

NOTICE OF RULE ADOPTION—FINAL RULE

STATE OF MISSISSIPPI  
OFFICE OF THE GOVERNOR  
DIVISION OF MEDICAID

RECEIVED  
JAN 24 2008

BUSINESS SERVICES  
SECRETARY  
FILED  
JAN 24 2008  
MISSISSIPPI  
SECRETARY OF STATE

Miss. Division of Medicaid  
c/o Ginnie McCardle, Staff Officer  
Walter Sillers Building  
550 High Street  
Suite 1000  
Jackson, MS 39201-1399  
(601) 359-6310  
<http://www.don.state.ms.us>

Specific Legal Authority Authorizing the promulgation of  
Rule: Miss Code Ann. §43-13-121(1972), as amended

Reference to Rules repealed, amended or suspended by the  
Proposed Rule :  
State Plan Attachment 4.19-B Page 10

Date Rule Proposed: June 7, 2007

**Explanation of the Purpose of the Proposed Rule and the reason(s) for proposing the rule:**  
SPA 2007-004 The purpose of this State Plan Amendment is to establish a new methodology for setting dental fees at a percentile of provider charges based on the Ingenix Customized Fee Analyzer Report and mandates that fees be adjusted annually. It also establishes a \$2,500 benefit limit for dental services per beneficiary per year, with additional benefits available upon prior approval.

The Agency Rule Making Record for this rule including any written comments received during the comment period and the record of any oral proceeding is available for public inspection by contacting the Agency at the above address.

An oral proceeding was held on this rule:

Date:  
Time:  
Place:

An oral proceeding was not held on this rule.

The Agency has considered the written comments and the presentations made in any oral proceedings, and

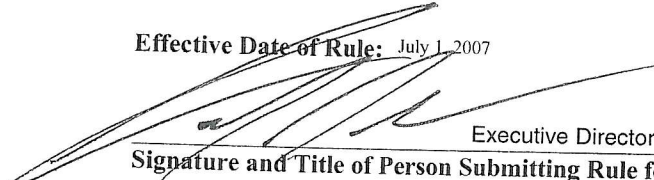
This rule as adopted is without variance from the proposed rule.

This rule as adopted differs from the proposed rule as there are minor editorial changes which affect the form rather than the substance of the rule.

The rule as adopted differs from the proposed rule. The differences however are:  
Within the scope of the matters in the Notice of Proposed Rule Adoption, the logical outgrowth of the contents of the Notice of Proposed Rule Adoption and the comments submitted in response thereto, and  
The Notice of Proposed Rule Adoption provided fair warning that the outcome of the proposed rule adoption could be the rule in question.

The entire text of the Proposed Rule including the text of any rule being amended or changed is attached.

Effective Date of Rule: July 1, 2007

  
Executive Director

Signature and Title of Person Submitting Rule for Filing

## MEDICAL ASSISTANCE PROGRAM

## State of Mississippi

## METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES – OTHER TYPES OF CARE

Dental Services – Effective for dates of service beginning July 1, 2007, the fee schedule shall provide for a fee for each dental service that is equal to a percentile of normal and customary private provider fees, as defined by the Ingenix<sup>®</sup> Customized Fee Analyzer Report, which percentile shall be determined by the Division. The fee schedule shall be reviewed annually by the Division, and dental fees shall be adjusted each July based on service utilization data for the previous fiscal year, an updated Ingenix<sup>®</sup> Customized Fee Analyzer Report, and state budgeted amounts in order to meet requirements for a balanced budget. Dental providers will be reimbursed the provider's charge or the allowed fee for the procedure, whichever is less.

The Ingenix<sup>®</sup> Customized Fee Analyzer Report is a commercially available product produced by Ingenix<sup>®</sup>, a health care industry information company located at 2525 Lake Park Boulevard, West Valley City, Utah 84120. The Ingenix<sup>®</sup> Dental Customized Fee Analyzer Report is compiled by the company through collecting charge data from insurance payer clients across the country. The Report then organizes the data into percentiles – 50<sup>th</sup>, 60<sup>th</sup>, 75<sup>th</sup>, 80<sup>th</sup>, and 95<sup>th</sup>. A fee at the 50<sup>th</sup> percentile indicates that 50 percent of submitted charges for that service in the database are equal to or higher than the fee listed. The Report is also customized by arraying the data by geozips. Comparing a fee or charge in the Report indicates how that amount stands in relation to fees from other providers in the geozip area.

Use of the Ingenix<sup>®</sup> Customized Fee Analyzer Report is intended to provide a benchmark for dental charges in Mississippi in order to set fair and reasonable fees for dental services. Mississippi Medicaid purchased the Report for geozip 392xx, which includes the Hinds and Rankin County areas that constitute the largest metropolitan area in the state and the largest number of dental providers. All dental fees will be set based on this Report and dentists statewide would be reimbursed using the same fee methodology.

The state will use the following process to determine the percentile and percentage reduction on an annual basis:

- The annual fee determination will be done each July, consistent with the state's fiscal year;
- The state will determine the total expenditures for dental services from the previous fiscal year;
- The portion of state funds from the total expenditures will be calculated based on the FFP rate for the previous fiscal year;
- The amount of state funds will be increased by ten percent (10%) and this amount will be added to the previous fiscal year dental expenditure total to give the expenditure total expected to be paid for the upcoming fiscal year;

MEDICAL ASSISTANCE PROGRAM  
State of Mississippi

- The percentile and percentage reduction will be determined by adjusting the allowed fee for each dental procedure code so that expected expenditures will equal approximately the total expenditures plus a ten percent increase over the state's share for the previous fiscal year.

The state will publish the annual percentile and annual percentage amount of the reduction for dental fees on the DOM web site at [www.dom.state.ms.us](http://www.dom.state.ms.us). The dental fee schedule will be posted on the DOM web site and the fiscal agent web portal for providers.

Except as otherwise noted in the state plan, state-developed fee schedule rates are the same for both governmental and private providers of dental services.

Dental services for EPSDT beneficiaries (beneficiaries under age twenty-one (21)) which exceed the limitations and scope for Medicaid beneficiaries as covered in this Plan are reimbursed according to the methodology in the above paragraphs, if medically necessary.

Notwithstanding any other provision of this section, the Division of Medicaid, as required by state law, shall reduce the rate of reimbursement to providers for any service by five percent (5%) of the total allowed amount for all services on a claim.