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



Center for Medicaid, CHIP, and Survey & Certification

Mr. Don Gregory, Director Bureau of Health Services Financing Department of Health and Hospitals Post Office Box 91030 Baton Rouge, Louisiana 70821-9030

AUG 1 0 2010

Attention: Sandra Victor

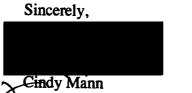
RE: Louisiana 10-33

Dear Mr. Gregory:

We have reviewed the proposed amendment to Attachment 4.19-D of your Medicaid State plan submitted under transmittal number (TN) 10-33. The purpose of this amendment is to reduce the nursing facilities rate by 10.52 percent effective July 1, 2010, followed by a 4.8 percent reduction effective July 1, 2010, followed by a rebasing of the rate effective July 1, 2010.

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 and the implementing Federal regulations at 42 CFR 447 Subpart C. As part of the review process the State was asked to provide information regarding funding of the State share of expenditures under Attachment 4.19-D. Based upon your assurances we are pleased to inform you that Medicaid State plan amendment 10-33 is approved effective July 1, 2010. We are enclosing the HCFA-179 and the amended plan page.

If you have any questions, please call Sandra Dasheiff, CPA at (214) 767-6490.



Center for Medicaid, CHIP, and Survey & Certification

Enclosures

ALTH CARE FINANCING ADMINISTRATION TRANSMITTAL AND NOTICE OF APPROVAL O		FORM APPROV OMB NO. 0938
STATE PLAN MATERIAL	F I. TRANSMITTAL NUMBER:	2. STATE
STATE FLAN MATERIAL	10-33	Louisiana
FOR: HEALTH CARE FINANCING ADMINISTRATION	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
0: REGIONAL ADMINISTRATOR	4. PROPOSED EFFECTIVE DATE	
HEALTH CARE FINANCING ADMINISTRATION		
DEPARTMENT OF HEALTH AND HUMAN SERVICES	July 1, 2010	
TYPE OF PLAN MATERIAL (Check One):		
NEW STATE PLAN AMENDMENT TO BE CON	ISIDERED AS NEW PLAN	MENDMENT
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AM FEDERAL STATUTE/REGULATION CITATION:	ENDMENT (Separate Transmittal for eac	h amendment)
42 CFR 447, Subpart C	7. FEDERAL BUDGET IMPACT:	
To CER TY /, SUDPHILE	a. FFY 2010	<u>\$7,052,17</u>
DACE MILLION AND AND AND AND AND AND AND AND AND AN	b. FFY 2011	<u>\$24,998.71</u>
PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT		
Attachment & 10 D. Bene 0 (1)	SECTION OR ATTACHMENT (If Applicable):	
Attachment 4.19-D, Page 9 a(1)	Same (TN 10-11)	
SUBJECT OF AMENDMENT: The purpose of this amen rcent effective July 1, 2010. followed by a 4.8 percen	dment is to reduce the nursing fa	cilities rate by 10
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FORM HCFA-179 (07-92)

v. Adjustment to the Rate

Effective for dates of service on or after July 1, 2004, for state fiscal year 2005 and state fiscal year 2006, each private nursing facility's per diem case mix adjusted rate shall be reduced by \$0.85.

Effective for dates of service on or after July 1, 2005, for state fiscal year 2006 only, each private nursing facility's per diem case mix adjusted rate shall be reduced by \$2.99.

Effective for dates of service on or after January 1, 2006, the previous reduction of \$2.99 in each private nursing facility's per diem case mix adjusted rate is restored for the remainder of state fiscal year 2006.

In the event the Department is required to implement reductions in the nursing facility program as a result of a budget shortfall, a budget reduction category shall be created. This category shall reduce the statewide average Medicaid rate, without changing the established parameters, by reducing the reimbursement rate paid to each nursing facility using an equal amount per patient day.

- (1) Effective for dates of service on or after January 22, 2010, the case-mix adjusted nursing facility rate of each non-State nursing facility shall be reduced by \$1.95 per day (1.5 percent of the per diem rate on file as of January 21, 2010) until such time as the rate is rebased on July 1, 2010.
- (2) Effective for dates of service on or after July 1, 2010, the per diem rate paid to non-state nursing facilities shall be reduced by an amount equal to 10.52 percent of the non-state owned nursing facilities statewide average daily rate in effect on June 30, 2010 until such time as the rate is rebased on July 1, 2010.
- (3) Effective for dates of service on or after July 1, 2010, the per diem reimbursement for non-state nursing facilities shall be reduced by an amount equal to 4.8 percent of the non-state owned nursing facilities statewide average daily rate on file as of July 1, 2010 (as described in Attachment 4.19-D, §I.C.2.v.(2)) until such time as the rate is rebased on July 1, 2010.
- d. All capitalized costs related to the installation or extension of supervised automatic fire sprinkler systems or two-hour walls placed in service on or after July 1, 2006 will be excluded from the renovation/improvement costs used to calculate the FRV to the extent the nursing home is reimbursed for said costs in accordance with section 6.