plan submitted under transmittal number (TN) 17-0015. The Louisiana Department of Health submitted this amendment to reduce the amount appropriated from \$1,000,000 to \$1,000 for annual supplemental Medicaid payments for non-rural, non-state and private acute care hospitals that qualify as high Medicaid hospitals.

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 17-0015 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 redaction box covering the signature of Kristin Fan. A blue horizontal line is visible to the right of the box.

Kristin Fan  
Director

Enclosures

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

**FOR: HEALTH CARE FINANCING ADMINISTRATION**

1. TRANSMITTAL NUMBER:

**17-0015**

2. STATE

**Louisiana**

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

4. PROPOSED EFFECTIVE DATE

**March 1, 2017**

TO: REGIONAL ADMINISTRATOR  
HEALTH CARE FINANCING ADMINISTRATION  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

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:

**42 CFR 447 Subpart C**

7. FEDERAL BUDGET IMPACT:

a. FFY 2017 (\$777,722) ~~\$(777.72)~~

b. FFY 2018 (\$636,263) ~~\$(636.26)~~

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

**Attachment 4.19-A, Item 1, Page 8b**

9. PAGE NUMBER OF THE SUPERSEDED PLAN  
SECTION OR ATTACHMENT (If Applicable):  
**Same (TN 13-48)**

10. SUBJECT OF AMENDMENT: **The SPA proposes to reduce the total supplemental payments pool for non-rural, non-state hospitals classified as high Medicaid hospitals.**

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 4<sup>th</sup> 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 16 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, FMG**

23. REMARKS: The State requests a pen and ink change to box #7, above.

**STATE OF LOUISIANA**

**PAYMENT FOR MEDICAL AND REMEDIAL CARE AND SERVICES**

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

**9. Supplemental Payment for Non-Rural, Non-State Government Hospitals & Private Hospitals**

A non-rural, non-state hospital is a hospital which is owned and operated by either a private entity, a hospital service district or a parish and does not meet the definition of a rural hospital as set forth in Louisiana R.S. 40:1300.143.

**a. Acute Care Hospitals**

**i. Definition of Qualifying Hospitals**

A hospital is considered to be a "high Medicaid hospital" if it has a Medicaid inpatient utilization percentage greater than 30 percent based on the 12 month cost report ending in SFY 2006. For the purpose of calculating the Medicaid inpatient utilization percentage, Medicaid days shall include nursery and distinct part psychiatric unit days, but shall not include Medicare crossover days.

**ii. Reimbursement Methodology**

An annual supplemental payment will be issued to non-rural, non-state acute care hospitals that qualify as a high Medicaid hospital.

Payments shall be based on the annual upper payment limit calculation per state fiscal year. The annual supplemental payments will not exceed the allowable Medicaid inpatient charge differential per 42CFR 447.271. Maximum inpatient Medicaid payments shall not exceed the upper payment limit per 42CFR 447.272. Each eligible hospital will receive an annual supplemental payment which shall be calculated based on the pro rata share of each qualifying hospital's paid Medicaid days (including covered nursery and distinct part psychiatric unit days).

Effective for dates of service on or after March 1, 2017, the amount appropriated for annual supplemental payments to non-rural, non-state acute care hospitals that qualify as a high Medicaid hospital shall be reduced to \$1,000. Each qualifying hospital's annual supplemental payment shall be calculated based on the pro rata share of the reduced appropriation.

State: Louisiana  
Date Received: March 31, 2017  
Date Approved: **MAY 16 2017**  
Date Effective: March 1, 2017  
Transmittal Number: 17-0015

TN 17-0015  
Supersedes  
TN 13-48

Approval Date **MAY 16 2017**

Effective Date **3-1-2017**