Table of Contents

State/Territory Name: Louisiana

State Plan Amendment (SPA) #: 15-0027

This file contains the following documents in the order listed:

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

CENTERS FOR MEDICARE & MEDICAID SERVICES
CONSORTIUM FOR MEDICAID & CHILDREN'S HEALTH OPERATIONS

DIVISION OF MEDICAID & CHILDREN'S HEALTH - REGION VI

January 6, 2016

Our Reference: SPA LA 15-0027

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

Attn: Darlene Budgewater
Jodie Hebert

Dear Ms. Kennedy:

We have reviewed the proposed amendment to your Medicaid State Plan submitted under Transmittal Number 15-0027. This state plan amendment (SPA) amends the provisions governing therapeutic group homes (TGHs) in order to: 1) revise the terminology to be consistent with current program operations; and 2) revise the reimbursement methodology to establish capitation payments to managed care organizations for children's services.

Transmittal Number 15-0027 is approved with an effective date of December 1, 2015 as requested. A copy of the HCFA-179, Transmittal No. 15-0027 dated October 21, 2015 is enclosed along with the approved plan pages.

If you have any questions, please contact Ford Blunt III at ford.blunt@cms.hhs.gov or by phone at (214) 767-6381.

Sincerely,

[redacted]

Bill Brooks
Associate Regional Administrator

DEPARTMENT OF HEALTH AND HUMAN SERVICES
HEALTH CARE FINANCING ADMINISTRATION

FORM APPROVED
OMB NO. 0938-0193

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL

FOR: HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER: **15-0027**

2. STATE: **Louisiana**

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
December 1, 2015

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:
42 CFR 440.130(d)

7. FEDERAL BUDGET IMPACT:
a. FFY **2016** **$0**
b. FFY **2017** **$0**

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT *(If Applicable)*:
Attachment 3.1-A, Item 4.b, Page 9e	**Same (TN 14-35)**
Attachment 3.1-A, Item 4.b, Page 9e(1)	**Same (TN 14-35)**
Attachment 3.1-A, Item 4.b, Page 9e(2)	**None – New Page**
Attachment 3.1-A, Item 4.b, Page 9e(3)	**None – New Page**
Attachment 3.1-A, Item 4.b, Page 9f	**Same (TN 14-35)**
Attachment 3.1-A, Item 4.b, Page 9g	**Same (TN 14-35)**
Attachment 4.19-B, Item 4.b, Page 3b	**Same (TN 14-35)**
Attachment 4.19-B, Item 4.b, Page 3c	**Same (TN 11-10)**

10. SUBJECT OF AMENDMENT: **The SPA proposes to amend the provisions governing therapeutic group homes (TGHs) in order to: 1) revise the terminology to be consistent with current program operations; and 2) revise the reimbursement methodology to establish capitation payments to managed care organizations for children's services.**

11. 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.

12. SIGNATURE OF STATE AGENCY OFFICIAL:
[redacted]

13. TYPED NAME:
Kathy H. Kliebert

14. TITLE:
Secretary

15. DATE SUBMITTED:
October 21, 2015

16. RETURN TO:

J. Ruth Kennedy, Medicaid Director
State of Louisiana
Department of Health and Hospitals
628 N. 4th Street
PO Box 91030
Baton Rouge, LA 70821-9030

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED: October 21, 2015

18. DATE APPROVED: January 6, 2016

PLAN APPROVED – ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:
December 1, 2015

20. SIGNATURE OF REGIONAL OFFICIAL:
[redacted]
or

21. TYPED NAME:
Bill Brooks

22. TITLE: Associate Regional Administrator
Division of Medicaid and Children's Health

23. REMARKS:

FORM HCFA-179 (07-92)

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 AS FOLLOWS:

Rehabilitation Services:
42 CFR 440.130(d)

4. Therapeutic Group Homes

The Medicaid Program provides coverage under the Medicaid State Plan for behavioral health services rendered to children and youth in a therapeutic group home (TGH). Qualifying children and adolescents with an identified mental health or substance use diagnosis shall be eligible to receive behavioral health services rendered by a TGH. TGHs provide community-based residential services in a home-like setting of no greater than 10 beds under the supervision and program oversight of a psychiatrist or psychologist. These services shall be administered under the authority of the Department of Health and Hospitals in collaboration with managed care organizations (MCOs), which shall be responsible for the necessary operational and administrative functions to ensure adequate service coordination and delivery. The specialized behavioral health services rendered shall be those services medically necessary to reduce the disability resulting from the illness and to restore the individual to his/her best possible functioning level in the community.

TGHs deliver an array of clinical and related services including:

Psychiatric Supports and Therapeutic Services:
Psychiatric supports and therapeutic services include medication management, individual counseling, group counseling, and family counseling. Interventions such as Cognitive Behavioral Therapy (CBT) and other behavior interventions which are evidence-based practices are delivered by community-based providers, if clinically necessary. TGHs must incorporate at least one research-based approach pertinent to the sub-populations of TGH clients to be served by the specific program. As part of the daily rate, individual, group and family therapy may be provided by master's level staff employed by the TGH. Preventing the duplication of these services by LMHP and non-LMHP staff is assured through monitoring of the authorized treatment plan. . TGHs teach pro-social skills, anger management, illness education, and other daily living skills on the treatment plan.

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 AS FOLLOWS:

The psychiatrist or psychologist must provide 24-hour, on-call coverage, seven days per week. The psychologist or psychiatrist must see the client at least once, prescribe the type of care provided, and, if the services are not time-limited by the prescription, review the need for continued care every 28 days. Although the psychologist or psychiatrist does not have to be on the premises when his/her client is receiving covered services, the supervising practitioner must assume professional responsibility for the services provided and assure that the services are medically appropriate.

Integration with Community Resources:

Integration with community resources is an overarching goal of the TGH level of care, which is, in part, achieved through rules governing the location of the TGH facility, the physical space of the TGH facility, and the location of schooling for resident youth. The intention of the TGH level of care is to provide a 24-hour intensive treatment option for youth who need it, and to provide it in a location with more opportunities for community integration than can be found in other, more restrictive residential placements such as inpatient hospital psychiatric residential treatment facilities (PRTFs). To enhance community integration, TGHs must be located in residential communities in order to facilitate community integration through public education, recreation and maintenance of family connections. The facility is expected to provide recreational activities for all enrolled children, but not use Medicaid funding for payment of such non-Medicaid activities. To enhance community integration, TGH facilities must be located within a neighborhood in a community, must resemble a family home as much as possible, and resident youth must attend community schools (as opposed to being educated at a school located on the campus of an institution). This array of services including psychiatric supports, therapeutic services, and skill-building, prepares the youth to return back to their community.

Skill-building:

Skill-building includes services and supports that cultivate the child's or adolescent's ability to function successfully in the home and community. Based on the individual assessment, a treatment plan is developed that includes specific skills to be addressed to accomplish the indicated goals. Skill-building includes activities such as job seeking, study skills and social skills which assist with the development of skills for daily living, support success in the community settings, and assist with transitioning to adulthood.

Most often, targeted behaviors will relate directly to the child's or adolescent's ability to function successfully in the home and school environment (e.g., compliance with reasonable behavioral expectations; safe behavior and appropriate responses to social cues and conflicts).

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 AS FOLLOWS:

Treatment must:

- Focus on reducing the behavior and symptoms of the psychiatric disorder that necessitated the removal of the child or adolescent from his/her usual living situation;
- Decrease problem behavior and increase developmentally-appropriate, normative and pro-social behavior in children and adolescents who are in need of out-of-home placement; and
- Transition child or adolescent from therapeutic group home to home or community based living with outpatient treatment (e.g., individual and family therapy).

Less intensive levels of treatment must have been determined to be unsafe, unsuccessful or unavailable. The child must require active treatment that would not be able to be provided at a less restrictive level of care on a 24-hour basis with direct supervision/oversight by professional behavioral health staff. The setting must be ideally situated to allow ongoing participation of the child's family. In this setting, the child or adolescent remains involved in community-based activities and may attend a community educational, vocational program or other treatment setting.

Psychotropic medications should be used with specific target symptoms identification, with medical monitoring and 24-hour medical availability, when appropriate and relevant. Screening and assessment is required upon admission and every 28 days thereafter to track progress and revise the treatment plan to address any lack of progress and to monitor for current medical problems and concomitant substance use issues. Any services that exceed established limitations beyond the initial authorization must be approved for re-authorization prior to service delivery.

The individualized, strengths-based services and supports:

- Are identified in partnership with the child or adolescent and the family and support system, to the extent possible, and if developmentally appropriate;
- Are based on both clinical and functional assessments;
- Are clinically monitored and coordinated, with 24-hour availability;
- Are implemented with oversight from a licensed mental health professional; and
- Assist with the development of skills for daily living and support success in community settings, including home and school.

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 AS FOLLOWS:

The TGH is required to coordinate with the child's or adolescent's community resources, with the goal of transitioning the youth out of the program as soon as possible and appropriate.

For treatment planning, the program must use a standardized assessment and treatment planning tool such as the Child and Adolescent Needs and Strengths (CANS). The assessment protocol must differentiate across life domains, as well as risk and protective factors, sufficiently so that a treatment plan can be tailored to the areas related to the presenting problems of each youth and their family in order to ensure targeted treatment. The tool should also allow tracking of progress over time. The specific tools and approaches used by each program must be specified in the program description and are subject to approval by the State. In addition, the program must ensure that requirements for pretreatment assessment are met prior to treatment commencing. A TGH must ensure that youth are receiving appropriate therapeutic care to address assessed needs on the child's treatment plan.

1. Therapeutic care may include treatment by TGH staff, as well as community providers.
2. Treatment provided in the TGH or in the community should incorporate research-based approaches appropriate to the child's needs, whenever possible.

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 AS FOLLOWS:

For TGH facilities that specialize in caring for youth with sexually deviant behaviors, substance use disorders, or dually diagnosed individuals, the facility shall submit documentation to their contracted MCOs regarding the appropriateness of the research-based, trauma-informed programming and training, as well as compliance with the American Society of Addiction Medicine (ASAM) level of care being provided.

For a TGH that does not offer specialized care, a TGH must incorporate at least one research-based approach pertinent to the sub-populations of TGH clients to be served by the specific program. The specific research-based model to be used should be incorporated into the program description and be approved by the Department. All research-based programming in TGH settings must be approved by the State. For milieu management, all programs should also incorporate some form of research-based, trauma-informed programming and training, if the primary research-based treatment model used by the program does not.

Provider Qualifications: A TGH must be licensed by the Louisiana Department of Health and Hospitals, and accredited by the Commission of Accreditation of Rehabilitation Facilities (CARF), the Commission of Accreditation (COA), or the Joint Commission. Denial, loss of, or any negative change in, accreditation status must be reported to their contracted MCOs in writing within the time limit established by the Department. . Staff must be supervised by a licensed mental health professional (supervising practitioner) with experience in evidence-based treatments and operating within their scope of practice license. Staff includes paraprofessional and bachelor's level staff (who provide integration with community resources, skill building, and peer support services) and master's level staff (who provide individual, group, and family therapy) with degrees in social work, counseling, psychology or a related human services field, with oversight by a psychologist or psychiatrist. A TGH must provide the minimum amount of active treatment hours established by the Department, and performed by qualified staff per week for each child, consistent with each child's treatment plan and meeting assessed needs.

Direct care staff must be at least 18 years old, and have a high school diploma or equivalent. Additionally, the direct care staff must be at least three years older than an individual under the age of 18. Staffing schedules shall reflect overlap in shift hours to accommodate information exchange for continuity of youth treatment, adequate numbers of staff reflective of the tone of the unit, appropriate staff gender mix and the consistent presence and availability of professional staff. In addition, staffing schedules should ensure the presence and availability of professional staff on nights and weekends, when parents are available to participate in family therapy and to provide input on the treatment of their child.

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 AS FOLLOWS:

Service Exclusions:

The following services/components shall be excluded from Medicaid reimbursement:

1. components that are not provided to, or directed exclusively toward the treatment of, the Medicaid eligible individual;
2. services provided at a work site which are job tasks oriented and not directly related to the treatment of the recipient's needs;
3. any services or components in which the basic nature of which are to supplant housekeeping, homemaking, or basic services for the convenience of an individual receiving substance abuse services;
4. services rendered in an institution for mental disease;
5. room and board; and
6. supervision associated with the child's stay in the TGH.

PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES PROVIDED

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES – OTHER TYPES OF CARE OR SERVICE LISTED IN SECTION 1902(A) OF THE ACT THAT IS INCLUDED IN THE PROGRAM UNDER THE PLAN ARE DESCRIBED AS FOLLOWS:

EPSDT Rehabilitation and Other Licensed Practitioner's Behavioral Health Services

Methods and Standards for Establishing Payment Rates

Therapeutic Group Home Reimbursement

Each provider of Therapeutic Group Home (TGH) services shall enter into a contract with one or more of the managed care organizations (MCOs) in order to receive reimbursement for Medicaid covered services. Providers shall meet the provisions herein, the provider manual, and the appropriate statutes. For recipients enrolled in one of the MCOs, the Department or its fiscal intermediary shall make monthly capitation payments to the MCOs. The capitation rates paid to the MCOs shall be actuarially sound rates and the MCOs will determine the rates paid to its contracted providers. No payment shall be less than the minimum Medicaid rate.

TGH services shall be inclusive of, but not limited to the allowable cost of clinical and related services, psychiatric supports, integration with community resources, the skill-building provided by unlicensed practitioners, and allowable and non-allowable costs components, as defined by the Department. Services provided by psychologists and licensed mental health practitioners shall be billed to the MCO separately. All psychiatric supports and therapeutic services delivered by licensed mental health professionals (LMHPs) must be billed separately and not included in the per diem rate (Qualifications for LMHPs are listed in Attachment 3.1-A, Item 4.b, Page 8a). The facility is expected to provide recreational activities for all enrolled children but not use Medicaid funding for payment of such non-Medicaid activities. Definitions of allowable and non-allowable costs are defined by the Department.

The TGH provider types and associated reimbursement are as follows:

In-State Therapeutic Group Homes Reimbursement Rates

A. In-State publicly and privately owned and operated TGHs shall be reimbursed according to the MCO established rate within their contract.

PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES PROVIDED

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES – OTHER TYPES OF CARE OR SERVICE LISTED IN SECTION 1902(A) OF THE ACT THAT IS INCLUDED IN THE PROGRAM UNDER THE PLAN ARE DESCRIBED AS FOLLOWS:

EPSDT Rehabilitation and Other Licensed Practitioner's Behavioral Health Services

Methods and Standards for Establishing Payment Rates (continued)

A. Out-of-State Therapeutic Group Home Reimbursement Rates
Out-of-State therapeutic group homes shall be reimbursed for their services according to the rate established by the MCO.
B. Payments to out-of-state TGH facilities that provide covered services shall not be subject to TGH cost reporting requirements.

Therapeutic Group Home Cost Reporting Requirements

All in-state Medicaid participating TGH providers are required to file an annual Medicaid cost report according to the Department's specifications and departmental guides and manuals.

A. Costs reports must be submitted annually. The due date for filing annual cost reports is the last day of the fifth month following the facility's fiscal year end. Separate cost reports must be filed for the facilities central/home office when costs of that entity are reported on the facilities cost report. If the facility experiences unavoidable difficulties in preparing the cost report by the prescribed due date, a filing extension may be requested. A filing extension must be submitted to Medicaid prior to the cost report due date.
B. Facilities filing a reasonable extension request will be granted an additional 30 days to file their cost report.