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State/Territory Name: Louisiana

State Plan Amendment (SPA) #: LA 23-0021

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH AND HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-26-12
Baltimore, MD 21244-1850



Financial Management Group

July 14, 2023
Tara A. LeBlanc, Medicaid Executive Director
Louisiana Department of Health
628 North 4th Street
P.O. Box 91030
Baton Rouge, LA 70821-9030

RE: Louisiana State Plan Amendment (SPA) 23-0021

Dear Director LeBlanc:

We have reviewed the proposed amendment to Attachment 4.19-D of your Medicaid state plan submitted under transmittal number (TN) 23-0021. Effective for services on or after May 12, 2023, this SPA is to amend the provisions governing the reimbursement methodology for ICFs/IID in order to allow for a \$12 direct care add-on to private (non-state) owned ICFs/IID for increased cost related to retaining and hiring direct care staff.

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. We hereby inform you that Medicaid State plan amendment 23-0021 is approved effective May 12, 2023. We are enclosing the CMS-179 and the amended plan pages.

If you have any questions, please call Tom Caughey at (517) 487-8598.

Sincerely,



Rory Howe
Director

Enclosure

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

FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES

1. TRANSMITTAL NUMBER 23-0021	2. STATE LA
3. PROGRAM IDENTIFICATION: TITLE <u>XIX</u> OF THE SOCIAL SECURITY ACT	
4. PROPOSED EFFECTIVE DATE May 12, 2023	
5. FEDERAL STATUTE/REGULATION CITATION 42 CFR 447, Subpart F	6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars) a. FFY 2023 \$ 4,757,406 b. FFY 2024 \$ 8,850,059
7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Attachment 4.19-D, Page 26 New Page	8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)


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

9. SUBJECT OF AMENDMENT
The purpose of this SPA is to amend the provisions governing the reimbursement methodology for Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICF/IID), by paying a \$12 add-on to private (non-state) owned ICF/IID for increased cost related to retaining and hiring direct care staff through June 30, 2024.

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	17. DATE APPROVED July 14, 2023
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PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL May 12, 2023	19. SIGNATURE OF APPROVING OFFICIAL 
20. TYPED NAME OF APPROVING OFFICIAL Rory Howe	21. TITLE OF APPROVING OFFICIAL Director, FMG

22. REMARKS

STATE OF LOUISIANA

PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES – INTERMEDIATE CARE
FACILITY SERVICES FOR INDIVIDUALS WITH INTELLECTUAL DISABILITIES

Temporary Add-on Payment to Retain and Hire Direct Care Staff

The Department will pay a \$12 direct care add-on to private (non-state) owned intermediate care facilities for individuals with intellectual disabilities (ICF/IID) for increased cost related to retaining and hiring direct care staff.

Methodology

1. The base year used in the June 2022 UPL demonstration includes costs reports for the year which ended June 30, 2020. The June 30, 2020 cost reports are the most current audited/desk reviewed available.
2. Each add-on payment requires documentation that effective April 1, 2022, the minimum hourly wage paid to directly employ (non-contracted) non-nursing/physician direct care staff was \$9 per hour.
3. The payments will be made from May 12, 2023 through June 30, 2024, at an estimated total cost of \$19,762,710.