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State/Territory Name: Louisiana

State Plan Amendment (SPA) LA: 23-0005

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

July 19, 2023

Tara LeBlanc
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: Louisiana TN 23-0005

Dear Medicaid Executive Director Tara LeBlanc:

We have reviewed the proposed Louisiana State Plan Amendment (SPA) to Attachment 4.19-B pages under LA- 23-0005, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on June 21, 2023. The purpose of this SPA is to amend the provisions governing reimbursement for FQHCs in order to establish an alternative payment methodology (APM) that provides an add-on of \$30 per encounter, in addition to the Prospective Payment System (PPS) rate on file for the same date of service.

Based upon the information provided by the State, we have approved the amendment with an effective date of July 20, 2023. 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 Monica Neiman via email at: Monica.Neiman@cms.hhs.gov.

Sincerely,

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

Todd McMillion
Director
Division of Reimbursement Review

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER 23-0005	2. STATE LA
3. PROGRAM IDENTIFICATION: TITLE <u>XIX</u> OF THE SOCIAL SECURITY ACT	
4. PROPOSED EFFECTIVE DATE July 20, 2023	
5. FEDERAL STATUTE/REGULATION CITATION 42 CFR 447.201	6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars) a. FFY <u>2023</u> \$ <u>560,953</u> b. FFY <u>2024</u> \$ <u>2,289,791</u>
7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Attachment 4.19- B, Item 2.c., Page 4a	8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (if Applicable) Same (21-0019)


TO: CENTER DIRECTOR
CENTERS FOR MEDICAID & CHIP SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

9. SUBJECT OF AMENDMENT
The purpose of this SPA is to amend the provisions governing reimbursement for FQHCs in order to establish an alternative payment methodology (APM) that provides an add-on of \$30 per encounter, in addition to the Prospective Payment System (PPS) rate on file for the same date of service.

10. 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

11. SIGNATURE OF STATE AGENCY OFFICIAL



12. TYPED NAME
Pam Diez, designee for Stephen R. Russo, JD

13. TITLE
Secretary

14. DATE SUBMITTED

15. RETURN TO
**Tara A. LeBlanc, Medicaid Executive Director
Louisiana Department of Health
628 North 4th Street
P.O. Box 91030
Baton Rouge, LA 70821-9030**

FOR CMS USE ONLY

16. DATE RECEIVED June 21, 2023	17. DATE APPROVED July 19, 2023
PLAN APPROVED - ONE COPY ATTACHED	
18. EFFECTIVE DATE OF APPROVED MATERIAL July 20, 2023	19. SIGNATURE OF APPROVING OFFICIAL 
20. TYPED NAME OF APPROVING OFFICIAL Todd McMillion	21. TITLE OF APPROVING OFFICIAL Director, Division of Reimbursement Review

22. 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:

Behavioral Health and Dental Services

Effective for dates of service on or after April 1, 2019, the Medicaid Program shall establish an alternative payment methodology for behavioral health services provided in FQHCs by one of the following practitioners:

1. Physicians with a psychiatric specialty;
2. Nurse practitioners or clinical nurse specialist with a psychiatric specialty;
3. Licensed clinical social workers; or
4. Clinical psychologist.

The reimbursement for behavioral health services will equal the all-inclusive PPS rate on file for the date of service. This reimbursement will be in addition to any all-inclusive PPS rate on the same date for a medical/dental visit.

Dental services shall be reimbursed at the all-inclusive encounter PPS rate on file for fee-for-service for the date of service. This reimbursement will be in addition to any all-inclusive PPS rate made on the same date for a medical/behavioral health visit.

The Alternative Payment Methodology (APM) will be agreed to by the Department and the FQHC, and will result in payment to the FQHC of an amount that is at least equal to the Prospective Payment System (PPS) rate.

Encounter Rate Adjustment

Effective for dates of service on or after July 20, 2023, Medicaid will increase payments by \$30 per encounter. This payment is to assist providers with increased cost associated with delivering services in underserved areas. This payment shall be reimbursed through an APM when these services are provided on the same date as a medical/dental/behavioral health visit that includes an evaluation and management procedure code as one of the detailed lines on the claim.

The APM must be agreed to by the Department and the FQHC and must result in a payment to the FQHC, which is at least the PPS rate on file for the date of service.

Managed Care Enrollees

An FQHC that furnishes services that qualify as an encounter to Medicaid beneficiaries pursuant to a contract with a managed care entity, as defined in Section 1932(a)(1)(B) of the Social Security Act, where the payment(s) from such entity is less than the amount the FQHC would be entitled to receive under PPS or APM, will be eligible to receive a wrap-around supplemental payment processed and paid by Louisiana Department of Health. The wrap-around supplemental payment shall be made no less frequently than every four months and reconciled no less than annually. Payments related to yearly reconciliations will be made within the two year payment requirements at 42 CFR Section 447.45 and 45 CFR Section 95, Subpart A.