

NOTICE OF INTENT

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

Neonatology Services

The Department of Health and Hospitals, Bureau of Health Services Financing is proposing to adopt the following proposed rule in the Medical Assistance Program as authorized by R.S. 46:153 and pursuant to Title XIX of the Social Security Act. This proposed rule is 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 reimburses neonatology services according to established per diem rates for applicable Current Procedural Terminology (CPT) codes, locally assigned codes, and HCPC codes. Effective July 7, 1995 and October 28, 1995 (*Louisiana Register*, Volume 21 Nos. 7 and 11) the bureau reduced the per diem rates for the following procedure codes in the following amounts:

- CPT code 99295 - \$323.90
- CPT code 99296 - \$190.20
- CPT code 99297 - \$150.10
- CPT code 99297-52 ("step-down" babies) - \$60.04

The department subsequently determined that it was necessary to make an adjustment in the above per diem rates in order to meet federal assurance requirements that there are sufficient number of Medicaid providers for the delivery of these services. An emergency rule was adopted to adjust the above rates (*Louisiana Register*, Volume 22 Number 1) as follows.

- CPT code 99295 - \$596.46
- CPT code 99296 - \$279.52
- CPT code 99297 - \$143.42
- CPT code 99297-52 ("step-down" babies) - \$57.37

The following proposed rule adopts the above payment amounts for the specified neonatology procedure codes.

Proposed Rule

The Department of Health and Hospitals, Bureau of Health Services Financing proposes to adopt the following per diem rates for neonatology professional services in the amounts listed for the following procedure codes:

- CPT code 99295 - \$596.46
- CPT code 99296 - \$279.52
- CPT code 99297 - \$143.42
- CPT code 99297-52 ("step-down" babies) - \$57.37

Interested persons may submit written comments to the following address: Thomas D. Collins, Bureau of Health Services Financing, Box 91030, Baton Rouge, LA 70821-9030. He is responsible for responding to inquiries regarding this proposed rule. A public hearing will be held on this matter at 9:30 a.m. Tuesday April 23, 1995, in the first floor auditorium of the Department of Transportation and Development, 1201 Capitol Access Road, Baton Rouge, LA. At that time all interested parties will be afforded an opportunity to submit data, views or arguments, orally or in writing. The deadline for the receipt of all comments is 4:30 p.m. on the day following the public hearing.

Bobby P. Jindal
Secretary

FISCAL AND ECONOMIC IMPACT STATEMENT FOR ADMINISTRATIVE RULES RULE TITLE: Professional Services Program-Neonatology Services

- I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS (Summary)
It is anticipated that implementation of this proposed rule will result in increased expenditures for neonatology services by approximately \$190,079 for SFY 1995-96; \$506,926 for SFY 1996-1997; and \$539,722 for SFY 1997-1998.
- II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

It is anticipated that federal revenue collections for neonatology services will increase by approximately \$288,998 for SFY 1995-96; \$1,296,440 for SFY 1996-97 and \$1,335,779 for SFY 1997-1998.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)

It is anticipated that the providers of neonatology services will experience the combined state and federal expenditure increases shown above for the provision of these services.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

There is no known effect on competition and employment.

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