

PUBLIC NOTICE

July 10, 2019

Pursuant to 42 C.F.R. Section 447.205, public notice is hereby given for the submission of a Medicaid State Plan Amendment (SPA) 19-0019 Graduate Medical Education (GME). The Division of Medicaid, in the Office of the Governor, will submit this proposed SPA to the Centers for Medicare and Medicaid Services (CMS) effective October 1, 2019, contingent upon approval from CMS, our Transmittal #19-0019.

1. Mississippi Medicaid SPA 19-0019 GME will calculate GME payments annually on July 1, as a per resident amount based on the total Medicaid hospital inpatient stays as calculated by the Division of Medicaid.
2. The estimated annual aggregate expenditures is anticipated to be an increase in expenditures in federal funds of \$978,603 for federal fiscal year (FFY)20 and \$2,366,788 for FFY21 and in state funds of \$292,640 for state fiscal year (SFY)20 and \$695,429 for SFY21.
3. The purpose of this SPA is to provide cost predictability while promoting the sustainability of Mississippi GME programs.
4. A copy of the proposed SPA will be available in each county health department office and in the Department of Human Services office in Issaquena County for review. A hard copy can be downloaded and printed from www.medicaid.ms.gov, or requested at 601-359-2081 or by emailing at Margaret.Wilson@medicaid.ms.gov.
5. Written comments will be received by the Division of Medicaid, Office of the Governor, Office of Policy, Walter Sillers Building, Suite 1000, 550 High Street, Jackson, Mississippi 39201, or Margaret.Wilson@medicaid.ms.gov for thirty (30) days from the date of publication of this notice. Comments will be available for public review at the above address and on the Division of Medicaid's website at www.medicaid.ms.gov.
6. A public hearing on this SPA will not be held.

State of Mississippi
Title XIX Inpatient Hospital Reimbursement Plan

Q. Medical Education Payments

The Mississippi Division of Medicaid (DOM) reimburses Mississippi hospitals with an accredited, as determined by the Division, and Medicare approved teaching program for direct graduate medical education (GME) costs. The hospital must be accredited at the beginning of the state fiscal year in order to qualify for the quarterly payments during the payment year. To be eligible for payment, services must be performed on the campus of the teaching hospital, and only the teaching hospital is eligible for reimbursement. Hospitals that enter into contractual arrangements with the teaching hospital to utilize the services of interns and residents are not eligible for medical education payments.

Medical education payments are calculated annually on July 1, as a per resident amount based on the total Medicaid hospital inpatient stays as calculated by DOM. During the year of implementation, the payments will be made to eligible hospitals in three (3) equal installments in December, March and June. Thereafter, the payments will be made to eligible hospitals on a quarterly basis in September, December, March and June. The number of residents per hospital will be the number of resident full time equivalents (FTEs) on Worksheet E-4, Line 6 of the most recent cost report filed with DOM for the calendar year immediately prior to the beginning of the fiscal year. Any hospital which establishes a new accredited teaching program must submit documentation of accreditation, Medicare approval, number of filled resident positions, and start date of the GME program prior to the July 1 calculation of the payments, and the program must be in operation as of July 1 of the payment year.

State of Mississippi
Title XIX Inpatient Hospital Reimbursement Plan

The per resident rate will be as follows:

- A. For residencies of Mississippi academic health science centers with a Level 1 trauma center:
 - 1. \$65,000 per FTE for hospitals with 7,500 or more Medicaid hospital inpatient stays, or
 - 2. \$55,000 per FTE for hospitals with fewer than 7,500 Medicaid hospital inpatient stays.

- B. For residencies of all other accredited hospitals:
 - 1. \$35,000 per FTE for hospitals with greater than 7,500 Medicaid hospital inpatient stays,
 - 2. \$27,500 per FTE for hospitals with 2,000 to 7,500 Medicaid hospital inpatient stays, or
 - 3. \$25,000 per FTE for hospitals with fewer than 2,000 Medicaid hospital inpatient stays.

Beginning July 2021, the amount per resident will increase annually by the lessor of 1.5% or the final Medicare Inpatient Hospital PPS Market Basket updated as of October 1 of each year as published in the Federal Register.

Medical education costs will not be reimbursed to out-of-state hospitals.

State of Mississippi
Title XIX Inpatient Hospital Reimbursement Plan

Q. Medical Education Payments

The Mississippi Division of Medicaid (DOM) reimburses Mississippi hospitals with an accredited, as determined by the Division, and Medicare approved teaching program for direct graduate medical education (GME) costs. The hospital must be accredited at the beginning of the state fiscal year in order to qualify for the quarterly payments during the payment year. To be eligible for payment, services must be performed on the campus of the teaching hospital, and only the teaching hospital is eligible for reimbursement. Hospitals that enter into contractual arrangements with the teaching hospital to utilize the services of interns and residents are not eligible for medical education payments.

Medical education payments are calculated annually on July 1, as a per resident amount based on the total Medicaid hospital inpatient stays as calculated by DOM. During the year of implementation, the payments will be made to eligible hospitals in three (3) equal installments in December, March and June. Thereafter, the payments will be made to eligible hospitals on a quarterly basis in September, December, March and June. The number of residents per hospital will be the number of resident full time equivalents (FTEs) on Worksheet E-4, Line 6 of the most recent cost report filed with DOM for the calendar year immediately prior to the beginning of the fiscal year. Any hospital which establishes a new accredited teaching program must submit documentation of accreditation, Medicare approval, number of filled resident positions, and start date of the GME program prior to the July 1 calculation of the payments, and the program must be in operation as of July 1 of the payment year.

State of Mississippi
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~~Mississippi hospitals which have an approved teaching program or have received legislative approval to begin a teaching program as of July 1, 2012, will be reimbursed for direct graduate medical education costs applicable to interns and residents and the nursing school, as a per case add on to the APR DRG payment provided that services are performed on the campus of the teaching hospital and only the teaching hospital is eligible for reimbursement. Hospitals that enter into contractual arrangements with the teaching hospital to utilize the services of interns and residents are not eligible for this add on payment. The medical education per case add on as of October 1, 2012, will be considered the medical education per case base rate. The base rate will be calculated as follows: the FY 11 medical education cost per day included in the FY 11 per diem rate will be multiplied times the number of Medicaid covered days used in the simulation for the parameters effective October 1, 2012; the resulting product will be divided by the number of Medicaid cases used in the simulation from October 1, 2010 through March 31, 2011 for the parameters effective October 1, 2012. For rate years beginning October 1, 2013, and thereafter, the medical education per case add on for the preceding year will be increased by the percentage increase of the most recent Medicare Inpatient Hospital PPS Market Basket updated as of October 1 of each year as published in the Federal Register.~~

State of Mississippi
Title XIX Inpatient Hospital Reimbursement Plan

The per resident rate will be as follows:

A. For residencies of Mississippi academic health science centers with a Level 1 trauma center:

1. \$65,000 per FTE for hospitals with 7,500 or more Medicaid hospital inpatient stays, or
2. \$55,000 per FTE for hospitals with fewer than 7,500 Medicaid hospital inpatient stays.

B. For residencies of all other accredited hospitals:

1. \$35,000 per FTE for hospitals with greater than 7,500 Medicaid hospital inpatient stays,
2. \$27,500 per FTE for hospitals with 2,000 to 7,500 Medicaid hospital inpatient stays, or
3. \$25,000 per FTE for hospitals with fewer than 2,000 Medicaid hospital inpatient stays.

Beginning July 2021, the amount per resident will increase annually by the lessor of 1.5% or the final Medicare Inpatient Hospital PPS Market Basket updated as of October 1 of each year as published in the Federal Register.

~~If a provider received legislative approval to begin a teaching program as of July 1, 2012, but has not begun the program as of October 1, 2012, once the provider implements the teaching program it will submit a budget to Medicaid that includes estimated total Medicaid education costs and stays for the first year. The initial medical education add-on for the provider upon implementation of the teaching program, will be determined by dividing Medicaid budgeted costs by Medicaid budgeted stays. If the provider has not submitted a cost report that includes medical~~

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~~education by October 1 of the second reimbursement period, the initial budgeted medical education add-on will be increased by the percentage increase of the most recent Medicare Inpatient Hospital PPS Market Basket updated as of October 1 of each year as published in the Federal Register. Once the provider submits the first cost report that includes medical education costs, the Division of Medicaid will perform a desk review. After the desk review is completed and the thirty (30) day appeal option has been exhausted the new medical education base rate will be input into the Mississippi Medicaid Management Information System and will be in effect through the end of the current reimbursement period. No retroactive adjustments will be made. For rate years beginning October 1, and thereafter, the medical education per case add-on for the preceding year will be increased by the percentage increase of the most recent Medicare Inpatient Hospital PPS Market Basket updated as of October 1 of each year as published in the Federal Register.~~

Medical education costs will not be reimbursed to out-of-state hospitals.