

DECLARATION OF EMERGENCY

Department of Health and Hospitals
Office of the Secretary
Bureau of Health Services Financing

Hospital Program.Outpatient Laboratory Services

The Department of Health and Hospitals, Office of the Secretary, Bureau of Health Services Financing has adopted the following emergency rule in the Medical Assistance Program as authorized by R.S. 46:153 and pursuant to Title XIX of the Social Security Act and as directed by the 1996-97 General Appropriation Act, which states: "The Secretary shall implement reductions in the Medicaid program as necessary to control expenditures to the level approved in this schedule. The Secretary is hereby directed to utilize various cost containment measures to accomplish these reductions, including but not limited to pre-certification, pre-admission screening, and utilization review, and other measures as allowed by federal law". This emergency rule is adopted in accordance with the Administrative Procedure Act, R.S. 49:950 et seq. and shall be in effect for the maximum period allowed under the Administrative Procedure Act or until adoption of the rule, whichever occurs first.

The Department of Health and Hospitals, Office of the Secretary, Bureau of Health Services Financing differentiates in the reimbursement rate for outpatient hospital laboratory services and laboratory services performed in a nonhospital setting. The bureau adopted an emergency rule to reduce the reimbursement for laboratory services except for those services performed in an outpatient hospital setting effective July 7, 1995 (*Louisiana Register*, Volume 21, Number 7). The bureau has now determined it is necessary to reduce the reimbursement for outpatient hospital laboratory services subject to the Medicare fee schedule in order to achieve a uniform reimbursement methodology for all laboratory services subject to the Medicare fee schedule regardless of the setting in which the services are performed. Therefore, the following emergency rule has been adopted to reduce the payment for outpatient hospital laboratory services subject to the Medicare fee schedule. This action is necessary to avoid a budget deficit in the medical assistance programs. It is anticipated that implementation of this emergency rule will save approximately \$681,505.93 for state fiscal year 1996-1997.

Emergency Rule

Effective for dates of service August 1, 1996 and thereafter the Department of Health and Hospitals, Office of the Secretary, Bureau of Health Services Financing will reduce the reimbursement rate for outpatient hospital laboratory services subject to the Medicare fee schedule to the same reimbursement rate for laboratory services provided in a nonhospital setting. This action will achieve a uniform reimbursement methodology for all laboratory services subject to the Medicare fee schedule regardless of the setting in which the services are performed.

Interested persons may submit written comments to: Thomas D. Collins, Bureau of Health Services Financing, Box 91030, Baton Rouge, LA 70821-9030. He is responsible for responding to inquiries regarding this emergency rule.

Bobby P. Jindal
Secretary

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