Louisiana Developmental Disabilities Council Quarterly Report

Bureau of Health Services Financing (Medicaid)
Louisiana Department of Health

July 2026

News, Updates & Highlights

Community Engagement Requirements

Starting January 1, 2027, some Louisiana Medicaid members will have to report community engagement activities, commonly known as work requirements, to keep their health coverage. Most people on Medicaid will not need to meet these requirements.

These new rules only apply to some adults between the ages of 19 and 64 who do not have a disability or a qualifying medical condition. To keep their coverage, these members will need to show Medicaid they are participating in at least 80 hours of community engagement activities or earning at least $580 each month. Community engagement activities can include work, job training, education and volunteering. A mix of approved community engagement activities can count. Medicaid will check this activity for new applicants and during member renewals.

Most people are exempt from these rules, meaning they do not have to participate. This includes pregnant or postpartum women, caregivers of young children or a disabled individual, medically frail people, disabled veterans, foster youth, and others.

Medicaid will send a notice (see a sample here) to impacted members several months before they need to renew their coverage to give them time to understand the expectations and meet the required timelines. For example, members with January 2027 renewal dates will be mailed a notice in May 2026. Their renewal packet will be mailed in November 2026. About half of the people affected won't have to do any extra paperwork. Medicaid will check records like job history and Social Security to see if they already meet the requirements.

Members should keep their contact information up to date with Louisiana Medicaid so they do not miss these important updates. For more information, including a list of frequently asked

questions and a survey to determine if you may be impacted, visit www.ldh.la.gov/Medicaid/work-requirements.

Rulemaking and State Plan Amendments (SPAs)

SPA: Durable Medical Equipment (DME) (CMS review) – Prosthetics and Orthotics Coverage and Reimbursement Methodology - The purpose of this SPA is to amend the provisions governing Durable Medical Equipment (DME) to increase reimbursement rates for prosthetic and orthotic devices by 40 percent to align with Medicare rates. Also, to provide coverage for prosthetic and custom orthotic devices and services to beneficiaries when deemed medically necessary.

Rulemaking: Retroactive Medicaid Coverage Eligibility - This rule proposes to limit the period of retroactive eligibility for medical assistance and related programs. For Expansion adults, coverage may start no sooner than one month prior to application month. All other Medicaid beneficiaries' coverage effective no earlier than two months prior to application month. The proposed rule aligns policy with changes in retroactive coverage provided in Section 71112 of the Working Families Tax Cut Legislation.

Rulemaking: Certified Community Behavioral Health Clinic (CCBHC) (preparing Notice of Intent) - The proposed rule establishes the Certified Community Behavioral Health Clinic (CCBHC) in the Medicaid program. The rule sets minimum provisions for the scope of services, provider responsibilities, and reimbursement for the CCBHC.

Medicare Savings Program Video

In response to requests from community partners who help individuals find and apply for benefits, Medicaid has released a Medicare Savings Program video that explains the benefits, eligibility requirements, and application process. The video is available on the LDH public website at this link: https://youtu.be/5ZnLEPJ24p8. It is suitable to share with individuals and community partners.

Beneficiary Advisory Council (BAC)

The Louisiana Department of Health (LDH) recently established a Beneficiary Advisory Committee (BAC) that will serve as a subcommittee of the larger Medicaid Advisory Committee. BAC members will advise LDH on a range of topics, including but not limited to changes to covered services, coordination of care, quality of services, and the eligibility application and renewal processes.

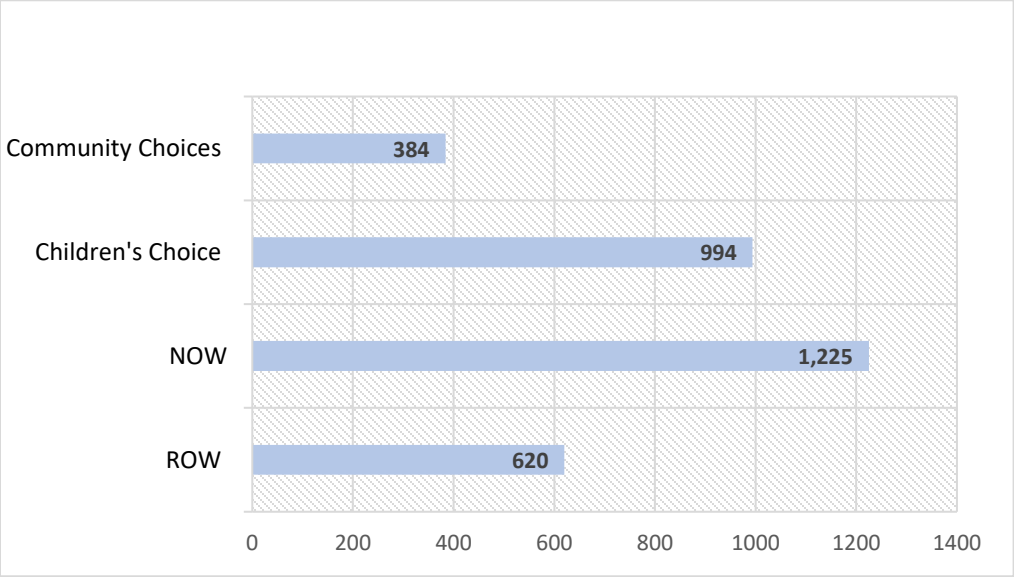
The BAC held its last quarterly meeting on July 14, 2026 and the next meeting is scheduled for October 13, 2026. If you would like additional information on the BAC or to view meeting materials and minutes, you may visit https://ldh.la.gov/medicaid/beneficiary-advisory-council.

Programs and Services

Self-Direction

Self-Direction is a service delivery option for eligible waiver participants that allows them, or an authorized representative, to become the employer of the people they choose to hire to provide in-home supports. As the employer, participants or their authorized representatives are responsible for recruiting, training, supervising, and managing the people they hire. This option gives participants the most control over their supports but also requires the most responsibility. Self-Direction is based on the principles of self-determination, which means you have the ability or right to make your own decisions. As of July 1, 2026, there were 3,223 individuals enrolled in the Self-Direction waiver service option. Figure 1 (below) provides a breakdown of participants enrolled in the Self-Direction option by waiver.

Figure 1. Self-Direction Enrollment by Waiver as of July 2026



Participants in the Residential Options Waiver (ROW), New Opportunities Waiver (NOW), Children's Choice Waiver, and Community Choices Waiver who are interested in Self-Direction may choose a fiscal employer agent (FEA) - Acumen or Morning Sun. Currently, Acumen provides FEA services to 67% of those self-directing their services, and Morning Sun provides FEA services to 33%. For more information on the Self-Direction program, please visit https://ldh.la.gov/medicaid/self-direction.

Act 421 Children's Medicaid Option/TEFRA

The Act 421 Children's Medicaid Option (Act 421-CMO) or the TEFRA program provides Medicaid eligibility to children under age 19 who have disabilities and meet institutional level-

of-care requirements, regardless of parental income and resources. To qualify, children must have a disability recognized under the definition used in the Social Security Administration's Supplemental Security Income program and meet basic Medicaid and institutional level-of-care requirements. Additionally, home care must cost less than care provided in an institution. Since its implementation in 2022, more than 4,400 children have been approved for Medicaid coverage through this program who would not otherwise be eligible.

Table 1. Act 421-CMO/TEFRA Application and Enrollment Data as of July 1, 2026

Applications Received	
Total Applications Received	8,905
Applications Received in 2025	1,767
Applications Approved	
Total Number Approved	4,497
Number Approved in 2025	1,028
Currently Enrolled	2,847

You may visit https://ldh.la.gov/act-421 for additional information on the Act 421/TEFRA program. You may also email us at 421-CMO@LA.GOV or call at 1-800-230-0690.

Money Follows the Person

The Money Follows the Person (MFP) program is a federal grant administered by OAAS, OCDD, and Medicaid to help eligible individuals transition from institutional settings to receive home- and community-based services in their homes. To date, more than 4,787 individuals have transitioned from qualified institutions (hospitals, nursing facilities, and supports and services centers) through the MFP program in Louisiana. In calendar year 2025, 303 participants transitioned from institutional settings under the MFP program and so far, 84 participants have transitioned in CY 2026.

You may visit My Place Louisiana for additional information on the MFP/My Place program.

Applied Behavior Analysis (ABA) Therapy Services

Behavior analysis is based on a scientific study of how people learn. Through research, techniques have been developed to increase useful behavior (including communication) and reduce harmful behavior. Applied behavior analysis (ABA) therapy uses these techniques. ABA is helpful in treating autism spectrum disorders.

Table 2. ABA Service Utilization for Chisholm Class Members (CCM) May 2026

	Managed Care Organizations (MCOs)					
	ACLA	**AETNA**	**Healthy Blue**	**Humana**	**LHCC**	**TOTALS**
CCMs with ASD	1,618	474	1,181	68	947	**4,288**
PAs Requested for CCMs with ASD	28	13	113	69	77	**300**
PAs approved for CCMs with ASD	27	18	110	67	77	**295**
Number of PAs denied	0	0	3	2	0	**0**
Claims Paid for CCMs with ASD	$486,682	$466,275	$1,204,505	$292,290	$1,036,615	**$3,488,367**

PA = Prior Authorization
CCMs = Chisholm Class Members
ASD = Autism Spectrum Disorder

You may visit https://ldh.la.gov/medicaid/medicaid-services (click on the "Applied Behavior Analysis ABA" section) for additional information on ABA services.

Targeted Case Management Services:

EPSDT Support Coordination provides care coordination for Medicaid-eligible children and youth under age 21 who are on the Developmental Disabilities Request for Services Registry or meet criteria for children with special needs. Services include assessing needs, coordinating access to medically necessary EPSDT benefits and other medical, social, educational, and community services, making referrals for eligible services, and conducting ongoing monthly follow-up to ensure beneficiaries receive authorized services and needed supports.

Consolidated Appropriations Act Section 5121 (CAA 5121)/Youth Reentry Care Coordination provides care coordination for eligible Medicaid-enrolled juveniles who are within 30 days of release from a public institution and for at least 30 days after release. Services include connecting beneficiaries to medical, behavioral health, social, educational, and other community-based services; identifying post-release service needs; making referrals; developing transition plans; addressing barriers to accessing care; and providing follow-up support to promote a successful transition back to the community.

Ventilator Care Coordination (VCC) provides specialized care coordination for Medicaid beneficiaries from birth through age 25 who require mechanical ventilation and are enrolled in eligible waiver programs or qualify for EPSDT case management. Services include intensive medical case management; coordination with beneficiaries, families, physicians, home health agencies, pharmacies, and equipment vendors; assessment of ventilator equipment and durable medical equipment needs; assistance with prescriptions and care planning; advocacy to ensure appropriate services and supplies; monitoring to reduce medication errors and improve

continuity of care; and training and technical assistance for caregivers and service providers to promote the beneficiary's health and safety at home, school, and in the community.

Table 3. Targeted Case Management Enrollment July 2026

Targeted Case Management Program	Beneficiaries
EPSDT Support Coordination	1,037
CAA 5121/Youth Reentry	37
Ventilator Care Coordination (VCC)	97