

Table of Contents

State/Territory Name: Louisiana

State Plan Amendment (SPA) #: LA 24-0012

This file contains the following documents in the order listed:

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

DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S3-14-28
Baltimore, Maryland 21244-1850



Financial Management Group

September 16, 2024

Kimberly Sullivan
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 24-0012

Dear Director Sullivan:

The Centers for Medicare & Medicaid Services (CMS) has reviewed the proposed Louisiana state plan amendment (SPA) to Attachment 4.19-A LA 24-0012, which was submitted to CMS on July 2, 2014. This plan amendment updates the provisions governing qualifying criteria and reimbursement methodology for high Medicaid utilization academic hospitals in order to increase payments for inpatient hospital services.

We reviewed your SPA submission for compliance with statutory requirements, including in sections 1902(a)(2), 1902(a)(13), 1902(a)(30), 1903 as it relates to the identification of an adequate source for the non-federal share of expenditures under the plan, as required by 1902(a)(2), of the Social Security Act and the applicable implementing Federal regulations.

Based upon the information provided by the state, we have approved the amendment with an effective date of July 1, 2024. We are enclosing the approved CMS-179 and a copy of the new state plan page.

If you have any additional questions or need further assistance, please contact Tom Caughey at 517-487-8598 or via email at tom.caughey@cms.hhs.gov.

Sincerely,



Rory Howe
Director
Financial Management Group

Enclosures

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

FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES

1. TRANSMITTAL NUMBER
24-0012

2. STATE
LA

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

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

4. PROPOSED EFFECTIVE DATE
July 1, 2024

5. FEDERAL STATUTE/REGULATION CITATION

42 CFR Part 447 Subpart C

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)
a. FFY **2024** **\$7,435,987**
b. FFY **2025** **\$31,871,730**

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 4.19-A, Item 1, Page 8j (New Page)

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)

9. SUBJECT OF AMENDMENT
The purpose of this SPA is to adopt provisions governing qualifying criteria and reimbursement methodology for high Medicaid utilization academic hospitals in order to increase payments for inpatient hospital services.


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
Michael Harrington, MBA, MA

13. TITLE
Secretary

14. DATE SUBMITTED
July 2, 2024

15. RETURN TO

**Kimberly Sullivan, J.D.
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
July 2, 2024

17. DATE APPROVED
September 16, 2024

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL
July 1, 2024

19. SIGNATURE OF APPROVING OFFICIAL


20. TYPED NAME OF APPROVING OFFICIAL
Rory Howe

21. TITLE OF APPROVING OFFICIAL
Director, Financial Management Group

22. REMARKS

STATE OF LOUISIANA

PAYMENT FOR MEDICAL AND REMEDIAL CARE AND SERVICES

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES - INPATIENT HOSPITAL CARE

High Medicaid Utilization Academic Hospitals

Qualifying Criteria

Effective for dates of service on or after July 1, 2024, the hospital shall meet the following criteria per the Medicare/Medicaid as filed cost report for their fiscal year ended in state fiscal year 2023:

1. have a Medicaid inpatient utilization of at least 39 percent; and
2. have an approved graduate medical education program with at least 400 intern and resident full-time equivalents (FTEs). The intern and resident FTE count must be included on the Medicare/Medicaid cost report on worksheet E-4, line 6 plus worksheet E-3, Part II, line 6.

Qualifying hospitals shall not add additional locations under their license without prior written approval of the Department. The addition of any off-site campus, beyond an outpatient primary care clinic, to the license of this hospital will invalidate the provisions of this reimbursement methodology.

Payment Methodology

High Medicaid academic hospitals that meet all of the criteria above shall be reimbursed a prospective per diem rate of \$3,880.73 for acute inpatient hospital services, including special care units. This rate is based on the allowable Medicaid cost determined from the latest filed Medicare/Medicaid cost report as of March 31, 2024. The prospective graduate medical education component included in this rate is \$271.12.

Reimbursement for inpatient hospital psychiatric services to qualifying high Medicaid academic hospitals that meet all of the criteria above, shall be reimbursed a prospective per diem rate of \$1,705.76. This rate is based on the allowable Medicaid cost report as of March 31, 2024.

These rates are conditional on the hospital continuing to meet all qualifying criteria above. If the hospital no longer qualifies, payments will revert back to appropriate non-rural, non-state hospital assigned rates effective on the date that the qualification(s) are no longer met. The Department may review all above provisions every three years, at a minimum, to evaluate continuation of these enhanced reimbursements.

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. In accordance with 42 CFR 447.272 and 42 CFR 440.10, there will be no duplication of costs.