

DECLARATION OF EMERGENCY

**Department of Health and Hospitals
Bureau of Health Services Financing**

**Disproportionate Share Hospital Payments
Inpatient Psychiatric Services
Reimbursement Rate Reduction
(LAC 50:V.959 and 2709)**

The Department of Health and Hospitals, Bureau of Health Services Financing amends LAC 50:V.959 and §2709 in the Medical Assistance Program as authorized by R.S. 36:254 and pursuant to Title XIX of the Social Security Act. This Emergency Rule is promulgated in accordance with the provisions of the Administrative Procedure Act, R.S. 49:953(B)(1) et seq., and shall be in effect for the maximum period allowed under the Act or until adoption of the final Rule, whichever occurs first.

The Department of Health and Hospitals, Bureau of Health Services amended the provisions governing the reimbursement methodology for inpatient hospital services in order to provide supplemental Medicaid payments to non-rural, non-state acute care hospitals that enter into a cooperative endeavor agreement with the department to provide inpatient psychiatric services (*Louisiana Register*, Volume 39, Number 2). The department amended the provisions governing disproportionate share hospital (DSH) payments to non-state distinct part psychiatric units that enter into a cooperative endeavor agreement with the department's Office of Behavioral Health (*Louisiana Register*, Volume 39, Number 3).

As a result of a budgetary shortfall in state fiscal year 2016, the department has determined that it is necessary to amend the provisions governing DSH payments to reduce the payments made to non-rural, non-state acute care hospitals for inpatient psychiatric services.

This action is being taken to avoid a budget deficit in the Medical Assistance Program. It is estimated that implementation of this Emergency Rule will reduce expenditures in the Medicaid Program by approximately \$307,425 for state fiscal year 2015-2016.

Effective October 1, 2015, the Department of Health and Hospitals, Bureau of Health Services Financing amends the provisions governing disproportionate share hospital payments to reduce the payments made to non-rural, non-state acute care hospitals for inpatient psychiatric services.

TITLE 50

PUBLIC HEALTH-MEDICAL ASSISTANCE Part V. Hospital Services

Subpart 1. Inpatient Hospital Services

Chapter 9. Non-Rural, Non-State Hospitals

Subchapter B. Reimbursement Methodology

§959. Inpatient Psychiatric Hospital Services

A. - L. ...

M. Effective for dates of service on or after October 1, 2015, the prospective per diem rate paid to non-rural, non-state

acute care hospitals that enter into a CEA with the Department of Health and Hospitals, Office of Behavioral Health to provide inpatient psychiatric hospital services to uninsured patients, shall be reduced by 5 percent of the per diem rate on file as of September 30, 2015. The new per diem rate shall be \$552.05 per day.

AUTHORITY NOTE: Promulgated in accordance with R.S. 36:254 and Title XIX of the Social Security Act.

HISTORICAL NOTE: Promulgated by the Department of Health and Hospitals, Office of the Secretary, Bureau of Health Services Financing, LR 34:876 (May 2008), amended by the Department of Health and Hospitals, Bureau of Health Services Financing, LR 35:1895 (September 2009), LR 36:1554 (July 2010), LR 36:2562 (November 2010), LR 37:2162 (July 2011), LR 39:94 (January 2013), LR 39:323 (February 2013), LR 41:

Subpart 3. Disproportionate Share Hospital Payments

Chapter 27. Qualifying Hospitals

§2709. Distinct Part Psychiatric Units

A. - C. ...

D. Effective for dates of service on or after October 1, 2015, the prospective per diem rate paid to non-rural, non-state acute care hospitals that enter into a CEA with the Department of Health and Hospitals, Office of Behavioral Health to provide inpatient psychiatric hospital services to uninsured patients, shall be reduced by 5 percent of the per diem rate on file as of

September 30, 2015 for distinct part psychiatric unit services.
The new per diem rate shall be \$552.05 per day.

AUTHORITY NOTE: Promulgated in accordance with R.S.
36:254 and Title XIX of the Social Security Act.

HISTORICAL NOTE: Promulgated by the Department of Health
and Hospitals, Office of the Secretary, Bureau of Health
Services Financing, LR 34:1627 (August 2008), amended by the
Department of Health and Hospitals, Bureau of Health Services
Financing, LR 39:505 (March 2013), LR 41:

Implementation of the provisions of this Rule may be
contingent upon the approval of the U.S. Department of Health
and Human Services, Centers for Medicare and Medicaid Services
(CMS), if it is determined that submission to CMS for review and
approval is required.

Interested persons may submit written comments to J. Ruth
Kennedy, Bureau of Health Services Financing, P.O. Box 91030,
Baton Rouge, LA 70821-9030 or by email to
Medicaid.Policy@la.gov. Ms. Kennedy is responsible for
responding to all inquiries regarding this Emergency Rule. A
copy of this Emergency Rule is available for review by
interested parties at parish Medicaid offices.

Kathy H. Kliebert

Secretary