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State/Territory Name: Louisiana

State Plan Amendment (SPA) #: 16-0009

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form
- 3) Approved Pages

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



**DIVISION OF MEDICAID & CHILDREN'S HEALTH - REGION VI**

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May 5, 2016

Our Reference: SPA LA 16-0009, FMAP

Ms. Jen Steele, Interim State Medicaid Director  
Department of Health and Hospitals  
628 North 4<sup>th</sup> St.  
Post Office Box 91030  
Baton Rouge, LA 70821-9030

Attention: Darlene Budgewater

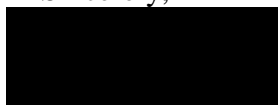
Dear Ms. Steele:

We have reviewed the State's proposed amendment to the Louisiana State Plan submitted under Transmittal Number 16-0009 dated March 31, 2016. This state plan amendment describes the methodology used by the state for determining the appropriate Federal Medical Assistance Payment (FMAP) rates, including the increased FMAP rates, available under the provisions of the Affordable Care Act applicable for the medical assistance expenditures under the Medicaid program associated with enrollees in the new adult group adopted by the state and described in 42 CFR 435.119.

Based on the information submitted, we have approved the amendment for incorporation into the official Louisiana State Plan with an effective date change of July 1, 2016. A copy of the CMS-179 and approved plan pages are enclosed with this letter.

If you have any questions, please contact Cheryl Rupley at (214) 767-6278 or by email at [Cheryl.Rupley@cms.hhs.gov](mailto:Cheryl.Rupley@cms.hhs.gov).

Sincerely,



for

Bill Brooks  
Associate Regional Administrator

**TRANSMITTAL AND NOTICE OF APPROVAL OF  
STATE PLAN MATERIAL**

**FOR: HEALTH CARE FINANCING ADMINISTRATION**

1. TRANSMITTAL NUMBER:

**16-0009**

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

**July 1, 2016**

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 435.119 AND 42 CFR Part 440, Subpart C**

7. FEDERAL BUDGET IMPACT:

a. FFY **2016** **\$0**

b. FFY **2017** **\$0**

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

**Supplement 18 to Attachment 2.6 A, Pages 1-6**  
**Attachment A - Summary Info for Part 2 of MAGI**  
**Conversion Plan**  
**Attachment B - Resource Criteria Proxy Methodology**  
**Attachment E - Transition Methodologies**

9. PAGE NUMBER OF THE SUPERSEDED PLAN  
SECTION OR ATTACHMENT (*If Applicable*):

**None - New Pages**

**None - New Page**

**None - New Page**

**None - New Page**

10. SUBJECT OF AMENDMENT: **This SPA proposes to adopt the provisions governing the appropriate FMAP rate for expenditures for individuals enrolled in the adult group described in 42 CFR 435.119 and receiving benefits in accordance with 42 CFR Part 440, Subpart C.**

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 AGENCY OFFICIAL:

16. RETURN TO:

13. TYPED NAME:

**Rebekah E. Gee MD, MPH**

14. TITLE:

**Secretary**

15. DATE SUBMITTED:

**March 31, 2016**

**Jen Steele, Interim Medicaid Director**  
**State of Louisiana**  
**Department of Health and Hospitals**  
**628 N. 4<sup>th</sup> Street**  
**P.O. Box 91030**  
**Baton Rouge, LA 70821-9030**

**FOR REGIONAL OFFICE USE ONLY**

17. DATE RECEIVED:

**31 March 2016**

18. DATE APPROVED:

**5 May 2016**

**PLAN APPROVED - ONE COPY ATTACHED**

19. EFFECTIVE DATE OF APPROVED MATERIAL:

**1 July 2016**

20. SIGNATURE OF REGIONAL OFFICIAL:

**for**

21. TYPED NAME:

**Bill Brooks**

22. TITLE:

23. REMARKS:

## State Plan Under Title XIX of the Social Security Act

State: \_\_\_\_\_

### METHODOLOGY FOR IDENTIFICATION OF APPLICABLE FMAP RATES

The State will determine the appropriate FMAP rate for expenditures for individuals enrolled in the adult group described in 42 CFR 435.119 and receiving benefits in accordance with 42 CFR Part 440 Subpart C. The adult group FMAP methodology consists of two parts: an individual-based determination related to enrolled individuals, and as applicable, appropriate population-based adjustments.

#### Part 1 – Adult Group Individual Income-Based Determinations

For individuals eligible in the adult group, the state will make an individual income-based determination for purposes of the adult group FMAP methodology by comparing individual income to the relevant converted income eligibility standards in effect on December 1, 2009, and included in the MAGI Conversion Plan (Part 2) approved by CMS on \_\_\_\_\_. In general, and subject to any adjustments described in this SPA, under the adult group FMAP methodology, the expenditures of individuals with incomes below the relevant converted income standards for the applicable subgroup are considered as those for which the newly eligible FMAP is not available. The relevant MAGI-converted standards for each population group in the new adult group are described in Table 1.

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**Table 1: Adult Group Eligibility Standards and FMAP Methodology Features**

Covered Populations Within New Adult Group		Applicable Population Adjustment			
Population Group	Relevant Population Group Income Standard	Resource Proxy	Enrollment Cap	Special Circumstances	Other Adjustments
	<p>For each population group, indicate the lower of:</p> <ul style="list-style-type: none"> <li>The reference in the MAGI Conversion Plan (Part 2) to the relevant income standard and the appropriate cross-reference, or</li> <li>133% FPL.</li> </ul> <p>If a population group was not covered as of 12/1/09, enter "Not covered".</p>	<p>Enter "Y" (Yes), "N" (No), or "NA" in the appropriate column to indicate if the population adjustment will apply to each population group. Provide additional information in corresponding attachments.</p>			
<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>
<b>Parents/Caretaker Relatives</b>					
<b>Disabled Persons, non-institutionalized</b>					
<b>Disabled Persons, institutionalized</b>					
<b>Children Age 19 or 20</b>					
<b>Childless Adults</b>					

TN – \_\_\_\_\_

Approval Date – \_\_\_\_\_

Effective Date – \_\_\_\_\_

Supersedes TN: NONE- NEW PAGE

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## Part 2 – Population-based Adjustments to the Newly Eligible Population Based on Resource Test, Enrollment Cap or Special Circumstances

### A. Optional Resource Criteria Proxy Adjustment (42 CFR 433.206(d))

1. The state:

- Applies a resource proxy adjustment to a population group(s) that was subject to a resource test that was applicable on December 1, 2009.
- Does NOT apply a resource proxy adjustment (Skip items 2 through 3 and go to Section B).

Table 1 indicates the group or groups for which the state applies a resource proxy adjustment to the expenditures applicable for individuals eligible and enrolled under 42 CFR 435.119. A resource proxy adjustment is only permitted for a population group(s) that was subject to a resource test that was applicable on December 1, 2009.

The effective date(s) for application of the resource proxy adjustment is specified and described in Attachment B.

2. Data source used for resource proxy adjustments:

The state:

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- Applies existing state data from periods before January 1, 2014.
- Applies data obtained through a post-eligibility statistically valid sample of individuals.

Data used in resource proxy adjustments is described in Attachment B.

3. Resource Proxy Methodology: Attachment B describes the sampling approach or other methodology used for calculating the adjustment.

### B. Enrollment Cap Adjustment (42 CFR 433.206(e))

1.  An enrollment cap adjustment is applied by the state (complete items 2 through 4).
- An enrollment cap adjustment is not applied by the state (skip items 2 through 4 and go to Section C).

2. Attachment C describes any enrollment caps authorized in section 1115 demonstrations as of December 1, 2009 that are applicable to populations that the state covers in the eligibility group described at 42 CFR 435.119 and received full benefits, benchmark benefits, or benchmark equivalent benefits as determined by CMS. The enrollment cap or caps are as specified in the applicable section 1115 demonstration special terms and conditions as confirmed by CMS, or in alternative authorized cap or caps as confirmed by CMS. Attach CMS correspondence confirming the applicable enrollment cap(s).
  
3. The state applies a combined enrollment cap adjustment for purposes of claiming FMAP in the adult group:
  - Yes. The combined enrollment cap adjustment is described in Attachment C
  - No.
  
4. Enrollment Cap Methodology: Attachment C describes the methodology for calculating the enrollment cap adjustment, including the use of combined enrollment caps, if applicable.

**C. Special Circumstances (42 CFR 433.206(g)) and Other Adjustments to the Adult Group FMAP Methodology**

1. The state:
  - Applies a special circumstances adjustment(s).
  - Does not apply a special circumstances adjustment.
  
2. The state:
  - Applies additional adjustment(s) to the adult group FMAP methodology (complete item 3).
  - Does not apply any additional adjustment(s) to the adult group FMAP methodology (skip item 3 and go to Part 3).
  
3. Attachment D describes the special circumstances and other proxy adjustment(s) that are applied, including the population groups to which the adjustments apply and the methodology for calculating the adjustments.

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### Part 3 – One-Time Transitions of Previously Covered Populations into the New Adult Group

#### A. Transitioning Previous Section 1115 and State Plan Populations to the New Adult Group

- Individuals previously eligible for Medicaid coverage through a section 1115 demonstration program or a mandatory or optional state plan eligibility category will be transitioned to the new adult group described in 42 CFR 435.119 in accordance with a CMS-approved transition plan and/or a section 1902(e)(14)(A) waiver. For purposes of claiming federal funding at the appropriate FMAP for the populations transitioned to new adult group, the adult group FMAP methodology is applied pursuant to and as described in Attachment E, and where applicable, is subject to any special circumstances or other adjustments described in Attachment D.
- The state does not have any relevant populations requiring such transitions.

### Part 4 - Applicability of Special FMAP Rates

#### A. Expansion State Designation

The state:

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- Does NOT meet the definition of expansion state in 42 CFR 433.204(b). (Skip section B and go to Part 5)
- Meets the definition of expansion state as defined in 42 CFR 433.204(b), determined in accordance with the CMS letter confirming expansion state status, dated \_\_\_\_\_.

#### B. Qualification for Temporary 2.2 Percentage Point Increase in FMAP.

The state:

- Does NOT qualify for temporary 2.2 percentage point increase in FMAP under 42 CFR 433.10(c)(7).
- Qualifies for temporary 2.2 percentage point increase in FMAP under 42 CFR 433.10(c)(7), determined in accordance with the CMS letter confirming eligibility for the temporary FMAP increase, dated \_\_\_\_\_. The state will not claim any federal funding for individuals determined eligible under 42 CFR 435.119 at the FMAP rate described in 42 CFR 433.10(c)(6).



## Part 5 - State Attestations

The State attests to the following:

- A. The application of the adult group FMAP methodology will not affect the timing or approval of any individual's eligibility for Medicaid.
- B. The application of the adult group FMAP methodology will not be biased in such a manner as to inappropriately establish the numbers of, or medical assistance expenditures for, individuals determined to be newly or not newly eligible.

### ATTACHMENTS

Not all of the attachments indicated below will apply to all states; some attachments may describe methodologies for multiple population groups within the new adult group. Indicate those of the following attachments which are included with this SPA:

- Attachment A – Conversion Plan Standards Referenced in Table 1
- Attachment B – Resource Criteria Proxy Methodology
- Attachment C – Enrollment Cap Methodology
- Attachment D – Special Circumstances Adjustment and Other Adjustments to the Adult Group FMAP Methodology
- Attachment E – Transition Methodologies

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#### PRA Disclosure Statement

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-1148. The time required to complete this information collection is estimated to average 4 hours per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: CMS, 7500 Security Boulevard, Attn: PRA Reports Clearance Officer, Mail Stop C4-26-05, Baltimore, Maryland 21244-1850.

## Resource Criteria Proxy Methodology

Louisiana’s December 2009 Medicaid State Plan included resource limits in the eligibility group that provided coverage for disabled person (non-institutionalized). The State will apply a resource proxy that accounts for denials due to excess resource for this population group.

Louisiana pulled the most recent data prior to January 1, 2014 for the total number of all applications approved in this group (January 2012 through December 2013). The State also pulled the data for the number of all applications that were denied in this group for having excess resources for the months of January 2012 through December 2013. The number denied applications provided below are those the State can specifically identify that a resource determination was made. The vast majority of other denials for this group were due to excess income, disability not met, and failure to provide information; therefore, the state cannot determine whether a resource determination was made prior to denying for the other reason.

All data was pulled from the State’s eligibility determination system which is the source of record for eligibility decisions. Total application counts for this group were used in the calculation; this does not represent a sample.

Based on this data, we took the average number of denials for excess resources in the months of January 2012 through December 2013 for the non-institutionalized (ABD) disabled and divided it by the total number of applications granted in this category, plus the number of denials to calculate the resource proxy (see below).

### Resource Proxy for the Disabled, Non-Institutionalized

Month	Applications Approved	Applications Denied - Excess Resources	Month	Applications Approved	Applications Denied - Excess Resources
January 2012	466	50	January 2013	608	47
February 2012	612	52	February 2013	590	50
March 2012	570	58	March 2013	578	57
April 2012	496	51	April 2013	787	64
May 2012	601	63	May 2013	641	43
June 2012	495	65	June 2013	511	4
July 2012	642	56	July 2013	692	46
August 2012	399	56	August 2013	558	48
September 2012	527	53	September 2013	545	45
October 2012	672	24	October 2013	690	42
November 2012	620	59	November 2013	429	18
December 2012	513	34	December 2013	415	21
			Average (Jan 2012 - Dec 2013)	569	46
				C1	C2
					<b>7.491702229%</b>
					<b>Resource Proxy = C2/(C1+C2)</b>

## Most Recent Updated Summary Information for Part 2 of Modified Adjusted Gross Income (MAGI) Conversion Plan\*\*

LOUISIANA

12/12/2013

	Population Group	Net standard as of 12/1/09	Converted standard for FMAP claiming	Same as converted eligibility standard? (yes, no, or n/a)	Source of information in Column C (New SIPP conversion or Part 1 of approved state MAGI conversion plan)	Data source for Conversion (SIPP or state data)	
	A	B	C	D	E	F	
<b>Conversions for FMAP Claiming Purposes</b>							
1	Parents/Caretaker Relatives - Medically Needy						
	Dollar standards by family size						
	1	*	\$108				
	2	*	\$193				
	3	*	\$264				
	4	*	\$328				
	5	*	\$391				
	6	*	\$446				
	7	*	\$501				
	8	*	\$556				
	9	*	\$611				
	10	*	\$664				
	11	*	\$722				
	12	*	\$777				
	13	*	\$837				
	14	*	\$895				
	15	*	\$956		no	new SIPP conversion	SIPP
	16	*	\$1,022				
	17	*	\$1,075				
	18	*	\$1,140				
	19	*	\$1,231				
	20	*	\$1,321				
	21	*	\$1,393				
	22	*	\$1,456				
	23	*	\$1,514				
	24	*	\$1,569				
	25	*	\$1,624				
	26	*	\$1,679				
	27	*	\$1,734				
	28	*	\$1,789				
	29	*	\$1,844				
	30	*	\$1,899				
add-on		\$50	\$55				
2	Noninstitutionalized Disabled Persons	100%	103%	n/a	new SIPP conversion	SIPP	
	% FBR						
3	Institutionalized Disabled Persons	300%	300%	n/a	ABD conversion template	n/a	
	SSI FBR%						
4	Children Age 19-20	n/a	n/a	n/a	n/a	n/a	
5	Childless Adults	n/a	n/a	n/a	n/a	n/a	
	FPL % (limited benefits)						

n/a: Not applicable.

\* The converted standards for medically needy parents/caretaker relatives are a weighted average of urban and rural standards. The original add-on amount is identical between urban and rural areas.

\*\*The numbers in this summary chart will be updated automatically in the case of modification in the CMS approved MAGI Conversion Plan.

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TN 16-0009

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New page

## Transition Methodologies

Louisiana currently operates an 1115 Waiver for The Greater New Orleans Community Health Connection (GNOCHC) program. The waiver was implemented in 2010 and only provides limited ambulatory benefits. This population does not count as a covered adult group that would effect FMAP claiming because all GNOCHC enrollees are eligible for the enhanced FMAP. Since there are no individuals in this waiver who would not qualify as part of the new adult group, there are no special FMAP adjustments associated with their transition out of the 1115 Waiver.

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