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State/Territory Name: Louisiana

State Plan Amendment (SPA) #: 19-0020

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form (with 179-like data)
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services
Center for Medicaid & CHIP Services
233 North Michigan Ave., Suite 600
Chicago, Illinois 60601



Financial Management Group

April 14, 2020

Ruth Johnson
Medicaid Executive Director
Louisiana Medicaid Program
Louisiana Department of Health
Bureau of Health Services Financing
628 North Fourth Street
Post Office Box 91030
Baton Rouge, Louisiana 70821-9030

RE: TN 19-0020

Dear Ms. Johnson:

We have reviewed the proposed Louisiana State Plan Amendment (SPA) to Attachment 4.19-B, 19-0020, which was submitted to the Centers for Medicare This & Medicaid Services (CMS) on July 29, 2019. This plan amendment was submitted in order to amend the provisions governing the health care services for ground ambulance service providers to include non-emergency ground ambulance services, and to include non-emergency ground ambulance services in enhanced reimbursement for emergency ground ambulance transportation services.

Based upon the information provided by the State, we have approved the amendment with an effective date of July 1, 2019. We are enclosing the approved CMS-179 and a copy of the new state plan pages.

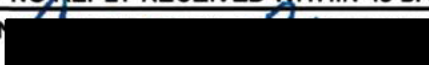
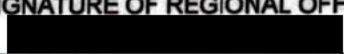
If you have any additional questions or need further assistance, please contact Tamara Sampson at 214-767-6431 or tamara.sampson@cms.hhs.gov.

Sincerely,

A solid black rectangular box used to redact the signature of Todd McMillion.

Todd McMillion
Director
Division of Reimbursement Review

Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES		1. TRANSMITTAL NUMBER 19-0020	2. STATE Louisiana
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
5. TYPE OF PLAN MATERIAL (Check One) ☐ NEW STATE PLAN ☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN ☒ AMENDMENT		4. PROPOSED EFFECTIVE DATE July 1, 2019	
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate transmittal for each amendment)			
6. FEDERAL STATUTE/REGULATION CITATION 42 CFR 447 Subpart E		7. FEDERAL BUDGET IMPACT a. FFY 2020 -19 \$ <u>10,815,074</u> b. FFY 2021 -20 \$ <u>8,899,641</u>	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Attachment 4.19-B, Item 24a, Pages 1b(3)-1b(6)		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) Same (TN 16-0019)	
10. SUBJECT OF AMENDMENT The purpose of this SPA is to amend the provisions governing the health care services for ground ambulance service providers to include non-emergency ground ambulance services, and to include non-emergency ground ambulance services in enhanced reimbursement for emergency ground ambulance transportation services.			
11. GOVERNOR'S REVIEW (Check One) ☐ GOVERNOR'S OFFICE REPORTED NO COMMENT ☒ OTHER, AS SPECIFIED ☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED The Governor does not review State Plan material. ☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE 		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 Cindy Rives, designee for Rebekah E. Gee MD, MPH		14. TITLE Secretary	
15. DATE SUBMITTED July 26, 2019		17. DATE RECEIVED	
FOR REGIONAL OFFICE USE ONLY			
18. DATE APPROVED 04/14/2020		19. EFFECTIVE DATE OF APPROVED MATERIAL	
PLAN APPROVED - ONE COPY ATTACHED			
20. SIGNATURE OF REGIONAL OFFICIAL 		21. TYPED NAME Todd McMillion	
22. TITLE Director, Division of Reimbursement Review		23. REMARKS The State requests a pen and ink change to box 7.	

STATE OF LOUISIANA

PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

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

Enhanced Reimbursements for Qualifying Emergency and Non-Emergency Ground Ambulance Service Providers

A. Effective for emergency services (as defined 42 CFR § 410.40(b)) with dates of service on or after August 1, 2016 and non-emergency services with dates of service on or after July 1, 2019, the following emergency ambulance service providers qualify for enhanced reimbursement through the Supplemental Payment program:

1. A Med Ambulance Inc.
2. Acadian Ambulance New Orleans
3. Acadian Ambulance Service
4. Advanced Emergency Medical Services
5. Balentine Ambulance Services
6. Med Express Ambulance Service
7. Med Life Emergency Medical Services
8. Metro Ambulance Service
9. Miss-Lou Ambulance Service
10. Northeast Louisiana Ambulance
11. Northshore Emergency Medical Services
12. Pafford Emergency Medical Service
13. St. Landry Emergency Medical Services
14. West Jefferson Medical Center

B. Calculation of Average Commercial Rate

1. The enhanced reimbursement shall be determined in a manner to bring the payments for these services up to the average commercial rate level as described in Subparagraph C.3.h. The average commercial rate level is defined as the average amount payable by the commercial payers for the same service.

STATE OF LOUISIANA

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2. The Department shall align the paid Medicaid claims with the Medicare fees for each healthcare common procedure coding system (HCPCS) or current procedure terminology (CPT) code for the ambulance provider and calculate the Medicare payment for those claims.
3. The Department shall calculate an overall Medicare to commercial conversion factor for each ambulance provider by dividing the total amount of the average commercial payments for the claims by the total Medicare payments for the claims.
4. The commercial to Medicare ratio for each provider will be re-determined at least every three years.

C. Payment Methodology

1. Effective for dates of service on or after July 1, 2019, payment will include non-emergency ground ambulance services. The enhanced reimbursement to each qualifying emergency ground ambulance service provider shall not exceed the sum of the difference between the Medicaid payments otherwise made to these providers for the provision of emergency and non-emergency ambulance services and the average amount that would have been paid at the equivalent community rate.
2. The enhanced reimbursement shall be determined in a manner to bring payments for these services up to the community rate level. Community Rate-the average amount payable by commercial insurers for the same services.
3. The specific methodology to be used in establishing the enhanced reimbursement payment for ambulance providers is as follows:
 - a. The Department shall identify Medicaid ambulance service providers that qualify to receive enhanced reimbursement Medicaid payments for the provision of emergency and non-emergency ambulance services.

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- b. For each Medicaid ambulance service provider identified to receive enhanced reimbursement Medicaid payments, the Department shall identify the emergency and non-emergency ambulance services for which the provider is eligible to be reimbursed.
- c. For each Medicaid ambulance service provider described in Subparagraph C.3.a., the Department shall calculate the reimbursement paid to the provider for the provision of emergency and non-emergency ambulance services identified under Subparagraph C.3.b.
- d. For each Medicaid ambulance service provider described in Subparagraph C.3.a., the Department shall calculate the provider's equivalent community rate for each of the provider's services identified under Subparagraph C.3.b.
- e. For each Medicaid ambulance service provider described in Subparagraph C.3.a., the Department shall subtract an amount equal to the reimbursement calculation for each of the emergency and non-emergency ambulance services under Subparagraph C.3.c. from an amount equal to the amount calculated for each of the emergency and non-emergency ambulance services under Subparagraph C.3.d.
- f. For each Medicaid ambulance service provider described in Subparagraph C.3.a., the Department shall calculate the sum of each of the amounts calculated for emergency and non-emergency ambulance services under Subparagraph C.3.e.
- g. For each Medicaid ambulance service provider described in Subparagraph C.3.a., the Department shall calculate each provider's upper payment limit by totaling the provider's total Medicaid payment differential from Subparagraph C.3.f.

STATE OF LOUISIANA

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- h. On a quarterly basis, the Department shall reimburse providers identified in Subparagraph C.3.a., up to 100 percent of the provider's average commercial rate.
4. 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.
5. Supplemental payments will occur within 180 days of the close of a quarter; however, in the year in which the average commercial rate is being set or updated, payment will be made within 180 days from the computation and final review of the average commercial rate.

D. Effective Date of Payment

1. The enhanced reimbursement payment shall be made effective for emergency ambulance services provided on or after August 1, 2016 and for non-emergency ambulance transportation services provided on or after July 1, 2019. This payment is based on the average amount that would have been paid at the equivalent community rate.
2. After the initial calculation for fiscal year 2015-2016 for emergency ambulance services and after the initial calculation for fiscal year 2019-2020 for non-emergency ambulance transportation services, the Department will rebase the equivalent community rate using adjudicated claims data for services from the most recently completed fiscal year. This calculation may be made annually but shall be made no less than every three years.

E. Maximum Payment

The total maximum amount to be paid by the Department to any individually qualified Medicaid ambulance service provider for enhanced reimbursement Medicaid payments shall not exceed the total of the Medicaid payment differentials calculated under Subparagraph C.3.f.