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State/Territory Name: Louisiana

State Plan Amendment (SPA) LA: 23-0029

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

August 3, 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 23-0029

Dear Director Tara LeBlanc:

We have reviewed the proposed Louisiana State Plan Amendment (SPA) to Attachment 4.19-B pages under LA- 23-0029, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on June 29, 2023. The purpose of this SPA is to amend the provisions governing home health services to align reimbursement with the Louisiana Medicaid fee schedule.

Based upon the information provided by the State, we have approved the amendment with an effective date of April 3, 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 23-0029	2. STATE LA
	3. PROGRAM IDENTIFICATION: TITLE <u>XIX</u> OF THE SOCIAL SECURITY ACT	
TO: CENTER DIRECTOR CENTERS FOR MEDICAID & CHIP SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE April 3, 2023	
5. FEDERAL STATUTE/REGULATION CITATION 42 CFR 440.70 1905(a)(7) Home Health Care services and 1902(a)(30) DME Rate Increase	6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars) a. FFY 2023 \$ 698,541 b. FFY 2024 \$ 1,330,989 \$1,330,989	
7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Attachment 4.19-B, Item 7, Pages 1 Attachment 4.19-B, Item 7, Page 2 Attachment 4.19-B, Item 7, Page 2a Attachment 4.19-B, Item 7, Pages 4 Attachment 4.19-B, Item 7, Page 5	8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) Same (TN 12-43) Same (TN 09-29) Same (TN 12-42) Same (TN 14-05) Same (TN 06-20) See box 22 for deleted pages.	

9. SUBJECT OF AMENDMENT
The purpose of this SPA is to amend the provisions governing the Home Health Program in order to increase the rates for all home health services and base reimbursement on the Louisiana Medicaid fee schedule in order to align the reimbursement methodology with current practices.

10. GOVERNOR'S REVIEW (Check One)

<input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL	<input checked="" type="checkbox"/> OTHER, AS SPECIFIED: The Governor does not review State Plan material.
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11. SIGNATURE OF STATE AGENCY OFFICIAL 	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
12. TYPED NAME Pam Diez, designee for Stephen R. Russo, JD	
13. TITLE Secretary	
14. DATE SUBMITTED June 29, 2023	

FOR CMS USE ONLY

16. DATE RECEIVED June 29, 2023	17. DATE APPROVED August 3, 2023
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PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL April 3, 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
Deleted pages: Attachment 4.19-B, Item 7, Page 1a, Attachment 4.19-B, Item 7, Page 2a(1), Attachment 4.19-B, Item 7, Page 4a
The State requests a pen and ink change to boxes 5 and 6.

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 1902(a) OF THE ACT THAT ARE INCLUDED IN THE PROGRAM, UNDER THE PLAN ARE DESCRIBED AS FOLLOWS:

<u>CITATION</u>	Medical and Remedial	<u>Home Health Services</u>
42 CFR	Care and Services	
447.201	Item 7.	

I. Method of Payment

- Item 7.a. Reimbursement for all home health services shall be based on the Louisiana Medicaid fee schedule. Except as otherwise noted in this plan, state-developed fee schedule rates are the same for both governmental and private providers of home health services. The agency's fee schedule was set as of April 3, 2023, and is effective for services provided on or after that date. All rates are published on the agency's website at www.lamedicaid.com.
- Item 7.b. Durable medical equipment suitable for use in any care setting. Care setting is the place in which care is being given, i.e., patient's home, a hospital, a care facility or another place of residence.

Louisiana Medicaid fee schedules are published on the agency's website at www.lamedicaid.com

- A. Unless otherwise stated, the reimbursement for all durable medical equipment is established at:
1. seventy percent of the Medicare fee schedule for all procedure codes that were listed on the Medicare fee schedule and at the same amount for the HIPAA compliant codes which replaced them; or
 2. Seventy percent of the Medicare fee schedule under which the procedure code first appeared; or
 3. Seventy percent of the manufacturer's suggested retail price (MSRP) amount; or
 4. Billed charges, whichever is the lesser amount; or
 5. If an item is not available at the rate of seventy percent of the applicable established flat fee or seventy percent of the MSRP, the flat fee that will be utilized is the lowest cost at which the item has been determined to be widely available by analyzing usual and customary fees charged in the community.

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 1902(a) OF THE ACT THAT ARE INCLUDED IN THE PROGRAM, UNDER THE PLAN ARE DESCRIBED AS FOLLOWS:

- B. Continuous subcutaneous insulin external infusion pumps shall be reimbursed the lesser of five percent over the provider's actual cost or the provider's usual and customary charge, not to exceed \$5,745. Related diabetic supplies shall be reimbursed the lesser of 10 percent over the provider's actual cost or the provider's usual and customary charge.
- C. Ostomy supplies are reimbursed at the lesser of:
1. Billed charges; or
 2. Eighty percent of Medicare fee schedule for the procedure codes that were listed on the Medicare fee schedule and at the same amount for the HIPAA compliant codes which replaced them or 80 percent of the Medicare fee schedule under which the procedure code first appeared; or
 3. Eighty percent of the Manufacturer's Suggested Retail Price (MSRP).
- D. Tracheostomy tubes and care kits are reimbursed at ninety percent of the Medicare fee schedule for the procedure codes that were listed on the Medicare fee schedule and at the same amount for the HIPAA compliant codes which replaced them or 80 percent of the Medicare fee schedule under which the procedure code first appeared.
- E. Enteral Formulas

Enteral formulas are reimbursed a flat fee amount. This flat fee per unit is based on:

1. The Medicare rate, where available;
2. Manufacturer's Suggested Retail Price (MSRP);
3. Invoice pricing; or
4. The rate at which providers can obtain the formula in the community.

One unit of enteral formula is equal to 100kcal, one packet, one can, one brik or one bottle, as identified on the fee schedule. Except as otherwise noted in the Plan, state-developed fee schedule rates are the same for both governmental and private providers of enteral formulas. The agency's fee schedule rates were set as of October 1, 2022, and is effective for services provided on or after that date. All rates will be published on the agency's website at www.lamedicaid.com.

- F. Enteral infusion pumps, standard type wheelchairs, hospital beds, commode chairs, and stationary suction machines are reimbursed at the Medicaid established flat fee amount.