PUBLIC NOTICE

January 31, 2020

Pursuant to 42 C.F.R. Section 447.205, public notice is hereby given for the submission of a Medicaid State Plan Amendment (SPA) 20-0001 Durable Medical Equipment (DME) and Medical Supply Reimbursement. 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 January 1, 2020, contingent upon approval from CMS, our Transmittal #20-0001.

1. Mississippi Medicaid SPA 20-0001 allows the Division of Medicaid to include a reimbursement methodology for certain durable medical equipment (DME) and medical supplies that are not on the Medicare Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) fee schedule, effective March 1, 2020. If there is no DMEPOS fee, the provider will either be reimbursed a fee determined by the Division of Medicaid or through manual pricing. The Division of Medicaid will utilize the lower of the Division of Medicaid's average/established fee or the average of the fees from other states, when available, or determine the fee from cost information from providers and/or manufacturers, survey information from national fee analyzers, or other relevant fee-related information as determined by the Division of Medicaid.

2. The anticipated annual aggregate cost savings is $1,045,487 for federal fiscal year (FFY) 20 and $1,810,423 for FFY21 in federal funds and $178,652 for state fiscal year (SFY) 20 and $517,796 for SFY21 in state funds. This impact was calculated using SFY18 utilization data and the difference in the Division of Medicaid's current average/ established fee and the proposed fee for the initial forty-nine (49) fees the Division of Medicaid intends to include utilizing this pricing methodology. The proposed fees were derived from the lower of the Division of Medicaid's average/ established fee or the average of other states' fees. Cost and/or savings may vary as fees are set for other items as determined by the Division of Medicaid. An additional seven (7) fees were calculated using 80% of the DMEPOS fee schedule.

3. The Division of Medicaid is submitting this proposed SPA to be in compliance with 42 C.F.R. § 447.201 which requires all policy and methods used in setting payment rates for services be included in the State Plan. Additionally, this SPA will decrease the administrative burden associated with manually pricing certain DME and medical supplies for both providers and the Division of Medicaid.

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 601-359-5248 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.

VIII. Durable Medical Equipment

A. The payment for the purchase of new Durable Medical Equipment (DME) is the lesser of the provider's usual and customary charge or a fee from statewide uniform fee schedule updated July 1 of each year and effective for services provided on or after July 1. The statewide uniform fee schedule will be calculated using eighty percent (80%) of the Medicare rural rate, if available, or the non-rural rate if there is no rural rate, on the Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Fee Schedule in effect on January 1 of each year.

1. When it is determined by DOM, based on documentation, that the DMEPOS fee is insufficient for the Mississippi Medicaid population or could result in a potential access issue, then a fee will be calculated using market research from the area.

B. If there is no DMEPOS fee, the provider will either be reimbursed a fee determined by the Division of Medicaid or through manual pricing. The Division of Medicaid will utilize the lower of the Division of Medicaid's average/established fee or the average of the fees from other states, when available, or determine the fee from cost information from providers and/or manufacturers, survey information from national fee analyzers, or other relevant fee-related information. The fees will be updated as determined by the Division of Medicaid.

C. The payment for rental of DME is made from a statewide uniform fee schedule based on ten percent (10%) of eighty percent (80%) of the Medicare DMEPOS or Medicaid established fee as described in letter A or B not to exceed ten (10) months. After rental benefits are paid for ten (10) months, the DME becomes the property of the Mississippi Medicaid beneficiary unless otherwise authorized by the Division of Medicaid through specific coverage criteria.

D. The payment for purchase of used DME is made from a statewide uniform fee schedule based on fifty percent (50%) of eighty percent (80%) of the Medicare DMEPOS or Medicaid established fee as described in letter A or B.

E. The payment for repair of DME is the cost of the repair, not to exceed fifty percent (50%) of eighty percent (80%) of the Medicare DMEPOS or Medicaid established fee as described in letter A or B.

F. The Division of Medicaid's fee schedule of covered durable medical equipment is not comprehensive. Any durable medical equipment not listed on the fee schedule may be requested for coverage by submitting documentation to the Division of Medicaid's UM/QIO who will determine medical necessity on a case-by-case basis.

All terms of the Division's Durable Medical Equipment Reimbursement and Coverage Criteria are applicable.

DME for Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) beneficiaries, if medically necessary, which exceed the limitations and scope for Medicaid beneficiaries, as covered in this Plan, are reimbursed according to the methodology in the above paragraphs.

VIII. Durable Medical Equipment

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of DME. All rates are published at www.medicaid.ms.gov/providers/fee-schedules-and-rates/#. Notwithstanding any other provision of this section, the Division of Medicaid, as required by state law, shall reduce the rate of reimbursement to DME providers for any service by five percent (5%) of the allowed amount for that service. The federal match will be paid based on the reduced amount.

Medical Supplies

A. The payment for the purchase of Medical Supplies is the lesser of the provider's usual and customary charge or a fee from a statewide uniform fee schedule updated July 1 of each year and effective for services provided on or after July 1. The statewide uniform fee schedule will be calculated using eighty percent (80%) of the rural rate, if available, or the non-rural rate if there is no rural rate, on the Medicare Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Fee Schedule in effect on January 1 of each year.

   1. When it is determined by DOM, based on documentation, that the DMEPOS fee is insufficient for the Mississippi Medicaid population or could result in a potential access issue, then a fee will be calculated using market research from the area.

B. If there is no DMEPOS fee, the provider will either be reimbursed a fee determined by the Division of Medicaid or through manual pricing. The Division of Medicaid will utilize the lower of the Division of Medicaid's average/established fee or the average of the fees from other states, when available, or determine the fee from cost information from providers and/or manufacturers, survey information from national fee analyzers, or other relevant fee-related information. The fees will be updated as determined by the Division of Medicaid.

C. The Division of Medicaid's fee schedule of covered medical supplies is not comprehensive. Any medical supplies not listed on the fee schedule may be requested for coverage by submitting documentation to the Division of Medicaid's UM/QIO who will determine medical necessity on a case-by-case basis.

All terms of the Division's Medical Supplies Reimbursement and Coverage Criteria are applicable.

Medical Supplies for EPSDT beneficiaries, if medically necessary, which exceed the limitations and scope for Medicaid beneficiaries, as covered in this Plan, are reimbursed according to the methodology in the above paragraphs.

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A. The payment for the purchase of new Durable Medical Equipment (DME) is the lesser of the provider's usual and customary charge or a fee from statewide uniform fee schedule updated July 1 of each year and effective for services provided on or after July 1. The statewide uniform fee schedule will be calculated using eighty percent (80%) of the Medicare rural rate, if available, or the non-rural rate if there is no rural rate, on the Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Fee Schedule in effect on January 1 of each year.

~~1. If there is no DMEPOS fee theitem will be priced at the Manufacturer's Suggested Retail Price (MSRP) minus twenty percent (20%).~~

~~2. If there is no MSRP the item will be priced at the provider's invoice plus twenty percent (20%).~~

1.~~3.~~ When it is determined by DOM, based on documentation, that the DMEPOS fee is insufficient for the Mississippi Medicaid population or could result in a potential access issue, then a fee will be calculated using market research from the area.

B. If there is no DMEPOS fee, the provider will either be reimbursed a fee determined by the Division of Medicaid or through manual pricing. The Division of Medicaid will utilize the lower of the Division of Medicaid's average/established fee or the average of the fees from other states, when available, or determine the fee from cost information from providers and/or manufacturers, survey information from national fee analyzers, or other relevant fee-related information. The fees will be updated as determined by the Division of Medicaid.

~~B~~C. The payment for rental of DME is made from a statewide uniform fee schedule based on ten percent (10%) of eighty percent (80%) of the Medicare DMEPOS or Medicaid established fee ~~schedule~~ as described in letter A or B not to exceed ten (10) months. After rental benefits are paid for ten (10) months, the DME becomes the property of the Mississippi Medicaid beneficiary unless otherwise authorized by the Division of Medicaid through specific coverage criteria.

~~C~~D. The payment for purchase of used DME is made from a statewide uniform fee schedule based on ~~not to exceed~~ fifty percent (50%) of eighty percent (80%) of the Medicare DMEPOS or Medicaid established fee ~~schedule~~ as described in letter A or B.

~~D~~E. The payment for repair of DME is the cost of the repair, not to exceed fifty percent (50%) of eighty percent (80%) of the Medicare DMEPOS or Medicaid established fee ~~schedule~~ as described in letter A or B.

~~E~~F. The Division of Medicaid's fee schedule of covered durable medical equipment is not comprehensive. Any durable medical equipment not listed on the fee schedule may be requested for coverage by submitting documentation to the Division of Medicaid's UM/QIO who will determine medical necessity on a case-by-case basis.

~~The payment for other individual consideration items must receive prior approval of the Division and shall be limited to the amount authorized in that approval.~~

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~~3~~1. When it is determined by DOM, based on documentation, that the DMEPOS fee is insufficient for the Mississippi Medicaid population or could result in a potential access issue, then a fee will be calculated using market research from the area.

B. If there is no DMEPOS fee, the provider will either be reimbursed a fee determined by the Division of Medicaid or through manual pricing. The Division of Medicaid will utilize the lower of the Division of Medicaid's average/established fee or the average of the fees from other states, when available, or determine the fee from cost information from providers and/or manufacturers, survey information from national fee analyzers, or other relevant fee-related information. The fees will be updated as determined by the Division of Medicaid.

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Medical Supplies for EPSDT beneficiaries, if medically necessary, which exceed the limitations and scope for Medicaid beneficiaries, as covered in this Plan, are reimbursed according to the methodology in the above paragraphs.

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of ~~DME~~ medical supplies. All rates are published at www.medicaid.ms.gov/providers/fee-schedules-and-rates/#. Notwithstanding any other provision of this section, the Division of Medicaid, as required by state law, shall reduce the rate of reimbursement to medical supply providers for any service by five percent (5%) of the allowed amount for that service. The federal match will be paid based on the reduced amount.