

Medical Care Advisory Committee

September 21, 2017



State Plan Amendment (SPA) and Waiver Updates

No new updates.

AUGUST MEETING FOLLOW UP DATA REQUEST

Average Expenditures for Early, Late, and Full Term Pregnancies

	Early Pre-Term	Late Pre-Term	Full Term
	Mother	Mother	Mother
	13,878.35	\$13,445.38	\$9,600.97
	Infant	Infant	Infant
	\$90,014.60	\$15,942.31	\$5,347.75
Total w/o 17-P	\$103,892.95	\$29,387.69	\$14,948.72
17-P Estimated Cost	\$10,200.00	\$10,200.00	–
Total w/17-P	\$114,092.95	\$39,587.69	\$14,948.72

Estimated Cost for Providing 1 Year of State Plan Coverage for Postpartum Woman

\$6,157.04

Estimated Cost for Providing 1 Year of Family Planning Waiver Services for Postpartum Woman

\$309.14

Estimated Cost to Provide 1 Year of State Plan Services to Women Who Had a Pre-Term Birth in CY2016

\$10,953,374.16

(\$6,157.04 X 1,779)



MISSISSIPPI DIVISION OF
MEDICAID

MS Medicaid Hospital Funding

September 21, 2017



Hospital Tax Collections, FY 2017:

- DSH \$ 56,847,518
- MHAP \$135,863,327
- General \$104,000,000

Total Contributions \$296,710,845

	State	Total
Percent of Overall Funding	12.88%	3.26%

HOSPITAL FUNDING

Hospital Tax

- Miss. Code Ann. § 43-13-145
- Imposed on each 2013 non-Medicare hospital inpatient day for hospitals licensed in MS and Region One Hospital in Memphis.
- Tax components:
 - State share DSH payments
 - State share MHAP payments \$104M to fund Medicaid program

Intergovernmental Transfers

IGT

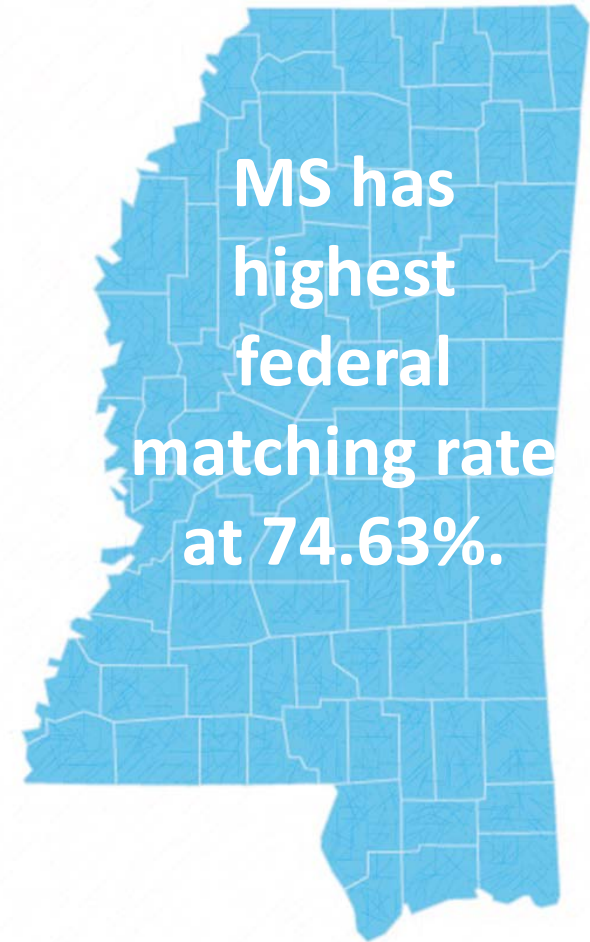
Money transfer from local government entity to the State

- Used as non-Federal share of Medicaid payments
- Received from agencies with State legislative appropriations
 - Institutions of Higher Learning and Department of Mental Health
- Used to pay provider taxes from all governmental hospitals

What is FMAP?

Federal Medical Assistance Percentage

- Used to calculate federal matching funds for state medical services expenditures
- Set annually by formula comparing state's average per capita income level with national income
- By law, between 50% and 83%
- FFY17= 74.63%
- FFY18= 75.65%
- FFY19= 76.20% (projected)



Inpatient Claims with GME	\$ 685,358,239
Outpatient Claims	\$ 542,745,484
MHAP Payments	\$ 533,110,956
DSH Payments	<u>\$ 224,073,780</u>
SFY 2017 Total	\$1,985,288,459

HOSPITAL PAYMENTS

Hospital Inpatient Payments

APR-DRG Methodology

All Patient Refined Diagnostic Related Group

Prospective payment system whereby hospitals are paid an amount per stay based on diagnosis and procedure codes billed on claim

- Effective 10/1/2012
- Approx. \$685M annual payments

Hospital Outpatient Payments

OPPS/APC Methodology

Outpatient Prospective Payment System

Prospective payment similar to Medicare that classifies all hospital outpatient services into Ambulatory Payment Classifications (APCs)

Ambulatory Payment Classifications

Coding system hospitals use to bill rendered services

- Effective 9/1/12
- Approx. \$543M in annual payments

For a single patient visit, the hospital can receive several separate payments for each line of service using a fee schedule.

Graduate Medical Education

GME

Payments reimburse hospitals for education and training of medical residents

- 6 hospitals receive GME add-on payments
- Approx. \$37M payments in FY17

DSH Payments

Disproportionate Share Hospital

Payments to MS hospitals that satisfy minimum federal DSH eligibility requirements, designed to compensate for uninsured and Medicaid shortfall

DSH Qualifying Criteria

1. Hospital must have 2 obstetricians with staff privileges who agree to provide obstetric services to Medicaid-eligible individuals during DSH year; OR	AND	Hospital's Medicaid inpatient utilization rate (MIUR) must be not less than 1%; OR
2. Hospital is exempt from #1 above because inpatients are predominately under 18 years of age; OR		Hospital's low-income utilization rate (LIUR) exceeds twenty-five (25%) percent.
3. Hospital is exempt from #1 above because it did not offer non-emergency obstetric services to the general population when federal Medicaid DSH regulations were enacted on 12/22/87.		

DSH Allotments

CMS determines the annual DSH pool for each state. The 2017 federal allotment was \$167,226,262.

The FY 2018 ACA federal DSH reduction for Mississippi is expected to be approximately \$18 million.

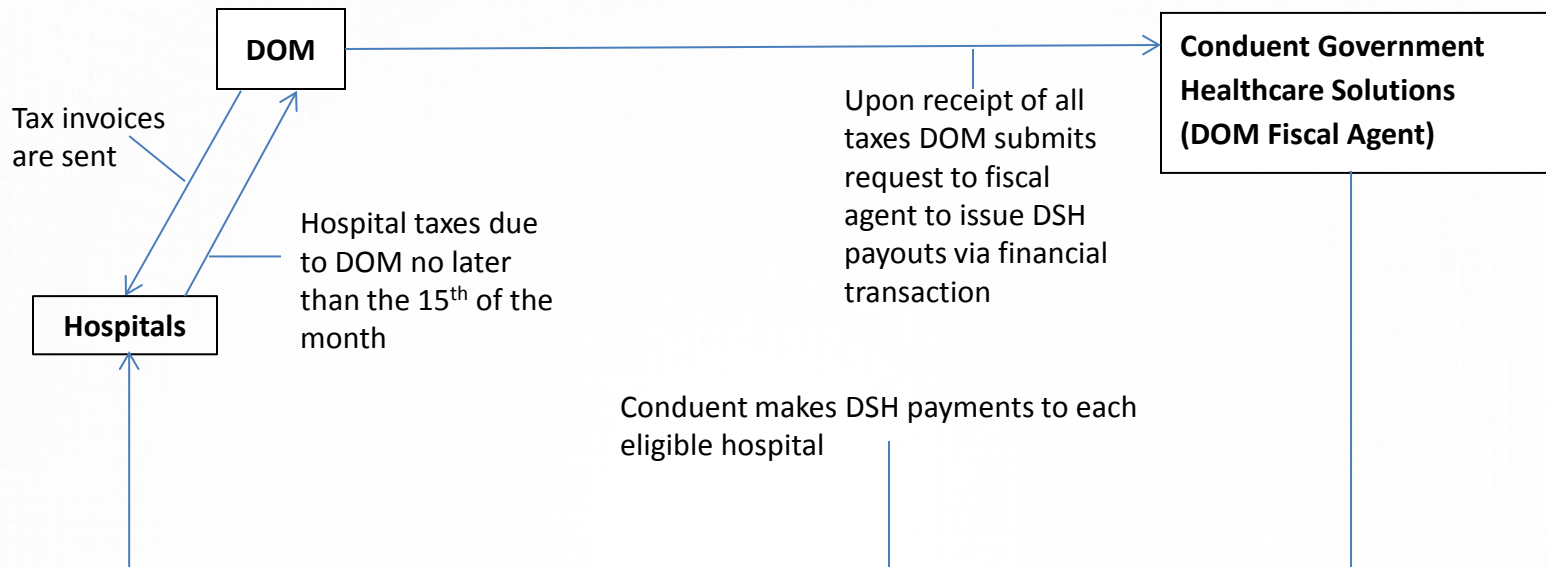
Each hospital's DSH payment:

- Subject to payment limitations. If non-DSH payments exceed the limit, no DSH dollars may be paid.
- Estimated and subject to audit.

DSH Payments

How are DSH payments made to hospitals?

In three (3) equal installments in December, March, and June.



Mississippi Hospital Access Program

MHAP

- In accordance with MS state law, implemented 12/1/15 to incorporate \$533,110,956 of state directed pass-through payments to hospitals into managed care rate development
- Replaces UPL program previously implemented under fee for service
- CMS requirement to phase out pass through payments over 10 years with first 10% reduction in SFY19
- Funds to be transitioned to payments tied to utilization, quality and outcomes