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MS HFMA Annual Conference

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MISSISSIPPI DIVISION OF MEDICAID

Mississippi Division of Medicaid

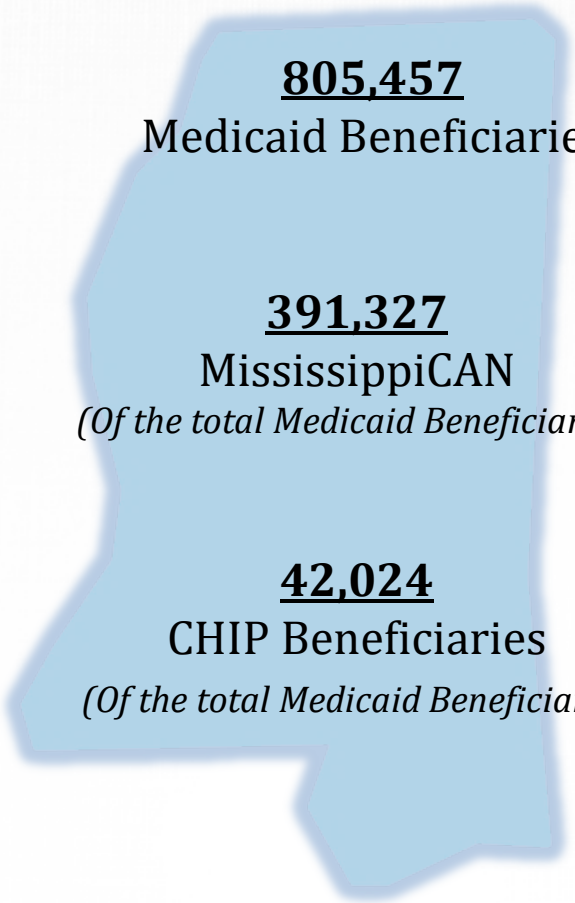
875 employees, 30 Regional Offices and 75 Outstations	36,736 enrolled providers	805,457 beneficiaries
3 managed care company partners – Medicaid and CHIP	$6.2 billion in annual expenditures	30% of the state's budgeted funds

Mission: *The Mississippi Division of Medicaid responsibly provides access to quality health coverage for vulnerable Mississippians.*

Values: *We are committed to accomplishing our mission by conducting operations with…*

*Accountability * Consistency * Respect*

Medicaid Enrollment Statistics



805,457
Medicaid Beneficiaries

391,327
MississippiCAN
(Of the total Medicaid Beneficiaries)

42,024
CHIP Beneficiaries
(Of the total Medicaid Beneficiaries)

(As of March 2022)

Topics

- What's New from the Legislature
- DOM's New System Conversion
- DOM's CCO Procurement
- Hospital Reimbursement Summary
- Managed Care Directed Payment Initiatives
- Mississippi Hospital Access Program (MHAP)
- MSCAN Quality Initiatives
- DSH Update
- Public Health Emergency
- Funding Sources
- Other DOM Updates

What's New from the Legislature

HB 657 http://billstatus.ls.state.ms.us/documents/2022/pdf/HB/0600-0699/HB0657SG.pdf

43-13-117

- (D) Provider Rate Freeze was lifted; new rate change notice requirements implemented – this change was effective on passage
- (A) (10) Restorative Dental Services payment increased 5% for 2023-2025
- (A) (16) Managed Care DME payment requirements
- (A) (18) (b) Emergency Ambulance Access Program payments and associated assessment
- (A) (60) Directed payment program for *border city university-affiliated pediatric teaching hospital*
- (L) Licensed birthing center services reimbursement

DOM's New System Conversion

- **Go live date - currently expected to be October 3**
- **Medicaid employees have been performing User Acceptance Testing**
- **EDI testing with providers has recently begun**
- **More communication will come from our Change Management vendor in the coming months**
  - **One item to look for – claims payment updates for differences in payment rules between the two systems**

DOM's CCO Procurement

- **The Division of Medicaid released RFQ # 20211210 for the procurement of new managed care contractors on December 10, 2021.**

- **Central themes of the Coordinated Care RFQ include:**

  Quality: The Division is placing an emphasis on numerous quality-based improvements, including approaches to performance improvement projects, value-adds, value-based purchasing, health literacy campaigns, and care management.

  Collaborative Innovation: The Division is requiring offerors to propose delivery methods for numerous quality-based initiatives. Winning vendors will be expected to collaborate with the Division, and in some cases, with each other, to create uniform systems that will leverage plans' experience, knowledge, and creativity while providing consistency and ease of administrative burden for both Providers and Members.

  Access: The Division seeks vendors that will address all barriers to access, whether those are geographic or based on Social Determinants of Health.

  Commitment: Winning vendors will evidence a true commitment to improvement of life for citizens of the state, both through delivery of care, and a testament of their willingness to invest in communities through partnerships with other organizations – private, state, and community-based – throughout the state as well as investment in human capital.

- **Materials related to the procurement may be found here:**

  https://medicaid.ms.gov/coordinated-care-procurement/

Hospital Reimbursement Summary

- **The Division of Medicaid has produced the hospital reimbursement summary presented here for the SFY's 2019 through 2021 to show the Base Payment amounts and the inclusion of MHAP compared to hospital's costs as calculated from the hospital's cost reports.**

- **The overall allowed amount for providers receiving MHAP payments has remained steady despite declining stays.**

- **Although the overall allowed amount for the inpatient program is about 73% of estimated hospital cost (estimated using charges multiplied by the hospital-specific cost-to-charge ratio), the overall allowed-to-cost ratio is well over 100% when taking into account MHAP payments.**

- **The table on the next slide provides the summary results for inpatient services.**

Hospital Reimbursement Summary

Inpatient Allowed, All MS Hospitals:							
	Number of Claims	Total Allowed	Casemix-Adjusted Average Allowed	Allowed-to-Cost excl. MHAP	MHAP	Total Allowed Plus MHAP	Allowed-to-Cost Incl. MHAP
SFY 19	84,019	$512,011,032	$8,224	75.0%	$373,177,669	$885,188,701	130%
SFY 20	81,323	$498,833,949	$8,308	73.2%	$373,177,669	$872,011,618	128%
SFY 21	78,186	$510,984,182	$8,249	73.0%	$373,177,669	$884,161,851	126%

Note:

1. Casemix adjusted average allowed is calculated as the total allowed amount divided by total casemix (sum of DRG weights across the dataset). This calculation allows direct comparison of average payments across years regardless of changes in patient acuity.

Hospital Reimbursement Summary

- **For outpatient services, the overall allowed amount declined from SFY 19 to 20 due to decreasing outpatient visits, which is likely due to the effects of COVID-19 on outpatient utilization.**
- **Despite possible changes in utilization patterns over time, the average allowed amount per outpatient visit remained consistent over the three years in the analysis.**
- **The overall allowed-to-cost ratio for outpatient visits was slightly more than 100% for all three years in the analysis and did not decline over time. When MHAP payments were included in the allowed-to-cost ratio calculation, the overall allowed-to-cost ratio was over 140% for each of the years.**

Outpatient Allowed, All MS Hospitals:								
	Number of Claims	Number of Lines	Total Allowed	Average Allowed	Allowed-to-Cost excl. MHAP	MHAP	Total Allowed Plus MHAP	Allowed-to-Cost Incl. MHAP
SFY 19	1,036,881	4,667,527	$409,162,636	$88	104%	$159,933,287	$558,125,133	142%
SFY 20	897,666	4,262,311	$372,649,027	$87	107%	$159,933,287	$520,651,507	149%
SFY 21	914,757	4,304,379	$383,014,365	$89	106%	$159,933,287	$539,579,267	149%

Managed Care Directed Payment Initiatives

- **States are allowed to request a variety of payment initiatives through its managed care contracts for CMS approval under 42 CFR §438.6.**

- **These "Directed Payments" can include pass-through payments, such as the Mississippi Hospital Access Program (MHAP) and the MS Access to Physician Services Program (MAPS), or fee schedule adjustments, such as the MS ASD Program.**

- **The Division of Medicaid will request CMS approval for two new directed payment arrangements for SFY 2023, based on legislative direction:**
  - ❖ **Emergency Ambulance Service Access Program – This is a payment arrangement to increase reimbursement to emergency ambulance providers up to a calculated commercial rate.**
  - ❖ **Mississippi Pediatric Access Program – This is a payment arrangement to pay Le Bonheur Children's Hospital based on their managed care utilization.**

- **The Division is considering a new directed payment arrangement called Physician Quality Incentive Payment Program (PQIPP). Under this proposed arrangement DOM would implement a single comprehensive payment program for physicians as it seeks to further advance its commitment to payment transformation through the expansion of incentive payments for access, quality, and outcomes attributed to physician practices.**

Managed Care Directed Payment Initiatives

- **The providers eligible for this program would be Mississippi physicians, Advance Practice Registered Nurses (APRNs), Physician Assistants (PAs) or other eligible providers, based on the reporting of selected quality metrics.**
- **On February 11, 2022, DOM released a Qualtrics Survey to obtain stakeholder feedback regarding the conceptualized PQIPP model. Following are a few key results from the survey:**
  1) **44.5% of respondents reported the timeline as unreasonable.**
  2) **Over 94% of the respondents agree that physicians, APRNs, and PAs should be the "physician" provider types included in the program.**
  3) **Nearly 52% found 10 quality measures to be too many while nearly 44% found 10 measures to be appropriate.**
  4) **Additionally, there were a number of comments regarding the quality metrics to be used.**
- **The Division will take into consideration all of the responses from the survey and continue to evaluate this new program for possible implementation in SFY 2024.**

SFY 2023 Changes to MHAP

- **Potentially Preventable Hospital Returns (PPHR)**
  - This is the fourth year of PPHR being included in the QIPP portion of MHAP.
  - Hospitals will be required to review and attest to the quarterly PPHR reports.
  - Those hospitals with an a/e ratio >= to the statewide threshold of 1.04 on the July 2022 report will be required to submit a CAP by Sept. 1, 2022.

- **Potentially Preventable Complications (PPC)**
  - This quality metric was introduced during state fiscal year 2022.
  - For this state fiscal year, hospitals will be required to review and attest to the receipt of the quarterly PPC reports.

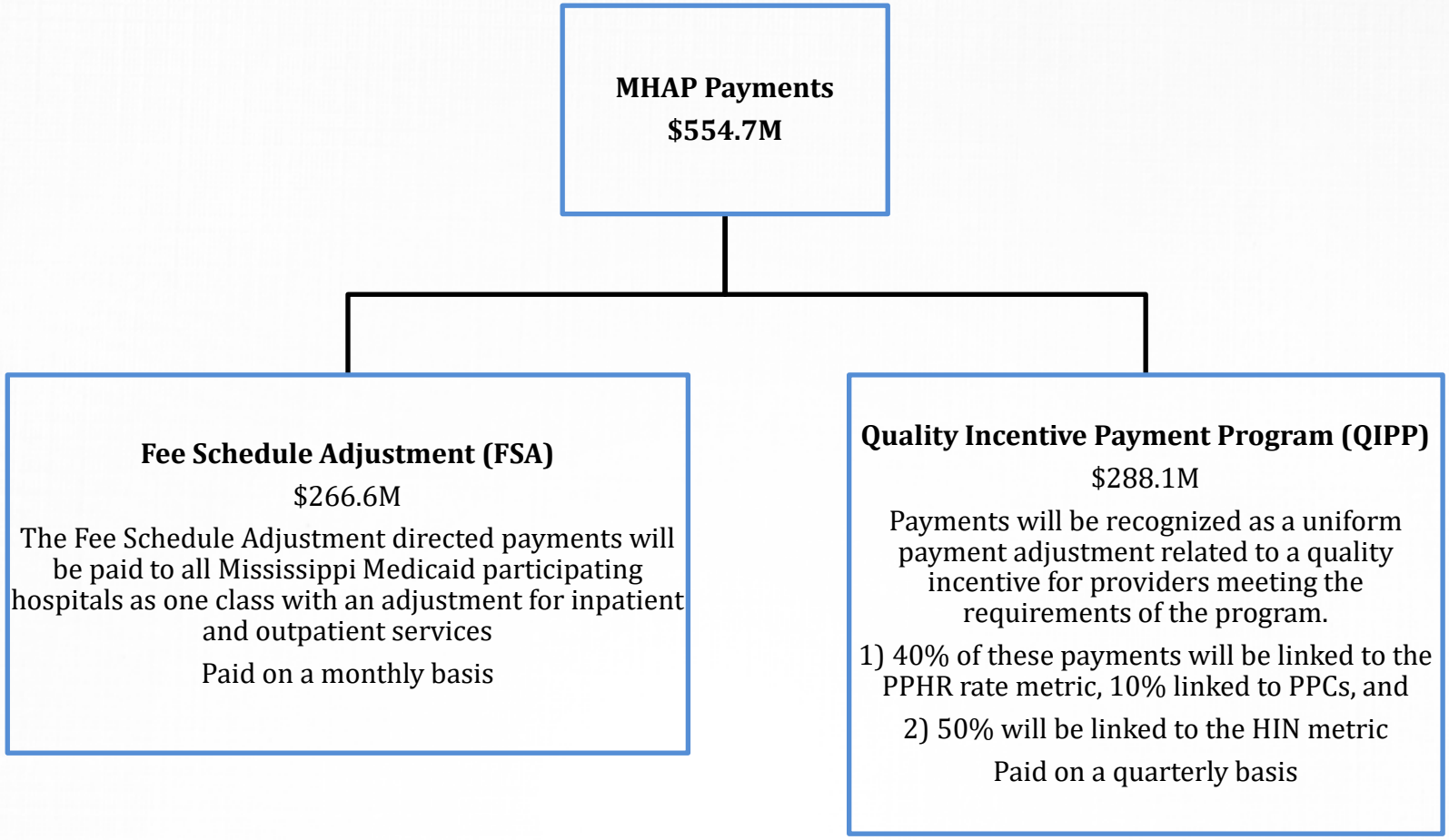
- **Health Information Network (HIN)**
  - Hospitals will be required to attest to their actual connection to, and participation in, the statewide HIN via a quarterly certification.
  - Hospitals will also be expected to submit the data supported by the HIN to include admission, discharge and transfer information for Medicaid beneficiaries when that transfer capability is available.

MHAP Payments to Hospitals

MHAP Distribution by SFY				
SFY	MHAP-TPP	MHAP-FSA	MHAP-QIPP	Total MHAP
2019	$380,017,469	$153,093,487	$0	$533,110,956
2020	$215,886,793	$275,000,000	$42,224,163	$533,110,956
2021	$0	$317,886,793	$215,224,163	$533,110,956
2022	$0	$285,603,168	$247,507,788	$533,110,956
2023	$0	$266,555,478	$288,100,478	$554,655,956

- The Division is requesting an increase in the total MHAP payments from CMS this year in the amount of $21,545,000.
- CMS requires that a preprint be submitted annually to request approval for the total amount of MHAP, each component and the structure for how the payments will be tied to utilization, quality and outcomes.
- The annual CMS-approved MHAP payment is distributed in full to participating hospitals by the Coordinated Care Organizations (CCO).
- The CCO's do not deduct any administrative fee in making this payment.
- The SFY 2023 MHAP structure has two components:
  - Fee Schedule Adjustment (FSA)
  - Quality Incentive Payment Program (QIPP)

Two Components of SFY 2023 MHAP



MHAP Requirements

- QIPP is designed to link a portion of MHAP payments to utilization, quality and outcomes. QIPP's goal is to use state and federal funds to improve the quality of care and health status of the Mississippi Medicaid population
  - ❖ The QIPP program currently disburses 51.9% of all MHAP payments
  - ❖ The Division of Medicaid (DOM) will annually evaluate the percentage of MHAP in QIPP to connect more of MHAP to quality metrics

- MHAP payments must be fully transitioned to payments tied to utilization, quality and/or outcomes by SFY 2027.

- DOM will submit the "Section 438.6(c) preprint" to CMS annually to comply with the transition requirements.

- CMS will only approve a plan for one year at a time. **MHAP payments cannot be made until CMS approves the SFY 2023 preprint.**

- DOM will continue to collaborate with stakeholders to establish the annual plans.

MHAP Dates of Interest

July 6, 2022:	Quarterly PPHR and PPC reports distributed to hospitals Hospitals required to submit a PPHR corrective action plan for cycle three identified
August 5, 2022:	Hospital deadline to attest receipt and review of the quarterly reports
September 1, 2022:	PPHR Corrective action plan (cycle three) deadline
September 30, 2022:	Quarterly PPHR and PPC reports distributed to hospitals
October 31, 2022:	Hospital deadline to attest receipt and review of the quarterly reports
January 4, 2023:	Quarterly PPHR and PPC reports distributed to hospitals **Performance incentives for PPHR cycle two allocated**
February 3, 2023:	Hospital deadline to attest receipt and review of the quarterly reports
April 4, 2023:	Quarterly PPHR and PPC reports distributed to hospitals
May 3, 2023:	Hospital deadline to attest receipt and review of the quarterly report

MSCAN SFY 2021 Quality Results

MSCAN CCO HEDIS Measures Incentive/Withhold Program				
Quality Measure	**Sub Measure**	**MS Medicaid Baseline**	**Benchmark**	**Average CCO Results**
Well-Child First 15 months (W15)	6 or more visits	51.3%	52.1%	51.2%
Anti-Depressant Mgt-Acute (AMM-AD)	Effective Acute Phase Treatment	38.4%	39.0%	**55.9%**
	Effective Continuation Phase Treatment	22.3%	22.6%	**39.3%**
Comprehensive Diabetes Care	HbA1c Testing	85.7%	87.0%	86.7%
Prenatal and Postpartum Care (PPC-AD)	Timeliness of Prenatal Care	88.8%	90.1%	**93.0%**

MSCAN SFY 2023 Quality Initiatives

- DOM has expanded the quality reporting of the three CCOs. One percent of the CCOs monthly capitation rate is tied to incentive/quality withhold reporting.
- For SFY 2023, the CCOs will be reporting on the following HEDIS measures as a part of their Quality/Incentive risk arrangement:
  - Well Child Visit – First 30 months / First 15 months
  - Immunization for Adolescents (IMA) – Combo 2: (Meningococcal,Tdap, HPV)
  - Anti-Depressant Management - Effective Acute Phase Treatment
  - Timeliness of Prenatal Care
  - Comprehensive Diabetes Care - HbA1c Testing
  - Adult & Children Asthma Control – Ages 5-64
  - Adults Pharmacotherapy Management of COPD Exacerbation – Systemic Corticosteroid
- COVID-19 vaccination rates – The CCOs target is 40% of their Members. This will be measured during the period January 1 – December 31, 2022.
- The CCOs will also have the QIPP PPHR reports as a part of their incentive/withhold arrangement with CYs 2019-2020 as the Baseline Years.

DSH Update

- DSH SPA 21-0051 is pending approval from CMS. It removed costs and payments of individuals with Medicare or third-party coverage, with the exception of hospitals that meet the 97th percentile for the most recent reporting period, from the DSH payment calculation. DOM has reached out to CMS to define the 97th percentile and are waiting for their response.

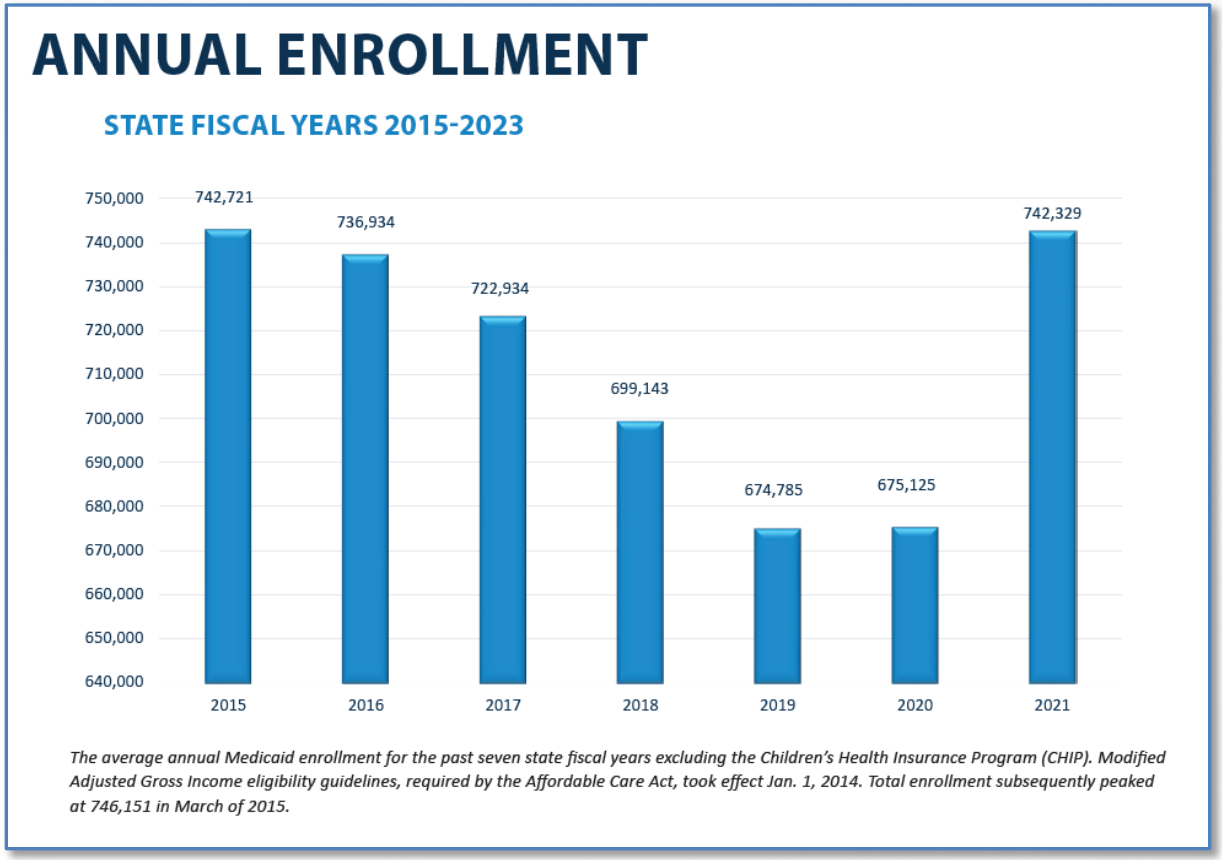
- The increase for the 2021 DSH allotment will be paid on the June 2022 remittance once the associated assessment payments are received by DOM.

- MHAP payments are being updated with current encounter data. This update will impact the OBRA limit used on the final DSH payments in June.

- DSH audit recoupments/redistributions for prior years are being finalized for communication with providers.

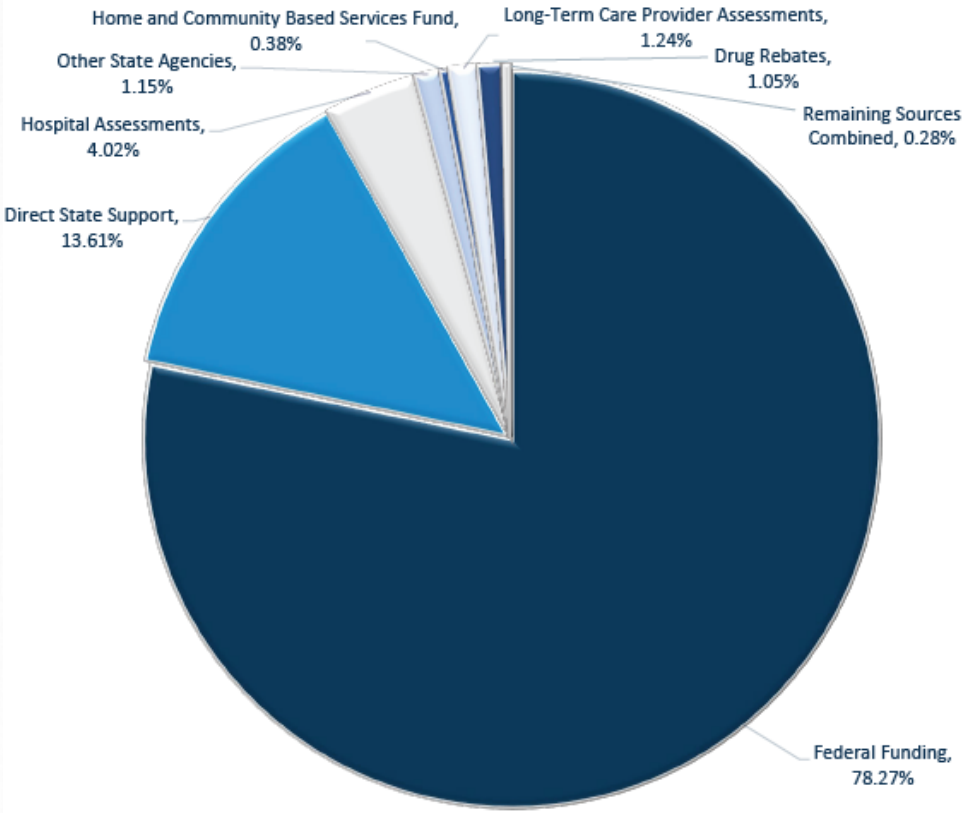
Public Health Emergency

- Public Health Emergency related to COVID-19 is set to expire July 15, 2022
- All beneficiaries must have an eligibility redetermination in the year after the PHE ends.
- The enhanced FMAP for Medicaid will extend through the end of the quarter when the PHE ends.



FUNDING SOURCES

SOURCES OF FY 2023 MEDICAID FUNDING



FY 2023 Funding Sources

Federal Funding	$5,174,824,301
Direct State Support	$899,915,751
Hospital Assessments	$266,051,853
Other State Agencies - State Portion	$75,840,928
Home and Community Based Services	$25,176,387
Long-Term Care Facility Provider Assessments	$81,671,246
Drug Rebates*	$69,528,600
MAPS - UMMC	$8,302,702
Provider Refund of Overpayment*	$3,032,400
Long-Term Care Facility UPL IGTs	$4,496,743
Physician UPL IGTs	$2,500,000
Interest, Misc. Collections	$533,200
Total	**$6,611,874,111**

** Reported as reduction in medical expenditures instead of revenue.*

Federal	$5,247,385,301
State Share	$1,364,488,810
Total Spending	**$6,611,874,111**

Direct State Support	$899,915,751
Other State Support	$75,840,928
Home and Community Based Services	$25,176,387
Provider Assessments	$363,555,744
	$1,364,488,810

Other DOM Updates

- Nursing Home – rate updates effective May 2022
- New Quality Strategy – Effective September 2021
  https://medicaid.ms.gov/wp-content/uploads/2021/11/MS-DOM-Comprehensive-Quality-Strategy_FINAL.pdf
- ARPA included some enhanced funding for HCBS services; see quarterly updates to spending and the spending plan submitted to CMS on our website
  https://medicaid.ms.gov/american-rescue-plan-act-hcbs-enhancement-opportunities/

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