

NOTICE OF INTENT

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

**Professional Services Program
Physician Services
Reimbursement Rate Adjustment
(LAC 50:IX.15113)**

The Department of Health and Hospitals, Bureau of Health Services Financing proposes to amend LAC 50:IX.15113 in the Medical Assistance Program as authorized by R.S. 36:254 and pursuant to Title XIX of the Social Security Act. This proposed Rule is promulgated in accordance with the provisions of the Administrative Procedure Act, R.S. 49:950 et seq.

The Department of Health and Hospitals, Bureau of Health Services Financing provides Medicaid reimbursement to physicians and nurse midwives for the delivery of infants. The department promulgated a Rule which amended the provisions governing the reimbursement methodology for physician services in order to reduce the reimbursement rates and revise the formatting of these provisions (*Louisiana Register*, Volume 39, Number 12).

The department now proposes to amend the provisions governing the reimbursement methodology for physician services in order to increase the reimbursement rate paid to physicians for the administration of the drug, 17 Hydroxyprogesterone (17P). The drug, 17P, is a primary tool utilized to reduce the occurrences of premature births in pregnant women with a history

of pre-term delivery. With its increased use, the department anticipates a dramatic reduction in pre-term births which directly correlates to an expected reduction in the high costs to the Medicaid Program associated with the treatment of pre-term babies.

Title 50

PUBLIC HEALTH-MEDICAL ASSISTANCE Part IX. Professional Services Program Subpart 15. Reimbursement

Chapter 151. Reimbursement Methodology

Subchapter B. Physician Services

§15113. Reimbursement

A. - L.3. ...

M. Effective for dates of service on or after June 20, 2015, the reimbursement for the physician-administered drug, 17 Hydroxyprogesterone (17P), shall increase to \$69 per dose.

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, Bureau of Health Services Financing, LR 36:1252 (June 2010), amended LR 36:2282 (October 2010), LR 37:904 (March 2011), LR 39:3300, 3301 (December 2013), amended 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.

In compliance with Act 1183 of the 1999 Regular Session of the Louisiana Legislature, the impact of this proposed Rule on the family has been considered. It is anticipated that this proposed Rule may have a positive impact on family functioning, stability or autonomy as described in R.S. 49:972 by reducing the risk of premature births.

In compliance with Act 854 of the 2012 Regular Session of the Louisiana Legislature, the poverty impact of this proposed Rule has been considered. It is anticipated that this proposed Rule may have a positive impact on child, individual, or family poverty in relation to individual or community asset development as described in R.S. 49:973 by reducing the financial burden on families that incur costs associated with children born prematurely.

In compliance with House Concurrent Resolution (HCR) 170 of the 2014 Regular Session of the Louisiana Legislature, the provider impact of this proposed Rule has been considered. It is anticipated that this proposed Rule will have no impact on the staffing level requirements or qualifications required to provide the same level of service, and may reduce the total direct or indirect cost to the provider to provide the same level of service, and enhance the provider's ability to provide

the same level of service since this proposed Rule increases the payment to providers for the same services they already render.

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 MedicaidPolicy@la.gov. Ms. Kennedy is responsible for responding to inquiries regarding this proposed Rule. A public hearing on this proposed Rule is scheduled for Wednesday April 29, 2015, at 9:30 a.m. in Room 118, Bienville Building, 628 North Fourth Street, Baton Rouge, LA. At that time all interested persons will be afforded an opportunity to submit data, views or arguments either orally or in writing. The deadline for receipt of all written comments is 4:30 p.m. on the next business day following the public hearing.

Kathy H. Kliebert

Secretary