

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**

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March 29, 2010

Our Reference: SPA-LA-09-36

Mr. Don Gregory, Interim State Medicaid Director  
Department of Health and Hospitals  
Bienville Building  
628 North 4<sup>th</sup> 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 09-36. This state plan amendment reduces reimbursement for selected physician services and anesthesia services performed by a physician by 3.5 percent.

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 09-36 is approved with an effective date of August 4, 2009 as requested. A copy of the HCFA-179, Transmittal No. 09-36 dated September 23, 2009 is enclosed along with the approved plan pages.

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

Sincerely,

A black rectangular redaction box covering the signature of Bill Brooks.

Bill Brooks  
Associate Regional Administrator

Enclosures

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b>	1. TRANSMITTAL NUMBER:  <b>09-36</b>	2. STATE  <b>Louisiana</b>
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FOR: HEALTH CARE FINANCING ADMINISTRATION	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)
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TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE  <b>August 4, 2009</b>
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5. TYPE OF PLAN MATERIAL (Check One):

NEW STATE PLAN       AMENDMENT TO BE CONSIDERED AS NEW PLAN       AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)


6. FEDERAL STATUTE/REGULATION CITATION: <b>42 CFR Part 447 Subpart B</b>	7. FEDERAL BUDGET IMPACT: a. FFY <b>2009</b> <b>(\$2,649.90)</b> b. FFY <b>2010</b> <b>(\$16,861.71)</b>
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8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: <b>Attachment 4.19-B, Item 5, Page 2</b> * <b>Attachment 4.19-B, Item 5, 2a(1)</b> * <b>Attachment 4.19-B, Item 5, Page 2a</b>	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): <b>Same (TN 08-02)</b> <b>Same (TN 09-17)</b> <b>Same (TN 07-34)</b>
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10. SUBJECT OF AMENDMENT: **The purpose of this amendment is to adjust the reimbursement rates for selected services provided by physicians and to reduce the reimbursement rates for anesthesia services provided by physicians.**

11. GOVERNOR'S REVIEW (Check One):


GOVERNOR'S OFFICE REPORTED NO COMMENT       OTHER, AS SPECIFIED:  
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED      **The Governor does not review state plan material.**  
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE 	16. RETURN TO: <b>State of Louisiana Department of Health and Hospitals 628 N. 4<sup>th</sup> Street PO Box 91030 Baton Rouge, LA 70821-9030</b>
13. TYPED NAME: <b>Alan Levine</b>	
14. TITLE: <b>Secretary</b>	
15. DATE SUBMITTED: <b>September 11, 2009</b>	

**FOR REGIONAL OFFICE USE ONLY**

17. DATE RECEIVED: <b>22 September 2009</b>	18. DATE APPROVED: <b>29 MARCH 2010</b>
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PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL: <b>4 August, 2009</b>	20. SIGNATURE: 
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21. TYPED NAME: <b>Bill Brooks</b>	22. TITLE: <b>Associate Regional Administrator Div of Medicaid &amp; Children's Hea</b>
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23. REMARKS:

\* Pen + Ink Change made to add Attachment 4.19-B, Item 5, Pa per the State's e-mail dated 23 Feb, 2010.

\* See E-mail from State on corrections to Block 9 of 179

**Marks, Marsha L. (CMS/SC)**

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**From:** Marks, Marsha L. (CMS/SC)  
**Sent:** Wednesday, March 31, 2010 10:02 AM  
**To:** CMS CMSO\_508\_SPA  
**Cc:** Rupley, Cheryl A. (CMS/SC); Carter, Demetria (CMS/SC); Sampson, Tamara L. (CMS/CMCHO); Cieslicki, Mary E. (CMS/CMSO)  
**Subject:** Approval Pkg for LA 09-36  
**Attachments:** Final Approval Pkg for 09-36.pdf; LA-09-36Approval.doc

See attached.

State: Louisiana

**Brief Description:** This amendment reduces the reimbursement for selected physician services and anesthesia performed by a physician by 3.5 percent. Non-Federal share payment will be funded through appropriations made by the Medicaid agency and the State provided acceptable responses to funding questions.

**Effective Date:** 4 August, 2009

**Approval Date:** 29 March, 2010

**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](mailto:marsha.marks@cms.hhs.gov)

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT  
MEDICAL ASSISTANCE PROGRAM  
STATE OF LOUISIANA

Attachment 4.19-B  
Item 5, Page 2

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:

CITATION      Medical and Remedial  
42 CFR            Care and Services  
447.201          Item 5 (cont'd)

Reimbursement for certain bilateral procedures listed in the Professional Services Provider Manual shall be at 150% of the fee on the published Medicaid fee schedule when performed bilaterally.

Surgical services modified with modifier 63 (procedure performed on infants less than 4kg) shall be reimbursed at 125 percent of the Medicaid fee on file.

Effective for dates of service on or after January 1, 2008, the reimbursement for selected physician services shall be 90 percent of the 2008 Louisiana Medicare Region 99 allowable or billed charges, whichever is the lesser amount, unless otherwise stipulated.

The reimbursement shall remain the same for those services that are currently being reimbursed at a rate that is between 90 percent and 120 percent of the 2008 Louisiana Medicare Region 99 allowable.

For those services that are currently reimbursed at a rate above 120 percent of the 2008 Louisiana Medicare Region 99 allowable, effective for dates of service on or after January 1, 2008, the reimbursement for these services shall be reduced to 120 percent of the 2008 Louisiana Medicare Region 99 allowable.

Effective for dates of service on or after August 4, 2009, the reimbursement for all physician services rendered to recipients 16 years of age or older shall be reduced to 80 percent of the 2009 Louisiana Medicare Region 99 allowable or billed charges, whichever is the lesser amount.

Effective for dates of services on or after August 4, 2009, those services that are currently reimbursed at a rate below 80 percent of the Louisiana Medicare Region 99 allowable, will be reimbursed at a rate of 80 percent of the Louisiana Medicare Region 99 allowable or billed charges, whichever is the lesser amount.

STATE <u>Louisiana</u>	The following physician services are excluded from the rate adjustment:  A
DATE REC'D <u>9-22-09</u>	
DATE APPV'D <u>3-29-10</u>	
DATE EFF <u>8-4-09</u>	
HCFA 179 <u>09-36</u>	

- Preventive medicine evaluation and management;
- Immunizations;
- Family planning services;
- Select orthopedic reparative services; and
- Prenatal evaluation & management and delivery services.

TN# 09-36      Approval Date 3-29-10      Effective Date 8-4-09  
Supersedes  
TN# 08-02

**SUPERSEDES: TN- 08-02**

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT  
MEDICAL ASSISTANCE PROGRAM  
STATE OF LOUISIANA

Attachment 4.19-B  
Item 5, Page 2a

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:

For those services that are currently reimbursed at a rate above 120 percent of the 2008 Louisiana Medicare Region 99 allowable, effective for dates of service on or after January 1, 2008, the reimbursement for these services shall be reduced to 120 percent of the 2008 Louisiana Medicare Region 99 allowable.

State developed fee schedule rates are the same for both public and private providers of the service, except as noted elsewhere in the plan; and the fee schedule and any annual/periodic adjustments to the fee schedule are published on the Louisiana Medicaid Provider website at [www.lamedicaid.com](http://www.lamedicaid.com).

- (b) Effective for dates of service on or after October 21, 2007, the Medicaid Program shall provide reimbursement for the payment of adjunct services in addition to the reimbursement for evaluation and management services and the associated ancillary services when these professional services are rendered in settings other than hospital emergency departments during evening, weekend or holiday hours. Reimbursement is limited to services rendered between the hours of 5 p.m. and 8 a.m. Monday through Friday, on weekends and State legal holidays.

Effective for dates of service on or after October 21, 2007, the reimbursement for adjunct services is a flat fee, based on the adjunct CPT code, in addition to the reimbursement for the associated evaluation and management service, and associated ancillary services. The same methodology is used for both governmental and non-governmental providers.

SUPERSEDES: TN- 07-34

STATE <u>Louisiana</u>	A
DATE REC'D <u>9-22-09</u>	
DATE APPV'D <u>3-29-10</u>	
DATE EFF <u>8-4-09</u>	
HCFA 179 <u>09-36</u>	

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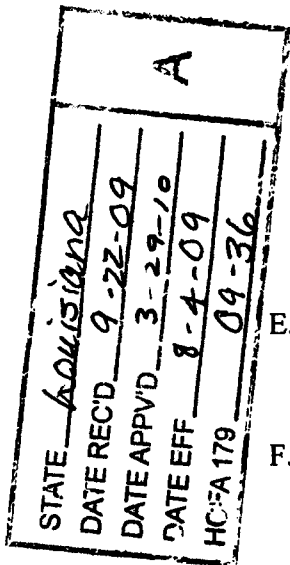
TN# 09-36 Approval Date 3-29-10 Effective Date 8-4-09  
Supersedes  
TN# 07-34

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:

Anesthesia Services

- A. The most appropriate procedure codes and modifiers shall be used when billing for surgical anesthesia procedures and/or other services performed under the professional licensure of the physician (anesthesiologist or other specialty).
- B. Formula Based Reimbursement.  
Reimbursement is based on formulas related to 100 percent of the 2003 Medicare Region 99 payable.
- C. Flat Fee Reimbursement.  
Reimbursement for maternity related anesthesia services is a flat fee except for general anesthesia related to a vaginal delivery which is reimbursed according to a formula.  
Other anesthesia services that are performed under the professional licensure of the physician (anesthesiologist or other specialty) are reimbursed a flat fee based on the appropriate procedure code.
- D. Maternity Related Anesthesia Services  
The delivering physician will be reimbursed when he initiates the epidural procedure with inclusion of the appropriate procedure code and modifier.  
The anesthesiologist or CRNA who is called in to continue administering the anesthesia after the epidural was inserted will be reimbursed for the continued administration of the anesthesia.  
Anesthesiologists and/or CRNAs may not bill for both continued administration and general anesthesia.
- E. Surgeons shall not be reimbursed for the personal medical direction of a CRNA. The anesthesia service will be considered non-medically directed and should be billed as such by the CRNA.
- F. Effective for dates of service on or after August 4, 2009, the reimbursement rates paid for anesthesia services that are performed under the professional licensure of a physician (anesthesiologist or other specialty) shall be reduced by 3.5 percent of the rates in effect on August 3, 2009.



**Note:** Reimbursement for anesthesia services performed by certified registered nurse anesthetists (CRNAs) is listed in Item 6.d.

TN# 09-36 Approval Date 3-29-10 Effective Date 8-4-09  
Supersedes **SUPERSEDES** TN 09-17  
TN# \_\_\_\_\_