

NOTICE OF INTENT

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

Case Management Services for Mentally Retarded and Developmentally Disabled

The Department of Health and Hospitals, Office of the Secretary, Bureau of Health Services Financing is proposing to adopt the following 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 rule shall be adopted in accordance with the Administrative Procedure Act, R.S. 49:950 et seq.

The Department of Health and Hospitals, Bureau of Health Services Financing provided coverage and reimbursement for case management services under the State Plan and under the Home and Community Based Waiver Services Program to the Mentally Retarded/Developmentally Disabled. Effective July 1, 1996 an emergency rule was adopted suspending coverage and reimbursement of optional targeted case management services for non-waiver Mentally Retarded/Developmentally Disabled recipients under the State Plan. The bureau has determined that it is necessary to suspend coverage of case management services for the mentally retarded/developmentally disabled population to those Medicaid recipients under the State Plan who are not participants in the Home and Community Based Waiver Services Program under the State Plan due to insufficient funds. However, the case management services for the mentally retarded/developmentally disabled under the Home and Community Based Waiver Services Program shall be retained. The department is proposing adopt the above provision as a permanent rule under the Medicaid Program in order to maintain a cost savings initiated through emergency rulemaking.

Proposed Rule

The Department of Health and Hospitals, Office of the Secretary, Bureau of Health Services Financing suspends coverage and reimbursement of optional targeted case management services for non-waiver mentally retarded/developmentally disabled recipients under the State Plan. The case management services for the mentally retarded/developmentally disabled population under the Home and Community Based Waiver Services Program are retained. 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 on this proposed rule is scheduled for Tuesday, October 29, 1996 at 8:30 a.m. in the Auditorium of the Department of Transportation and Development, 1201 Capitol Access Road, Baton Rouge, LA. At this time all interested parties will be afforded the opportunity to submit data, views or arguments, orally or in writing. The deadline for the receipt of all written 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: Case Management for Mentally Retarded Development Disabled**

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

It is anticipated that implementation of this proposed rule and the corresponding emergency rule on the termination of coverage for optional targeted case management services for the seriously mentally ill will reduce costs by approximately \$482,719 for SFY 1996-97; \$777,829 for SFY 1998;

and \$832,277 for SFY 1999.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

Implementation of this rule will decrease federal revenue collections by approximately \$2,120,945 for SFY 1997; \$2,008,091 for SFY 1998; and \$2,148,658 for SFY 1999 based on decreased state expenditures.

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

The enrolled Medicaid providers will experience reimbursement reductions shown above for Medicaid services rendered to recipients of the optional targeted Case Management Services for the Non-Waiver Mentally Retarded/Developmentally Disabled.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

There is no known effect on competition and employment.

Thomas D. Collins  
Director

H. Gordon Monk

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Chief Coordinator of the  
Legislative Fiscal Office