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State/Territory Name: Louisiana

State Plan Amendment (SPA) #: 18-0006

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  
Dallas Regional Office  
1301 Young Street, Suite 833  
Dallas, Texas 75202



**DIVISION OF MEDICAID & CHILDREN'S HEALTH - REGION VI**

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June 25, 2018

Our Reference: SPA LA 18-0006

Ms. Jen Steele, State Medicaid Director  
Department of Health  
628 North 4<sup>th</sup> 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 18-0006 dated May 31, 2018. This state plan amendment proposes to amend the provisions governing the reimbursement methodology for federally qualified health centers (FQHCs) in order to establish cost reporting requirements when there is a change in the scope of services rendered by the FQHCs.

Based on the information submitted, we have approved the amendment for incorporation into the official Louisiana State Plan with an effective date change of July 20, 2018. 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](mailto:Cheryl.Rupley@cms.hhs.gov).

Sincerely,

A black rectangular box redacting the signature of Bill Brooks.

Bill Brooks  
Associate Regional Administrator

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

**FOR: HEALTH CARE FINANCING ADMINISTRATION**

1. TRANSMITTAL NUMBER:

**18-0006**

2. STATE

**Louisiana**

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

4. PROPOSED EFFECTIVE DATE

**July 20, 2018**

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**

7. FEDERAL BUDGET IMPACT:

a. FFY **2019** **\$ 0.00**

b. FFY **2020** **\$ 0.00**

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

**Attachment 3.1-A, Item 2c, Page 1a**

**Attachment 4.19-B, Item 2c, Page 2**

**Attachment 4.19-B, Item 2c, Page 2a**

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 PAGE NUMBER OF THE SUPERSEDED PLAN  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

**Same (TN 11-04)**

**Same (TN 01-02)**

**None (New Page)**

10. SUBJECT OF AMENDMENT: **The SPA proposes to amend the provisions governing the reimbursement methodology for federally qualified health centers (FQHCs) in order to establish cost reporting requirements when there is a change in the scope of services rendered by the FQHCs.**

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:

**May 31, 2018**

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:

**May 31, 2018**

18. DATE APPROVED:

**June 25, 2018**

**PLAN APPROVED - ONE COPY ATTACHED**

19. EFFECTIVE DATE OF APPROVED MATERIAL:

**July 20, 2018**

20. SIGNATURE:

21. TYPED NAME:

**Bill Brooks**

22. TITLE: **Associate Regional Administrator  
Division of Medicaid & Children's Health**

23. REMARKS:

STATE OF LOUISIANA

PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES -- OTHER  
TYPES OF CARE OR SERVICES LISTED IN SECTION 1905(A) OF THE ACT THAT IS  
INCLUDED IN THE PROGRAM UNDER THE PLAN ARE DESCRIBED AS FOLLOWS:

The baseline calculation will include all Medicaid coverable services provided by the FQHC regardless of existing methods of reimbursement for services. This includes, but is not limited to the following services previously reimbursed on a fee-for-service or other non-encounter basis:

1. ambulatory;
2. transportation;
3. laboratory (where applicable); and
4. dental

The per-visit rate will be all-inclusive. FQHCs will not be eligible to bill separately for any Medicaid covered services. FQHCs are responsible for maintaining licensure/accreditation/program participation standards for all such services. In the event an FQHC does not currently participate in any such program, but wishes to begin participation, the FQHC will be responsible for meeting all enrollment criteria of the program.

For the purpose of the calculation methodology, "fiscal year" is defined as the state fiscal year (SFY) for the FQHC. FQHCs must submit a cost report when there is an increase or decrease in their scope of services.

FQHCs are responsible for apportioning patient visits and statistical data in their 2001 cost report from the first day of the SFY 2001 cost reporting period July 1, 2000 through December 31, 2000. This data will be used to calculate cost settlements due to/from providers for the final cost-based reimbursement period in calendar year 2000. **Note:** Providers with a December 31 fiscal year end, do not have to conduct this apportionment.

Upon completion and implementation of the Prospective Payment System (PPS) rate determination, the State will reconcile payments back to January 1, 2001. This will be accomplished by calculating a payment amount for eligible patient visits under the PPS and comparing it to payments made for encounters under the existing cost-based reimbursement methodology.

State: Louisiana  
Date Received: 5-31-18  
Date Approved: 6-25-18  
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STATE OF LOUISIANA

PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES -- OTHER TYPES OF CARE OR SERVICES LISTED IN SECTION 1905(A) OF THE ACT THAT IS INCLUDED IN THE PROGRAM UNDER THE PLAN ARE DESCRIBED AS FOLLOWS:

Cost Reports

In accordance with 1902(bb)(3)(B), the PPS rate may be adjusted due to a change in the scope of service for FQHCs. The modified rate, as a result of a change in scope of service, would be trended forward by the Medicare Economic Index (MEI) each year. A change in scope of service occurs when there is a change in the “type, intensity, duration and/or amount of services.”

Providers must submit change in scope of service requests to the State for review.

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METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES -- OTHER TYPES OF CARE OR SERVICES LISTED IN SECTION 1905(A) OF THE ACT THAT IS INCLUDED IN THE PROGRAM UNDER THE PLAN ARE DESCRIBED AS FOLLOWS:

5. Diabetes Self-management Training Services

A. Effective for dates of service on or after February 21, 2011, the Department shall provide coverage of diabetes self-management training (DSMT) services rendered to Medicaid recipients diagnosed with diabetes. The services shall be comprised of one hour of individual instruction and nine hours of group instruction on diabetes self-management.

- (1) Recipients of DSMT services shall receive up to 10 hours of services during the first 12-month period, beginning with the initial training date.
- (2) After the first 12-month period has ended, recipients shall only be eligible for two hours of individual instruction on diabetes self-management per calendar year.
- (3) Service limitations may be exceeded based on medical necessity.

B. Provider Participation Standards

- (1) In order to receive Medicaid reimbursement, a qualified FQHC must have a DSMT program that meets the quality standards of one of the following accreditation organizations:
  - a. the American Diabetes Association;
  - b. the American Association of Diabetes Educators; or
  - c. the Indian Health Service.
- (2) All DSMT programs must adhere to the national standards for diabetes self-management education.
  - a. Each member of the instructional team must:
    - (i) be a certified diabetes educator (CDE), certified by the National Certification Board of Diabetes Educators; or
    - (ii) have recent didactic and experiential preparation in education and diabetes management.
  - b. At a minimum, the instructional team must consist of one of the following professionals who is a CDE:
    - (i) a registered dietician;
    - (ii) a registered nurse; or
    - (iii) a pharmacist.
  - c. All members of the instructional team must obtain the nationally recommended annual continuing education hours for diabetes management.

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