

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
1301 Young Street, Room 833
Dallas, Texas 75202



Division of Medicaid & Children's Health, Region VI

April 9, 2010

Our Reference: SPA-LA-09-33

Mr. Don Gregory, State Medicaid Director
Department of Health and Hospitals
Bienville Building
628 North 4th Street
Post Office Box 91030
Baton Rouge, LA 70821-9030

Dear Mr. Gregory:

We have reviewed the proposed amendment to your Medicaid State Plan submitted under Transmittal Number 09-33. This state plan amendment imposes service limitations and reduces reimbursement for mental health rehabilitation.

In the future, when the State submits a State Plan Amendment (SPA) that may impact Indians or Indian health providers, CMS will look for evidence of the State's tribal consultation process for that SPA. Pursuant to section 1902 (a) (73) of the Act added by section 5006 (e) of the Recovery and Reinvestment Act of 2009, the State must submit evidence to CMS regarding the solicitation of advice prior to submission of the SPA. This consultation must include all federally recognized tribes, Indian Health Service and Urban Indian Organizations within the state.


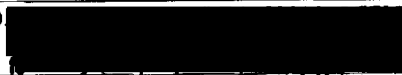
Transmittal Number 09-33 is approved with an effective date of August 4, 2009 as requested. A copy of the HCFA-179, Transmittal No. 09-33 dated September 3, 2009 is enclosed along with the approved plan pages.

If you have any questions, please contact Cheryl Rupley at (214) 767-6278.

Sincerely,

Bill Brooks
Associate Regional Administrator

Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL		1. TRANSMITTAL NUMBER: 09-33	2. STATE Louisiana
FOR: HEALTH CARE FINANCING ADMINISTRATION		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE August 4, 2009	
5. TYPE OF PLAN MATERIAL (Check One): <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)			
6. FEDERAL STATUTE/REGULATION CITATION: 42 CFR Part 447 Subpart F 42 CFR Part 440.130		7. FEDERAL BUDGET IMPACT: a. FFY <u>2009</u> (\$221.19) b. FFY <u>2010</u> (\$1,407.45)	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: * Attachment 3.1-A Item 13.d, page 5 Attachment 3.1-A, Item 13.d, Page 11 Attachment 3.1-A, Item 13.d, Page 11(a) Attachment 4.19-B, Item 13.d, Page 3 Attachment 4.19-B, Item 13.d, Page 7 * Attachment 4.19-B Item 13.d Page 2		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Same (TN 05-34) Same (TN 05-34) None (New Page) Same (TN 09-07) Same (TN 08-07) Same (TN 09-07)	
10. SUBJECT OF AMENDMENT: The purpose of this amendment is to reduce the reimbursement rates for mental health rehabilitation services and multi-systemic therapy and to establish service limitations for mental health rehabilitation services.			
11. 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.	
12. SIGNATURE OF STATE: 		16. RETURN TO: State of Louisiana Department of Health and Hospitals 628 N. 4th Street PO Box 91030 Baton Rouge, LA 70821-9030	
13. TYPED NAME: Alan Levine			
14. TITLE: Secretary			
15. DATE SUBMITTED: September 3, 2009			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: 3 September, 2009		18. DATE APPROVED: 9 April 2010	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: 4 August, 2009		20.  TIAL:	
21. TYPED NAME: Bill Brooks		22. TITLE: Associate Regional Administrator Div of Medicaid & Children's Health	
23. REMARKS: * Pen + Ink change made to add Atch 4.19B, item 13.d, page 2, per state's email dated 7 April, 2010. * Pen + Ink Change made to add Atch 3.1-A, Item 13.d, page 5, per State's letter dated 9 Feb, 2010.			

Marks, Marsha L. (CMS/SC)

From: Marks, Marsha L. (CMS/SC)
Sent: Thursday, April 22, 2010 11:52 AM
To: CMS CMSO_508_SPA
Subject: Approval Pkg for LA 09-33
Attachments: LA09033APPROVAL.doc; Final Approval Package LA 09-33.pdf

State: Louisiana

Brief Description: Amendment reduces reimbursement for mental health rehabilitation services. State indicated that non-federal share of payment will be funded through Medicaid Agency & the State The reduction does not direct impact on Indians, Indian health programs or Urban Indian Organizations.

Effective Date: 8/4/2009

Approval Date: 04/09/2009

Marsha Marks // Dept of Health & Human Services // Centers for Medicare & Medicaid Services // Dallas Regional Office // Division of Medicaid & Children's Health // Dallas Texas 75202 // 214-767-6280 // Fax 214-767-0322 // marsha.marks@cms.hhs.gov

STATE OF LOUISIANA

AMOUNT DURATION AND SCOPE OF MEDICAL AND REMEDIAL CARE AND SERVICES PROVIDED

LIMITATIONS ON THE AMOUNT, DURATION AND SCOPE OF CERTAIN ITEMS OF PROVIDED
MEDICAL AND REMEDIAL CARE AND SERVICES ARE DESCRIBED BELOW:

based on a psychosocial rehabilitation philosophy to assist persons with significant psychiatric disabilities to increase their functioning to live successfully in the environments of their choice. It must be provided in a location that ensures confidentiality. Locations may include the MHR office or a community site such as a library, YMCA or church meeting room. This service may not be provided at a site that serves as a group living environment, such as a board and care facility, group home or apartment building that serves as a residence for more than one MHR recipient. Services may be provided by an LMHP, MHP or MHS.

D. Medical Necessity Criteria

Recipients must meet the medical necessity criteria established by the Bureau. If the recipient does not meet the medical necessity criteria, the MHR provider shall refer the recipient to his/her primary care physician or to the appropriate medically necessary services and document the referral.

E. Prior Authorization

Prior authorization by the Bureau or its designee is required for each service identified in the ISRP and for all extensions of service beyond the initial authorization limits.

F. Exclusionary Criteria

Mental health rehabilitation services are not considered to be appropriate for recipients whose diagnosis is mental retardation, developmental disability, or substance abuse unless they have a co-occurring diagnosis of severe mental illness or emotional/behavioral disorder as specified with DSM-IV-TR or ICD-9-CM, or its subsequent revisions of these documents.

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DATE REC'D <u>9-3-09</u>	
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SERVICE LIMITATIONS ARE NOT APPLICABLE TO EPSDT RECIPIENTS WHEN SUPPORTED BY MEDICAL NECESSITY

TN# 09-33 Approval Date 4-9-10 Effective Date 8-4-09

Supersedes

TN# 05-34

SUPERSEDES: TN- 05-34

STATE OF LOUISIANA

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psychosocial skills training and community support services. The maximum units of service for a combination of these services shall not exceed a total of 80 units (20 hours) in any given calendar week (Sunday through Saturday). Individual and combined daily service limits are applicable to these services.

E. Medical Necessity Criteria

Recipients must meet the medical necessity criteria established by the Bureau. If the recipient does not meet the medical necessity criteria, the MHR provider shall refer the recipient to his/her primary care physician or to the appropriate medically necessary services and document the referral.

F. Prior Authorization

Prior authorization by the Bureau or its designee is required for each service identified in the ISRP and for all extensions of service beyond the initial authorization limits.

G. Exclusionary Criteria

Mental health rehabilitation services are not considered to be appropriate for recipients whose diagnosis is mental retardation, developmental disability, or substance abuse unless they have a co-occurring diagnosis of severe mental illness or emotional/behavioral disorder as specified with DSM-IV-TR or ICD-9-CM, or its subsequent revisions of these documents.

SUPERSEDES: NONE - NEW PAGE

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TN# 09-33 Approval Date 4-9-10 Effective Date 8-4-09
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TN# SUPERSEDES: NONE - NEW PAGE

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:

CITATION
42 CFR
447.304
440.130

Medical and Remedial
Care and Services
Item 13.d.(cont'd.)

4. The rehabilitation services provider has evaluated the client and submitted a copy of its proposed plan of services to the Prior Authorization Unit for approval.
5. The rehabilitation services provider has agreed to provide evaluation reports as requested by the Prior Authorization Unit when the plan is approved.
6. The BHSF Prior Authorization Unit has approved the plan of treatment.

II. Rehabilitation Services for Mental Illness

A. Reimbursement Methodology

The reimbursement methodology is based on a comparative survey of rates paid in several other states for similar behavioral health services with an adjustment made for economic factors in Louisiana.

Each service provided to a qualified recipient will be reimbursed on a fee for service basis. Reimbursement shall be determined in accordance with the published Medicaid fee schedule and shall be applicable statewide to all MHR providers. Reimbursement for providers of Community Supports services are reimbursed as follow: Master's level practitioners are paid 100% of fee on file, and non-Master's level practitioners are paid 60% of the fee on file. Reimbursement for providers of Medication Management services are reimbursed as follows: Psychiatrist is paid 100% of fee on file, APRN is paid 80%, and RN is paid 67%.

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Approval Date 4-9-10

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TN# 09-07

SUPERSEDES: TN- 09-07

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:

The state developed fee schedule rates are the same for both governmental and private providers. The fee schedule and any annual/periodic adjustments to the fee schedule are published on the Medicaid provider website at www.lamedicaid.com.

Effective for dates of service on or after February 1, 2009, the reimbursement rates for MHR services shall be reduced by 3.5 percent of the fee amounts on file as of January 31, 2009.

Effective for dates of services on or after August 4, 2009, the reimbursement rates for the following MHR services shall be reduced by 1.23 percent of the fee amounts on file as of August 3, 2009:

- counseling;
- oral medication administration;
- psychosocial skills training;
- community supports; and
- injections.

Effective for dates of service on or after August 4, 2009, the reimbursement rates for parent/family intervention (intensive) services shall be reduced by 17.6 percent of the fee amounts on file as of August 3, 2009.

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HCFA 179 <u>09-33</u>	

SUPERSEDES: TN- 09-07

TN# 09-33
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Approval Date 4-9-10

Effective Date 8-4-09

TN# 09-07

STATE OF LOUISIANA

AMOUNT DURATION AND SCOPE OF MEDICAL AND REMEDIAL CARE AND SERVICES PROVIDED

LIMITATIONS ON THE AMOUNT, DURATION AND SCOPE OF CERTAIN ITEMS OF PROVIDED
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CITATION Medical and Remedial II. Mental Health Rehabilitation Services
42 CFR Care and Services
440.130 Item 13.d. (cont'd) A. Definition

Mental Health Rehabilitative (MHR) services are those medical or remedial services recommended by a physician or other licensed practitioner of the healing arts, within the scope of his practice under State law, for maximum reduction of mental illness and restoration of a recipient to his best possible functional level. MHR services may be provided by or under the supervision of a physician or a licensed mental health professional are offered in out-patient community settings, are provided to Medicaid eligible individuals according to the comprehensive, individualized service and recovery plan (ISRP) and are not services that are included in programs with a focus other than that of Medicaid.

These services must be provided to, or directed exclusively toward, the treatment of the Medicaid eligible individual. These services cannot be delivered in an Institution for Mental Disease (IMD). These services do not duplicate services provided through other mental health programs or non-Medicaid programs, such as foster care.

A unit of service is defined as 15 minutes of service unless otherwise indicated by the CPT code definition.

B. Staffing Qualifications

Licensed Mental Health Professional (LMHP)—an individual who has a graduate degree in a mental health related field and is licensed to practice in the state of Louisiana by the applicable professional board of examiners. LMHPs include:

Psychiatrist—must be a licensed medical doctor who is board-certified or board-eligible, authorized to practice psychiatry in Louisiana.

Psychologist—must be licensed as a practicing psychologist.

Advanced Practice Registered Nurse (APRN)—must

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TN# 09-33 Approval Date 4-9-10 Effective Date 8-4-09

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SUPERSEDES: TN- 05-34

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 DESCRIBED AS FOLLOWS:

III. Multi-Systemic Therapy (MST)

Reimbursement Methodology

Reimbursement for MST services shall be a prospective rate paid uniformly to governmental and non-governmental providers for each approved unit of service provided to the recipient. One quarter hour (15 minutes) is the standard unit of service, which covers both service provision and administrative costs. The rates are based on an average of direct, general and administrative costs which were obtained from providers within the state. Direct costs included those items necessary for the provision of the service such as salaries, benefits, taxes, travel costs, phone, training, and professional clinical consultation. General and administrative costs are 10% of the total direct costs and include building costs, equipment, accounting, billing, office supplies, and management personnel.

The resulting rate is \$38.59 per 15 minute unit. Services provided by a Master's level clinician are reimbursed at 100% of the rate. Services provided by Bachelor's level staff are reimbursed at 80% of the rate. The agency's fee schedule rate was set as of 7/1/2008 and is effective for services provided on or after that date. The rates are published at the agency's website, www.lamedicaid.com.

Effective for dates of service on and after August 4, 2009, the reimbursement rates for multi-systemic therapy services will be reduced by 5.17 percent of the rates on file as of August 3, 2009.

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HCFA 179 <u>09-33</u>	

SUPERSEDES: TN- 08-07

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