



MISSISSIPPI DIVISION OF

MEDICAID

Public Comments

State Plan Amendment #18-0004

All Patient Refined Diagnosis Related Groups (APR-DRG)

Reimbursement

July 13, 2018

T. Richard Roberson
General Counsel, Vice President for Policy and State Advocacy
Mississippi Hospital Association
116 Woodgreen Crossing
Madison, MS 39110

Dear Mr. Snyder:

Thank you for the opportunity to provide input regarding the above referenced State Plan Amendment 18-000("SPA"). On behalf of its member hospitals, the Mississippi Hospital Association ("MHA") submits the following comments and concerns regarding the SPA.

MHA does not object to the transition from V.33 to V.35, nor do we object to the assignment of pediatric and adult policy adjustors or the changes in the cost outlier thresholds and percentages. MHA supports the increase in the APR-DRG base payment. This increase supports continued access to needed inpatient services.

MHA is concerned that decreasing the policy adjuster for neonate may jeopardize access to care for some of our most medically needy and vulnerable Medicaid patients. Historically, Medicaid has paid for approximately 65% of the births in the State of Mississippi. Many of these infants require extended and specialized care. We are concerned that decreasing neonate payments will adversely impact access to such medically needed services for which Medicaid is a predominant payer. We would like to better understand the Division's reasoning for decreasing these payments. If there are specific concerns the Division has regarding neonate services that we may bring to the attention of our membership, we are happy to do so.

Additionally, for reasons previously explained in our meeting of June 20th, we have concerns regarding the impact of the Charge Cap policy. Implementing a charge cap policy on

inpatient hospital payments may have unintended consequences which impact hospitals' contractual obligations for Medicare and commercial patients. We ask that the Charge Cap policy be rescinded. We are glad to discuss alternatives to this policy which ensure continued access to care and also satisfy the financial interests of the Division.

Finally, although the proposed overall impact of the SPA is a relatively small negative effect, MHA is concerned about any decrease in payments to hospitals and the impact that such decreased payments will have on access to care. As you know, many of our hospitals rely upon Medicaid payments to keep their doors open. Continued downward pressure on reimbursement from Medicaid and its managed care organizations jeopardizes the financial stability of our hospitals. We look forward to working with you to improve upon the current program and ensure that Mississippi hospitals are able to continue to provide care in their communities.

Thank you again for the opportunity to comment on the proposed SPA. Please feel free to contact me to further discuss these matters.
