

# PUBLIC NOTICE

October 1, 2024

Pursuant to 42 C.F.R. Section 447.205, public notice is hereby given for the submission of a Medicaid State Plan Amendment (SPA) 24-0007 Rural Emergency Hospital. 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, 2024, contingent upon approval from CMS, our Transmittal #24-0007.

1. This SPA is being submitted to allow the Division of Medicaid (DOM) to set the reimbursement for REH in the Medicaid State Plan at the APC rate plus 5% or Medicare payment rate in the Medicare outpatient Addendum B, effective October 1, 2024.
2. The estimated annual impact is \$189,840. The estimated increase in federal annual aggregate expenditures is \$145,987 for Federal Fiscal Year 2025 (FFY25) and \$146,652 for FFY26. The estimated increase in state annual aggregate expenditures is \$43,853 for FFY25 and \$43,189 for FFY26.
3. The Division of Medicaid is submitting this proposed SPA to be in compliance with 42 C.F.R. §§ 440.20, 447.201, 447.203.
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](http://www.medicaid.ms.gov), or requested at 601-359-3984 or by emailing at [DOMPolicy@medicaid.ms.gov](mailto:DOMPolicy@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 [DOMPolicy@medicaid.ms.gov](mailto:DOMPolicy@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](http://www.medicaid.ms.gov).
6. A public hearing on this SPA will not be held.

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Methods and Standards for Establishing Payment Rates – Other Types of Care

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Hospital Outpatient Services

- A. Outpatient hospital services for all hospitals except Indian Health Services and Rural hospitals that have fifty (50) or fewer licensed beds who opt to not be reimbursed using the prospective payment methodology will be reimbursed using the Medicaid Outpatient Prospective Payment System (OPPS), Ambulatory Payment Classification (APC) Groups effective as of July 1 of each year:
1. Outpatient hospital services will be reimbursed on a predetermined fee-for-service basis. The parameters published annually in the Code of Federal Regulations (CFR) (national APC weights, APC group assignments and Medicare fees) and MS Medicaid OPPS status indicators, will be used by the Division of Medicaid (DOM) in calculating these predetermined rates and will be effective July 1 of each year.
    - a. ~~The Medicaid OPPS fees, including Clinical Diagnostic Laboratory OPPS fees, are calculated using 100% of the applicable APC relative weight or the payment rate for codes listed in the Medicare outpatient Addendum B effective as of January 1 of each year, as published by the Centers for Medicare and Medicaid Services (CMS). Codes with no applicable APC relative weight or Medicare payment rate established in Addendum B are reimbursed using the applicable MS Medicaid fee effective July 1 of each year, multiplied by the units (when applicable). No retroactive adjustments will be made. The MS Medicaid OPPS fee schedule is set as of July 1 of each year and is effective for services provided on or after that date. All fees are published on the agency's website at <https://medicaid.ms.gov/providers/fee-schedules-and-rates/#>. Except as otherwise noted in the plan, state developed fee schedule rates are the same for both governmental and private providers of outpatient hospital services.~~ [Reserved]
    - b. Effective July 1, 2023, the Medicaid conversion factor used by DOM is the SFY18 Jackson, MS Medicare conversion factor with a five percent (5%) increase. This conversion factor is used for all APC groups and for all hospitals. Each APC rate equals the Medicare Addendum B specific relative weight at 100% multiplied by the Medicaid conversion factor, with the exception of observation fee which is reimbursed using a MS Medicaid fee. Except as otherwise noted in the plan, MS

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population or results in an access issue, a manual review of the claim will be made to determine an appropriate payment based on the resources used, cost of related equipment and supplies, complexity of the service and physician and staff time. The rate of reimbursement will be limited to (1) a MS Medicaid fee calculated as 90% of the Medicare rate of a comparable procedure or service or (2) the provider submitted invoice for a device, drug, biological or imaging agent.

e. Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of outpatient hospital services.

3. Indian Health Services are reimbursed 100% of the annually published Federal Register Outpatient Hospital rate.

4. Rural Hospitals that have fifty (50) or fewer licensed beds who opt to not be reimbursed using the OPPTS payment methodology will be reimbursed based on 101% of the rate established under Medicare effective as of July 1 of each year for a two (2) year period.

~~4.~~ 5. Effective October 1, 2024, Rural Emergency Hospitals will be reimbursed an additional five percent (5%) for services priced using the APC rate or Medicare payment rate in the Medicare outpatient Addendum B.

~~B. Miscellaneous~~

B. The topics listed below from Attachment 4.19-A will apply to hospital outpatient services:

1. Principles and Procedures
2. Availability of Hospital Records
3. Records of Related Organizations
4. Appeals and Sanctions.

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  5. Effective October 1, 2024, Rural Emergency Hospitals will be reimbursed an additional five percent (5%) for services priced using the APC rate or Medicare payment rate in the Medicare outpatient Addendum B.
- B. The topics listed below from Attachment 4.19-A will apply to hospital outpatient services:
1. Principles and Procedures
  2. Availability of Hospital Records
  3. Records of Related Organizations
  4. Appeals and Sanctions.