

## Table of Contents

State/Territory Name: Louisiana

State Plan Amendment (SPA) #: 17-0020 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



OCT 04 2017

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

RE: Louisiana 17-0020

Dear Mrs. Steele:

Enclosed is a copy of approved Louisiana State Plan Amendment (SPA) No. 17-0020 with an effective date of July 1, 2017. Louisiana Department of Health and Hospitals proposes to suspend the provisions governing the reimbursement methodology for nursing facilities in order to impose provisions to ensure that the current rates in effect do not increase for the state fiscal year 2018 rating period.

The state assures that the rates do not impinge on access to Nursing Facility services and beneficiaries' access to services are adequate. The state did not receive any comments from providers opposing the rate freeze. Based on this information, we are inferring that the amendment does not affect consistency with the access to care requirements described in section 1902(a)(30)(A) of the Social Security Act (the Act).

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30), and 1903(a) of the Act and the implementing Federal regulations at 42 CFR 447 Subpart C.

We hereby inform you that Medicaid State plan amendment 17-0020 is approved effective July 1, 2017. We are enclosing the CMS-179 and the amended plan pages.

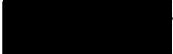
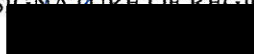
If you have any questions, please call Tamara Sampson at (214) 767-6431.

Sincerely,

A black rectangular redaction box covering the signature of Kristin Fan.

Kristin Fan  
Director

Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL	
FOR: HEALTH CARE FINANCING ADMINISTRATION	
1. TRANSMITTAL NUMBER: <b>17-0020</b>	2. STATE <b>Louisiana</b>
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 <b>July 1, 2017</b>
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: <b>42 CFR 447 Subpart C</b>	7. FEDERAL BUDGET IMPACT: a. FFY <u>2016</u> 2017 <b>\$0</b> b. FFY <u>2017</u> 2018 <b>\$0</b>
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: <b>Attachment 4.19-D, Page 9.a.(3)</b> <b>Attachment 4.19-D, Page 9.a.(4)</b>	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): <b>Same (TN 15-23)</b> <b>None- New Page</b>
10. SUBJECT OF AMENDMENT: <b>The purpose of this SPA is to suspend the provisions governing the reimbursement methodology for nursing facilities in order to impose provisions to ensure that the current rates in effect do not increase for the SFY 2018 rating period.</b>	
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: <b>The Governor does not review state plan material.</b>	
12. SIGNATURE OF STATE AGENCY OFFICIAL: 	16. RETURN TO: <b>Jen Steele, Medicaid Director</b> <b>State of Louisiana</b> <b>Department of Health</b> <b>628 North 4<sup>th</sup> Street</b> <b>P.O. Box 91030</b> <b>Baton Rouge, LA 70821-9030</b>
13. TYPED NAME: <b>Rebekah E. Gee MD, MPH</b>	
14. TITLE: <b>Secretary</b>	
15. DATE SUBMITTED: <b>August 14, 2017</b>	
FOR REGIONAL OFFICE USE ONLY	
17. DATE RECEIVED: <b>August 15, 2017</b>	18. DATE APPROVED: <b>OCT 04 2017</b>
PLAN APPROVED - ONE COPY ATTACHED	
19. EFFECTIVE DATE OF APPROVED MATERIAL: <b>July 1, 2017</b>	20. SIGNATURE OF REGIONAL OFFICIAL: 
21. TYPED NAME: <b>Kristin Fan</b>	22. TITLE: <b>Director, FMCo</b>
23. REMARKS: <b>The State requests a pen and ink change to box # 7</b>	

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT  
MEDICAL ASSISTANCE PROGRAM  
STATE OF LOUISIANA

ATTACHMENT 4.19-D

Page 9.a.(3)

- ii. All costs and cost components that are required to be trended forward will only be trended forward to the midpoint of the 2015 state fiscal year (December 31, 2014).
  - iii. The base capital per square foot value, land value per square foot, and per licensed bed equipment value utilized in the calculation of the fair rental value (FRV) component will be set equal to the value of these items as of July 1, 2014.
  - iv. Base capital values for the Bed Buy-Back program purposes will be set equal to the value of these items as of July 1, 2014.
  - v. Nursing facility providers will not have their weighted age totals for the FRV component calculation purposes increased by one year as of July 1, 2015.
  - vi. As of the July 1, 2016 rate setting, nursing facility provider weighted age totals for the FRV component calculation purposes will be increased by two years to account for the suspended year of aging occurring as of the July 1, 2015 rating period.
  - vii. No other provisions of the current nursing facility reimbursement methodology shall be suspended for this time period.
  - viii. No payment under this section is dependent on any agreement or arrangement for providers or related entities to donate money or services to a governmental entity.
- (15) Effective for the rate period of July 1, 2017 through June 30, 2018, the Department shall suspend the provisions currently governing the reimbursement methodology for nursing facilities and impose the following provisions governing reimbursements for nursing facility services.
- i. During this time period, no inflation factor will be applied to the base resident day weighted medians and prices calculated as of July 1, 2016.
  - ii. All costs and cost components that are required to be trended forward will only be trended forward to the midpoint of the 2017 state fiscal year (December 31, 2016).
  - iii. The base capital per square foot value, land value per square foot, and per licensed bed equipment value utilized in the calculation of the fair rental value component will be set equal to the value of these items as of July 1, 2016.
  - iv. Base capital values for the Bed Buy-Back program purposes will be set equal to the value of these items as of July 1, 2016.
  - v. Nursing facility providers will not have their weighted age totals for the FRV component calculation purposes increased by one year as of July 1, 2017.
  - vi. As of the July 1, 2018 rate setting, nursing facility provider weighted age totals for the FRV component calculation purposes will be increased by two years to account for the suspended year of aging occurring as of the July 1, 2017 rating period.
  - vii. No other provisions of the current nursing facility reimbursement methodology shall be suspended for this time period.

State: Louisiana  
Date Received: August 15, 2017  
Date Approved: **OCT 04 2017**  
Date Effective: July 1, 2017  
Transmittal Number: 17-0020

TN 17-0020

Approval Date **OCT 04 2017**

Effective Date 7-1-2017

Supersedes

TN 15-0023

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT  
MEDICAL ASSISTANCE PROGRAM  
STATE OF LOUISIANA

---

ATTACHMENT 4.19-D

Page 9.a.(4)

- d. All capitalized costs related to the installation or extension of supervised automatic fire sprinkler systems or two-hour rated walls placed in service on or after July 1, 2006 will be excluded from the renovation/improvement costs used to calculate the FRV to the extent the nursing home is reimbursed for said costs in accordance with section 6.

State: Louisiana Date Received: August 15, 2017 Date Approved: <b>OCT 04 2017</b> Date Effective: July 1, 2017 Transmittal Number: 17-0020
--

TN 17-0020  
Supersedes  
TN New Page

Approval Date **OCT 04 2017**

Effective Date 7-1-2017