

State of Mississippi

Methods and Standards For Establishing Payment Rates-Other Types of Care

Citation

42 CFR 434.6, 438.6, 447.26 and 1902(a)(4), 1902(a)(6), and 1903 of the Social Security Act

Payment Adjustment for Other Provider Preventable Conditions

The Medicaid agency meets the requirements of 42 CFR Part 447, Subpart A, and sections 1902(a)(4), 1902(a)(6), and 1903 with respect to non-payment for other provider preventable conditions.

Other Provider Preventable Conditions

The State identifies the following Other Provider Preventable Conditions for non-payment under Section 4.19(B) of this plan.

- Wrong surgical or other invasive procedure performed on a patient; surgical or other invasive procedure performed on the wrong body part; surgical or other invasive procedure performed on the wrong patient.

Effective June 1, 2012, Medicaid will make zero payments to providers for Other Provider Preventable Conditions which includes Never Events (NE) as defined by the National Coverage Determinations (NCD). The Never Events (NE) as defined in the NCD include Ambulatory Surgical Centers (ASC) and practitioners, and these providers will be required to report NEs. Practitioners are defined in Attachment 4.19 B-Pages 2b, 3, 5, 6b, 6d, 9, and 17 and 4.19E-Page 9.

Reimbursement for conditions described above is defined in Attachment 4.19-B, Page 1a.1, of this State Plan.

- Additional Other Provider Preventable Conditions identified below (please indicate the section(s) of the plan and specific service type and provider type to which the provisions will be applied.)

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Payment for Other Provider Preventable Conditions to include the three Never Events:

Effective June 1, 2012, and in accordance with Title XIX of the Social Security Act-Sections 1902(a)(4), 1902(a)(6), and 1903 and 42 CFR's 434.6, 438.6, 447.26, Medicaid will make no payments to providers for services related to Other Provider Preventable Conditions (OPPC's) that at a minimum must include the Never Events (NE).

Never Events will be identified with the appropriate ICD-10 diagnosis codes for:

- Performance of wrong operation (procedure) on correct patient
- Performance of operation (procedure) on patient not scheduled for surgery
- Performance of correct operation (procedure) on the wrong side/body part

No reduction in payment for the Other Provider Preventable Condition that include at a minimum the Never Events will be imposed on a provider when the surgery or procedure defined as a Never Event for a particular patient existed prior to the initiation of treatment for the patient by that provider.

Reductions in provider payment may be limited to the extent that the following apply:

1. The State can reasonably isolate for non-payment the portion of the payment directly related to treatment for, and related to, the Other Provider Preventable Condition that include at a minimum the Never Events.

Non-payment of Other Provider Preventable Conditions that include at a minimum the Never Events shall not prevent access to services for Medicaid beneficiaries.

The following method will be used to determine the payment adjustment for Other Provider Preventable Conditions that at a minimum include the Never Events as defined by the National Coverage Determination for dates of services beginning on or after June 1, 2012:

Once quarterly, paid claims identified in the Mississippi Medicaid Information System (MMIS) with a diagnosis code for any of the three Never Events will be reviewed to ensure the State can reasonably isolate for non-payment the portion of the payment directly related to the treatment for, and related to, the Other Provider Preventable Condition that include at a minimum the Never Events.

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Citation- 42 CFR 447. 434. 438 and 1902(a)(4). 1902(a)(6), and 1903

Payment Adjustment for Provider Preventable Conditions

The Medicaid agency meets the requirements of 42 CFR Part 447, Subpart A, and sections 1902(a)(4), 1902(a)(6), and 1903 of the Social Security Act, with respect to non-payment for provider-preventable conditions.

Other Provider-Preventable Conditions

The State identifies the following Other Provider-Preventable Conditions for non-payment under Section 4.19-B:

X Wrong surgical or other invasive procedure performed on a patient; surgical or other invasive procedure performed on the wrong body part; surgical or other invasive procedure performed on the wrong patient.

Additional Other Provider-Preventable Conditions identified below: Not applicable.

Section 2702 of the Patient Protection and Affordable Care Act of 2010 prohibits Federal payments to States under section 1903 of the Social Security Act for any amounts expended for providing medical assistance for certain provider-preventable conditions (PPC) and health care-acquired conditions (HCAC) for dates of service effective October 1, 2011. This policy applies to all for individuals for which Medicaid is primary and those dually eligible for both the Medicare and Medicaid programs, and Mississippi Medicaid enrolled hospitals except for Indian Health Services. Reduced payment to providers is limited to the amounts directly identifiable as related to the PPC and the resulting treatment.

The following method will be used to determine the related reduction in payments for Other Provider-Preventable Conditions which includes Never Events as defined by the National Coverage Determination:

- A. Dates of service beginning on or after October 1, 2011, through June 30, 2014:
1. The claims identified with a Present on Admission (POA) indicator of "Y" or "U" and provider-preventable conditions through the claims payment system will be reviewed.
 2. When the review of claims indicates an increase of payment to the provider for an identified provider-preventable condition, the amount for the provider-preventable condition will be excluded from the providers' payment.
- B. For dates of services beginning on or after July 1, 2014, claims identified in Medicaid Management Information System (MMIS) with a diagnosis code for any of the three Never Events will be denied, reviewed and adjusted to ensure no payment is made for treatment directly related to Other Provider Preventable Conditions that include, at a minimum, the three Never Events.
- C. No reduction in payment for a provider preventable condition will be imposed on a provider when the condition defined as a PPC for a particular patient existed prior to the initiation of treatment for that patient by that provider.
- D. Reductions in provider payment may be limited to the extent that the following apply:
1. The identified provider-preventable conditions would otherwise result in an increase in payment.
 2. The State can reasonably isolate for nonpayment the portion of the payment directly related to treatment for, and related to, the provider-preventable conditions.
- E. Non-payment of provider-preventable conditions shall not prevent access to services for Medicaid beneficiaries.

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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.
 - 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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Medicaid OPPS fee schedule rates are the same for both governmental and private providers of hospital outpatient services. The MS Medicaid OPPS fee schedule is set and as of July 1 of each year and is effective for services provided on or after that date.

- c. Subject to documentation of medical necessity, in addition to any Medicaid covered service received during observation in an outpatient hospital setting, DOM will pay an hourly fee for each hour of observation exceeding seven (7) hours, up to a maximum of twenty-three (23) hours (i.e., the maximum payment will be sixteen (16) hours times the hourly fee).

The hourly fee for observation is calculated based on the relative weight for the Medicare APC which corresponds with comprehensive observation services multiplied by the Medicaid conversion factor divided by the twenty-three (23) maximum payable hours. 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.

- d. The total claim allowed amount will be the lower of the provider's allowed billed charges or the calculated Medicaid OPPS allowed amount.
- e. A MS Medicaid OPPS status indicator is assigned to each procedure code determining reimbursement under Medicaid OPPS. A complete list of MS Medicaid OPPS status indicators and definitions is located within the OPPS Fee Schedule that is 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.
- f. Claims with more than one (1) significant procedure, assigned a MS Medicaid OPPS status indicator "T" or "MT", are discounted. The line item with the highest allowed amount on the claim for certain significant procedures identified on the MS OPPS fee schedule

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assigned a MS Medicaid OPPS status indicator “T” or “MT” is priced at one hundred percent (100%) of the allowed amount or published fee. All other lines with significant procedures identified on the MS OPPS fee schedule assigned a MS Medicaid OPPS status indicator of “T” or “MT” is priced at fifty percent (50%) of the allowed amount or published fee.

Effective July 1, 2019, claims with more than one (1) significant dental procedure code, assigned a MS Medicaid OPPS status indicator “T” or “MT” are discounted. The dental procedure code line item with the highest allowed amount on the claim assigned a MS Medicaid OPPS status indicator “T” or “MT” is priced at one hundred percent (100%) of the allowed amount or published fee. All other lines with significant dental procedures identified on the MS OPPS fee schedule assigned a MS Medicaid OPPS status indicator of “T” or “MT” are priced at twenty-five percent (25%) of the allowed amount or published fee.

- g. Medicare has set guidelines for procedures it has determined should be performed in an inpatient setting only. The DOM follows Medicare guidelines for procedures defined as “inpatient only”.

2. Outpatient Payment Methodology Paid Under Medicaid OPPS

Except in cases where the service is non-covered by DOM, outpatient services will be priced as follows:

- a. For each outpatient service or procedure, the fee is no more than 100% of the Ambulatory Payment Classification (APC) rate multiplied by the units (when applicable).
- b. Where no APC rate has been assigned, the outpatient services fee will be no more than 100% of any applicable Medicare payment rate in the Medicare outpatient Addendum B as of January 1 of each year as published by the CMS multiplied by the units (when applicable).
- c. If there is no APC rate or Medicare payment rate established in the Medicare outpatient Addendum B as of January 1 of each year as published by the CMS, payment will be made using the applicable MS Medicaid fee multiplied by the units (when applicable).
- d. If there is (1) no APC rate, Medicare payment rate, or MS Medicaid fee for a procedure or service, or a device, drug, biological or imaging agent, or (2) when it is determined, based on documentation, that a procedure or service, or device, drug, biological or imaging agent reimbursement is insufficient for the Mississippi Medicaid

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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.

B. Miscellaneous

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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Outpatient Hospital Upper Payment Limit (UPL) Payment

- A. Beginning with SFY 2024, eligible In-state Mississippi public and private hospitals will be paid a supplemental payment up to the Outpatient (OP) UPL gap. The payment will be made monthly during the fiscal year. No payment under this section is dependent on any agreement or arrangement for providers or related entities to donate money or services to a governmental entity. To be eligible to participate in this program, hospital providers must be enrolled as a Mississippi Medicaid provider, licensed in Mississippi as a hospital provider as of July 1 for each year, and must be physically located in Mississippi. In addition, hospital providers must also be an eligible hospital provider enrolled with the Mississippi Division of Medicaid on the first day of each month. When a CHOW occurs during a program year, and only for purposes of meeting this eligibility requirement, the new owner is deemed to hold the enrollment and licensing status of its immediate predecessor owner as of July 1 of that program year.
- B. The available gap under the OP UPL for each eligible hospital will be aggregated by the three UPL ownership groups (Private, Non-State Government, State Government) to create the eligible supplemental payment amount.
1. In the first quarter of the SFY, the Division of Medicaid shall calculate each hospital's UPL gap for the current SFY for each hospital. The total estimated Medicaid payments for each hospital shall be subtracted from the hospital's OP UPL calculated in accordance with the methodology set forth below then summed to calculate the OP UPL gap. Example of calculation: $OP\ UPL - Medicaid\ Payments = Hospital\ Specific\ OP\ UPL\ GAP$
 - a. The OP UPL will be determined based on the hospital's derived Medicare outpatient cost using Medicare cost reporting principles. All Medicare cost report worksheet, column, or line references are based upon the Medicare Cost Report (MCR) CMS 2552-10 and should be adjusted for any CMS approved successor MCR. The amount that Medicare would pay shall be calculated as follows:
 - 1) Using Medicare cost report data within the previous two years of the OP UPL demonstration dates, in accordance with OP UPL guidelines set by CMS, Medicare CCRs will be derived from the following cost report variable locations:
 - i) Total Medicare Costs shall be derived from Worksheet D, Part V, Hospital/IPF/IRF Components, Columns 5, 6, & 7, Line 202

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- ii) Total Medicare Charges shall be derived from Worksheet D, Part V, Hospital/IPF/IRF Components, Columns 2, 3, & 4, Line 202
 - 2) A calculated Medicare Cost to Charge Ratio (CCR) shall be calculated by dividing the Total Medicare Costs by the hospital's Total Medicare Charges.
 - 3) The calculated Medicare CCR shall be multiplied by the total Medicaid Charges from a twelve (12) month data set from the prior two (2) years of the OP UPL demonstration dates in accordance with the OP UPL guidelines set by CMS to derive the hospital's OP UPL. The twelve months of data chosen to be used for the calculation will be in accordance with OP UPL guidelines.
 - i) The data source for the Medicaid Patient Charges and Total Medicaid Payments shall be from the state's MMIS claims data.
 - 4) The calculated OP UPL shall be inflated from the midpoint of the hospital's cost report period to the midpoint of the OP UPL demonstration period using the CMS PPS hospital market basket index.
- C. The available gap under the OP UPL for each eligible hospital will be aggregated by the three UPL ownership groups (Private, Non-State Government, State Government) and then further split into two hospital designations for the payment allocation: Small Rural or Other Hospitals. The UPL Gap for each ownership group will be paid as follows:

<i>Total Private UPL Gap = Private Small Rural Payment + Private Other Hospitals Payment</i>
<i>Total Non-State Govt. UPL Gap = Non-State Govt. Small Rural Payment + Non-State Govt. Other Hospitals Payment</i>
<i>Total State Govt. UPL Gap = State Govt. Small Rural Payment + State Govt. Other Hospitals Payment</i>

- a. Small Rural hospitals will be identified as:
 - 1) Hospitals having 50 beds or less in a HRSA/HPSA designated area;
 - 2) Hospitals having 50 beds or less in a zip code designated as rural by the Federal Office of Rural Health Policy; or

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- 3) Hospitals with a Rural Emergency Hospital license issued by the MS Department of Health.
- b. Other Hospitals will be identified as any hospital not meeting the Small Rural Hospital definition in a. above.
- c. The Small Rural/Other Hospital percent splits will be evaluated on the basis of historic utilization at the beginning of each SFY. The utilization of the Small Rural hospitals may be increased by up to a factor of 2 to determine the percentage splits. The percentage splits will be published on the Mississippi Division of Medicaid website annually.
 - 1) <https://medicaid.ms.gov/providers/provider-resources/> The percentage allocated to Small Rural and Other Hospitals will not change by more than 10 percentage points of the total UPL payment calculation from one payment year to the next.
- D. The available UPL payment amount per the classes established above is distributed to each hospital based on the hospital's percent of historical total Medicaid outpatient payments to the historical total Medicaid outpatient payments for all hospitals within the given class.
- E. If payments in this section would result in payments to any category of hospitals in excess of the OP UPL calculation required by 42 C.F.R 447.321, payments for each eligible hospital receiving payments under this section will be reduced proportionately to ensure compliance with the OP UPL.
- F. If a hospital which was eligible to participate in this payment program on July 1 of the fiscal year of the payment becomes ineligible to participate in this program during the fiscal year for any reason, the payment will be prorated based on the time the hospital was eligible to participate in the program during the state fiscal year. However, this proration shall not apply if the provider is no longer enrolled as a Medicaid provider on the first day of any applicable payment period.
- G. All payments made to providers pursuant to this UPL program will be included in calculating OBRA limits for purposes of DSH.
- H. Providers who participate in this payment program are prohibited from entering into or participating in any "hold harmless" agreement or arrangement, as prescribed in 42 CFR

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433.68 (b) (3) and (f). Breach of this provision may subject a provider to recoupment of all funds received as well as other legal claims and penalties.

- I. In the first quarter of the SFY, the Division of Medicaid shall make estimated payments based on the prior SFY's UPL gap. By the end of the first quarter of the SFY, the division shall calculate each hospital's UPL gap for the current SFY and make payments for the remaining months of the payment year not to exceed the OP UPL calculation required by 42 C.F.R 447.321 for any category of hospital.

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2b. RURAL HEALTH CLINICS (RHC)

I. Introduction

The purpose of this State Plan is to set forth policies and guidelines to be administered by the Mississippi Division of Medicaid (DOM) for Rural Health Clinics (RHCs) operating in the State of Mississippi. All RHCs shall be reimbursed in accordance with section 1902 of the Social Security Act as amended by section 702 of the Medicare, Medicaid, and SCHIP Benefits Improvement Act of 2000 (BIPA) and the principles and procedures specified in this plan.

II. Payment Methodology

This state plan provides for reimbursement to RHC providers at a prospective payment rate per encounter. Reimbursement is limited to a single encounter, also referred to as a “visit”, per day except as described in Attachment 3.1-A exhibit 2b.

A. Prospective Payment System

In accordance with Section 702 of the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act (BIPA) of 2000, effective January 1, 2001, the state plan shall provide for payment for core services and other ambulatory services provided by RHCs at a prospective payment rate per encounter. The rate shall be calculated (on a per visit basis) in an amount equal to one hundred percent (100%) of the average of the RHCs reasonable costs of providing Medicaid covered services provided during fiscal years 1999 and 2000, adjusted to take into account any increase or decrease in the scope of services furnished during fiscal year 2001. For RHCs that qualified for Medicaid participation during fiscal year 2000, their prospective payment rate for fiscal year 2001 shall be calculated (on a per visit basis) in an amount equal to one hundred percent (100%) of the average of the RHCs reasonable costs of Medicaid covered services provided during fiscal year 2000.

For services furnished during calendar year 2002 and each subsequent calendar year, the payment rate shall be equal to the rate established in the preceding calendar year increased by the Medicare Economic Index (MEI) for primary care services that is published in the Federal Register in the fourth (4th) quarter of the preceding calendar year. Adjustments to the PPS rate for the increase or decrease in scope of services are reflected in the PPS rate for services provided in the calendar year following the calendar year in which the change in scope of services took place.

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B. New Clinics

For new clinics that qualify for the RHC program after January 1, 2001, the initial prospective payment system (PPS) rate shall be based on the rates established for other RHCs located in the same or adjacent area with a similar caseload. In the absence of such RHCs, the rate for the new provider will be based on projected costs.

The RHC's Medicare final settlement cost report for the initial cost report period year will be used to calculate a PPS base rate that is equal to one hundred percent (100%) of the RHC's reasonable costs of providing Medicaid covered services. If the initial cost report period represents a full year of RHC services, this final settlement rate will be considered the base rate. If the initial RHC cost report period does not represent a full year, then the rate from the first full year cost report will be used as the clinic's base rate.

For each subsequent calendar year, the payment rate shall be equal to the rate established in the preceding calendar year, increased by the percentage increase in the Medicare Economic Index (MEI) for primary care services that is published in the Federal Register in the fourth (4th) quarter of the preceding calendar year.

C. Alternative Payment Methodology

1. The Division of Medicaid reimburses an RHC a fee in addition to the encounter rate when billing with codes 99050 or 99051 when the encounter occurs: (1) during the RHC's established office hours but before or after the Division of Medicaid's office hours, or (2) outside of the Division of Medicaid's office hours or the RHC established office hours only for a condition which is not life-threatening but warrants immediate attention and cannot wait to be treated until the next scheduled appointment during office hours or the RHC established office hours. The Division of Medicaid's office hours are defined as the hours between 8:00 a.m. and 5 p.m., Monday through Friday, excluding Saturday, Sunday, and federal and state holidays. These codes will be paid at the existing fee-for-service rate on the MS Medicaid Physician Fee Schedule at www.medicaid.ms.gov/providers/fee-schedules-and-rates/#.
2. The Division of Medicaid reimburses an RHC an additional fee for telehealth services provided by the RHC as the originating site provider. The RHC will receive the originating site facility fee per completed transmission when billing claims with code Q3014. The RHC may not bill for an encounter visit unless a separately identifiable service is performed. This service will be paid at the existing fee-for-service rate on the MS Medicaid Physician Fee Schedule at <https://medicaid.ms.gov/providers/fee-schedules-and-rates/#>.
3. If an RHC's base year cost report is amended, the clinic's PPS base rate will be adjusted based

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on the Medicare final settlement amended cost report. The RHC's original PPS base rate and the rates for each subsequent fiscal year will be recalculated per the payment methodology outlined above. Claims payments will be adjusted retroactive to the effective date of the original rate. The amended PPS base rate will be no less than the original base rate.

D. Fee-For-Service

1. RHCs acting in the role of a telehealth originating site provider with no other separately identifiable service being provided will only be paid the telehealth originating site fee per completed transmission and will not receive reimbursement for an encounter. This service will be paid at the existing fee-for-service rate on the MS Medicaid Physician Fee Schedule at www.medicaid.ms.gov/providers/fee-schedules-and-rates/#.
2. The Division of Medicaid reimburses an RHC the encounter rate for the administration of certain categories of physician administered drugs (PADs), referred to as Clinician Administered Drug and Implantable Drug System Devices (CADDs), reimbursed under the pharmacy benefit to the extent the CADDs were not included in the calculation of the RHC's encounter rate.

E. Change of Ownership

When an RHC undergoes a change of ownership, the PPS rate of the new owner will be equal to the PPS rate of the old owner. There will be no change to the RHC's PPS rate as a result of a change of ownership.

F. Change in Scope of Services

A change in the scope of services is defined as a change in the type, intensity, duration and/or amount of services. A change in the scope of services occurs if: (1) the clinic RHC has added or has dropped any services that meets the definition of an RHC service as provided in section 1905(a)(2)(B) and (C), and (2) the service is included as a covered Medicaid service under the Mississippi Medicaid state plan. A change in intensity could be a change in the amount of health care services provided by the RHC in an average encounter.

A change in the scope of services does not mean the addition or reduction of staff members to or from an existing service. An increase or decrease in the number of encounters does not generally constitute a change in the scope of services. A change in the cost of a service is not considered in and of itself a change in the scope of services.

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An RHC must notify the Division of Medicaid in writing of any change in the scope of services by the end of the calendar year in which the change occurred, including decreases in scope of services. The Division of Medicaid will adjust an RHC's PPS rate if the following criteria are met: (1) The RHC can demonstrate that there is a valid and documented change in the scope of services, and (2) The change in scope of services results in at least a five percent (5%) increase or decrease in the RHC's PPS rate for the calendar year in which the change in scope of service took place.

An RHC must submit a request for an adjustment to its PPS rate no later than one hundred eighty (180) days after the settlement date of the RHC's Medicare final settlement cost report for the RHC's first full fiscal year of operation with the change in scope of services. The request must include the first final settlement cost report that includes twelve (12) months of costs for the new service. The adjustment will be granted only if the cost related to the change in scope of services results in at least a five percent (5%) increase or decrease in the RHC's PPS rate for the calendar year in which the change in scope of services took place. The cost related to a change in scope of services will be subject to reasonable cost criteria identified in accordance with 45 C.F.R. Part 75 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards and 42 C.F.R. Part 413 Principles of Reasonable Cost Reimbursement.

It is the responsibility of the RHC to notify the Division of Medicaid of any change in the scope of services and provide proper and valid documentation to support the rate change. Such required documentation must include, at a minimum, a detailed working trial balance demonstrating the increase or decrease in the RHC's PPS rate as a result of the change in scope of services. The Division of Medicaid will require the RHC to provide such documentation in a format acceptable to the Division of Medicaid, including providing such documentation upon the Division of Medicaid's pre-approved forms. The Division of Medicaid will also request additional information as it sees fit in order to sufficiently determine whether any change in scope of services has occurred. The instructions and forms for submitting a request due to a change in scope of services can be found at <http://www.medicaid.ms.gov/resources/forms/>.

Adjustments to the PPS rate for the increase or decrease in scope of services are reflected in the PPS rate for services provided in the calendar year following the calendar year in which the change in scope of services took place. The revised PPS rate generally cannot exceed the cost per visit from the most recent audited cost report.

G. Change in Ownership Status

The RHC's PPS rate will not be adjusted solely for a change in ownership status between freestanding and provider-based.

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H. Allowable Costs

Allowable costs are those costs that result from providing covered services. They are reasonable in amount and are necessary for the efficient delivery of those services. Allowable costs include the direct cost center component (i.e., salaries and supplies) of providing the covered services and an allocated portion of overhead (i.e., administration and facility).

I. Out of State Providers

The Division of Medicaid does not enroll out-of-state providers to provide RHC services, except in those circumstances specified at 42 CFR 431.52.

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Federally Qualified Health Centers (FQHCs)

I. Introduction

The purpose of this State Plan is to set forth policies and guidelines to be administered by the Mississippi Division of Medicaid (DOM) for Federally Qualified Health Centers (FQHCs) operating in the State of Mississippi. All FQHCs shall be reimbursed in accordance with section 1902 of the Social Security Act as amended by section 702 of the Medicare, Medicaid, and SCHIP Benefits Improvement Act of 2000 (BIPA) and the principles and procedures specified in this plan.

II. Payment Methodology

This state plan provides for reimbursement to FQHC providers at a prospective payment rate per encounter. Reimbursement is limited to a single encounter, also referred to as a “visit”, per day except as described in Attachment 3.1-A exhibit 2c.

A. Prospective Payment System

In accordance with Section 702 of the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act (BIPA) of 2000, effective January 1, 2001, the state plan shall provide for payment for core services and other ambulatory services provided by FQHCs at a prospective payment rate per encounter. The rate shall be calculated (on a per visit basis) in an amount equal to one hundred percent (100%) of the average of the FQHC’s reasonable costs of providing Medicaid covered services provided during fiscal years 1999 and 2000, adjusted to take into account any increase or decrease in the scope of services furnished during fiscal year 2001. The average rate will be computed from FQHC Medicaid cost reports by applying a forty percent (40%) weight to fiscal year 1999 and a sixty percent (60%) weight to fiscal year 2000 and adding those rates together. For FQHC’s that qualified for Medicaid participation during fiscal year 2000, their prospective payment rate will only be computed from the fiscal year 2000 Medicaid cost report.

For services furnished during calendar year 2002 and each subsequent calendar year, the payment rate shall be equal to the rate established in the preceding calendar year increased by the Medicare Economic Index (MEI) for primary care services that is published in the Federal Register in the fourth (4th) quarter of the preceding calendar year. Adjustments to the PPS rate for the increase or decrease in scope of services are reflected in the PPS rate for services provided in the calendar year following the calendar year in which the change in scope of services took place.

B. New Centers

For new centers that qualify for the FQHC program after January 1, 2001, the initial prospective payment system (PPS) rate shall be based on the rates established for other centers located in the same or adjacent area with a similar caseload. In the absence of such an FQHC, the rate for the new provider will be based on projected costs. After the FQHC initial year, a Medicaid cost report

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must be filed in accordance with this plan. The cost report will be desk reviewed and a rate shall be calculated in an amount equal to one hundred percent (100%) of the FQHC reasonable costs of providing Medicaid covered services. The FQHC may be subject to a retroactive adjustment based on the difference between projected and actual allowable costs. Claims payments will be adjusted retroactive to the effective date of the original rate.

For each subsequent calendar year, the payment rate shall be equal to the rate established in the preceding calendar year, increased by the percentage increase in the Medicare Economic Index (MEI) for primary care services that is published in the Federal Register in the fourth (4th) quarter of the preceding calendar year.

C. Alternative Payment Methodology

1. The Division of Medicaid reimburses an FQHC a fee in addition to the encounter rate when billing with codes 99050 or 99051 when the encounter occurs: (1) during the FQHC's established office hours but before or after the Division of Medicaid's office hours, or (2) outside of the Division of Medicaid's office hours or the FQHC established office hours only for a condition which is not life-threatening but warrants immediate attention and cannot wait to be treated until the next scheduled appointment during office hours or FQHC established office hours. The Division of Medicaid's office hours are defined as the hours between 8:00 a.m. and 5 p.m., Monday through Friday, excluding Saturday, Sunday, and federal and state holidays. These codes will be paid at the existing fee-for-service rate on the MS Medicaid Physician Fee Schedule at www.medicaid.ms.gov/providers/fee-schedules-and-rates/#.
2. The Division of Medicaid reimburses an FQHC an additional fee for telehealth services provided by the FQHC as the originating site provider. The FQHC will receive the originating site facility fee per completed transmission when billing claims with code Q3014. The FQHC may not bill for an encounter visit unless a separately identifiable service is performed. This service will be paid at the existing fee-for-service rate on the MS Medicaid Physician Fee Schedule at <https://medicaid.ms.gov/providers/fee-schedules-and-rates/#>.

D. Fee-For-Service

1. FQHCs acting in the role of an originating site provider with no other separately identifiable service being provided will only be paid the telehealth originating site fee per completed transmission and will not receive reimbursement for an encounter. This service will be paid at the existing fee-for-service rate on the MS Medicaid Physician Fee Schedule at <https://medicaid.ms.gov/providers/fee-schedules-and-rates/#>.

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2. The Division of Medicaid reimburses an FQHC the encounter rate for the administration of certain categories of physician administered drugs (PADs), referred to as Clinician Administered Drug and Implantable Drug System Devices (CADDs), reimbursed under the pharmacy benefit to the extent the CADDs were not included in the calculation of the FQHC's encounter rate.

E. Change in Scope of Services

A change in the scope of services is defined as a change in the type, intensity, duration and/or amount of services. A change in the scope of services shall occur if: (1) the FQHC has added or has dropped any services that meets the definition of an FQHC service as provided in section 1905(a)(2)(B) and (C) of the SSA; and, (2) the service is included as a covered Medicaid service under the Mississippi Medicaid state plan. A change in intensity could be a change in the amount of health care services provided by the FQHC in an average encounter.

A change in the scope of services does not mean the addition or reduction of staff members to or from an existing service. An increase or decrease in the number of encounters does not generally constitute a change in the scope of services. A change in the cost of a service is not considered in and of itself a change in the scope of services.

An FQHC must notify the Division of Medicaid in writing of any change in the scope of services by the end of the calendar year in which the change occurred, including decreases in scope of services. The Division of Medicaid will adjust an FQHC PPS rate if the following criteria are met: (1) the FQHC can demonstrate that there is a valid and documented change in the scope of services, and (2) the change in scope of services results in at least a five percent (5%) increase or decrease in the FQHC PPS rate for the calendar year in which the change in scope of service took place.

An FQHC must submit a request for an adjustment to its PPS rate no later than one hundred eighty (180) days after the settlement date of FQHC Medicare final settlement cost report for the FQHC's first full fiscal year of operation with the change in scope of services. The request must include the first final settlement cost report that includes twelve (12) months of costs for the new service. The adjustment will be granted only if the cost related to the change in scope of services results in

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at least a five percent (5%) increase or decrease in the FQHC PPS rate for the calendar year in which the change in scope of services took place. The cost related to a change in scope of services will be subject to reasonable cost criteria identified in accordance with 45 C.F.R. Part 75 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards and 42 C.F.R. Part 413 Principles of Reasonable Cost Reimbursement.

It is the responsibility of the FQHC to notify the Division of Medicaid of any change in the scope of services and provide proper and valid documentation to support the rate change. Such required documentation must include, at a minimum, a detailed working trial balance demonstrating the increase or decrease in the FQHC PPS rate as a result of the change in scope of services. The Division of Medicaid will require the FQHC to provide such documentation in a format acceptable to the Division of Medicaid, including providing such documentation upon the Division of Medicaid's pre-approved forms. The Division of Medicaid will also request additional information as it sees fit in order to sufficiently determine whether any change in scope of services has occurred. The instructions and forms for submitting a request due to a change in scope of services can be found at www.medicaid.ms.gov/resources/forms/.

Adjustments to the PPS rate for the increase or decrease in scope of services are reflected in the PPS rate for services provided in the calendar year following the calendar year in which the change in scope of services took place. The revised PPS rate generally cannot exceed the cost per visit from the most recent audited cost report.

F. Allowable Costs

Allowable costs are those costs that result from providing covered services. They are reasonable in amount and are necessary for the efficient delivery of those services. Allowable costs include the direct cost center component (i.e., salaries and supplies) of providing the covered services and an allocated portion of overhead (i.e., administration and facility).

G. Out-Of-State Providers

The Division of Medicaid does not enroll out-of-state providers to provide FQHC services, except in those circumstances specified at 42 CFR 431.52.

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METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES - OTHER TYPES OF CARE

Independent Laboratory and X-Ray Services - Reimbursement is made from a Mississippi Medicaid statewide uniform fee schedule based on ninety percent (90%) of the Medicare fee schedule in effect January 1 of each year and updated each year as of July, effective for services provided on or after that date. Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers. All fees are published on the agency's website at <http://www.medicaid.ms.gov/FeeScheduleLists.aspx>.

State of Mississippi

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES – OTHER TYPES OF CARE

Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) of Individuals Under the Age of Twenty-one (21): Limited to Federal Requirements.

(a) EPSDT Screenings -

Except as otherwise noted in the plan, state developed fee schedule rates are the same for both governmental and private providers of EPSDT screenings. All rates are published on the agency's website at www.medicaid.ms.gov/providers/fee-schedules-and-rates/#.

(1) EPSDT screening fee(s) will be reimbursed using the Current Procedural Terminology (CPT) codes based on Centers for Medicare and Medicaid Services (CMS) methodology for determining Medicare preventive medicine service fees and applying the state law of 90% in accordance with nationally recognized evidence-based principles of preventive health care services periodicity schedule as set forth by the American Academy of Pediatrics (AAP) Bright Futures. Fees are reimbursed at ninety percent (90%) of the Medicare Physician Fee Schedule in effect on January 1, 2022 and as may be adjusted each July thereafter. These reimbursement rates will be paid only to Mississippi Medicaid enrolled EPSDT providers. Age appropriate laboratory testing fees are reimbursed according to applicable state plan reimbursement methodologies.

(2) Interperiodic visits are provided for other medically necessary health care, screens, diagnosis, treatment and/or other measures to correct or ameliorate physical, mental, psychosocial and/or behavioral health conditions. Such services are covered whether or not they are included elsewhere in the State Plan provided they are described in Section 1905(a) of the Social Security Act. These services will be reimbursed using the CPT codes and are reimbursed at ninety percent (90%) of the Medicare Physician Fee Schedule in effect on January 1, 2022 and as may be adjusted each July thereafter.

(3) [Reserved]

State of Mississippi

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES – OTHER TYPES OF CARE

Early and Periodic Screening, Diagnosis, and Treatment and Extended EPSDT Services

- (4) Interperiodic Dental Screens: Between periodic screens, coverage is provided for other medically necessary services. Payment for problem focused evaluation will be reimbursed using the Healthcare Common Procedure Coding System (HCPCS) codes as provided by the Centers for Medicare and Medicaid based on a Mississippi statewide fixed fee schedule authorized by MS State Legislation. These reimbursement rates will be paid to dentists only.
- (b) Medical Risk Screening is reimbursed a rate set as of 2003 located on the Mississippi Medicaid Fee Schedule.
- (c) Medically necessary services for infants under the age of one whose medical status during their first year of life causes them to be at risk of morbidity or mortality are reimbursed on a fee-for-service basis. Payment will be the lesser of the provider's usual and customary charge or the established Mississippi Medicaid fee. The established fees were based on like procedures and services currently paid in the Mississippi Medicaid program.

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METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES – OTHER TYPES OF CARE

Reimbursement for non-Autism Spectrum Disorder services to Psychologists, Licensed Clinical Social Workers (LCSW), and Licensed Professional Counselors (LPC) for EPSDT-eligible beneficiaries is the lesser of the usual and customary charge or based on ninety percent (90%) of the Medicare fee schedule published by the Centers for Medicare and Medicaid Services (CMS) as of January 1, 2022 and as may be adjusted each July thereafter.

The Division of Medicaid reimburses Autism Spectrum Disorder (ASD) services in accordance with the most recent publication of the Current Procedural Terminology (CPT) ©American Medical Association. Reimbursement for ASD service codes is the lesser of the usual and customary charge or a fee from the statewide uniform fee schedule. Fee schedule rates are calculated based on the greater of:

1. A rate calculated by an actuarial firm, or
2. The fee schedule rate in effect as of January 1, 2022.

Rates for ASD services are the same for private and governmental providers and are published on the Division of Medicaid's website at <https://medicaid.ms.gov/providers/fee-schedules-and-rates/#>.

State of Mississippi

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES – OTHER TYPES OF CARE

The Division of Medicaid reimburses Prescribed Pediatric Extended Care (PPEC) providers the lesser of the provider's usual and customary charge or at an hourly rate for each completed hour up to six (6) completed hours of services or at a daily rate for over six (6) hours of services from a statewide uniform fee schedule that was calculated utilizing the costs used to set the 2018 average small nursing facility rates, adjusting the staff costs to reflect the minimum requirements for a PPEC and removing food costs, dietary salaries and benefits, and other expenses not related to costs incurred by a PPEC. Effective May 12, 2023, the 15% increase previously added to the rates for PPEC Services will remain in place.

Except as otherwise noted in the state plan, state-developed fee schedule rates are the same for both governmental and private providers of PPEC services. The Division of Medicaid's fee schedule rate was set as of October 1, 2022, and is effective for services provided on or after that date. All fees are published on the Division of Medicaid's website at <https://medicaid.ms.gov/providers/fee-schedules-and-rates/>.

The Division of Medicaid reimburses for transportation provided by PPECs as described in Attachment 3.1-D.

State of Mississippi

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES – OTHER TYPES OF CARE

Early and Periodic Screening, Diagnostic and Treatment (EPSDT)

Private Duty Nursing

The Division of Medicaid reimburses private duty nursing (PDN) services for a registered nurse (RN) by adding the Federal Insurance Contributions Act (FICA) percentage of 7.65% and an administrative allowance of 0.53% to the May 2018 National Bureau of Labor Statistics (BLS) Highest Median Hourly rate for an RN in the Memphis, TN-MS-AR area. An additional \$17.00 per hour is added to the rate calculation for RN PDN ventilator services.

The Division of Medicaid reimburses private duty nursing (PDN) services for a licensed practical nurse (LPN) by adding the Federal Insurance Contributions Act (FICA) percentage of 7.65% and an administrative allowance of 16.51% to the May 2018 National Bureau of Labor Statistics (BLS) Highest Median Hourly rate for an LPN in the Memphis, TN-MS-AR area.

Effective May 12, 2023, the 15% increase previously added to the rates for Private Duty Nursing Services will remain in place.

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of PDN services. All rates are published on the agency's website and can be found at [Fee Schedules and Rates - Mississippi Division of Medicaid \(ms.gov\)](https://www.ms.gov/fee-schedules).

Personal Care Services

The Division of Medicaid reimburses personal care services (PCS) for a certified nursing assistant (CNA) by adding the Federal Insurance Contributions Act (FICA) percentage of 7.65% and an administrative allowance of 21.35% to the May 2018 National Bureau of Labor Statistics (BLS) Mean Hourly rate for a CNA in the Memphis, TN-MS-AR.

Except as otherwise noted in the state plan, state-developed fee schedule rates are the same for both governmental and private providers of PCS. The Division of Medicaid's fee schedule rate was set as of July 1, 2020, and is effective for services provided on or after that date. All fees are published on the Division of Medicaid's website at [Fee Schedules and Rates - Mississippi Division of Medicaid \(ms.gov\)](https://www.ms.gov/fee-schedules).

The Division of Medicaid reimburses one hundred percent (100%) of the maximum allowable rate for the first beneficiary and fifty percent (50%) of the maximum allowable rate for the second beneficiary when a private duty nurse is caring for two (2) beneficiaries simultaneously in the same home.

State of Mississippi

**METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES-OTHER
TYPES OF CARE**

The Division of Medicaid reimburses Mississippi Youth Programs Around the Clock (MYPAC) Therapeutic services an hourly rate and an additional rate per fifteen (15) minutes of service provision. Rates are based on actuarial analysis of historical utilization, payment and cost data for Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) eligible beneficiaries served in the community that meet the Psychiatric Residential Treatment Facility (PRTF) level of care and the expected utilization of services. Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of MYPAC Therapeutic Services. The agency's fee schedule rate was set as of November 1, 2023 and is effective for services provided on or after that date. All rates are published at www.medicaid.ms.gov/providers/fee-schedules-and-rates/#.

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STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE MISSISSIPPI

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES – OTHER TYPES OF CARE

Family Planning Services and Supplies for Individuals – Payment is made from a Mississippi statewide uniform fee schedule based on at ninety percent (90%) of the Medicare fee schedule in effect January 1, 2022 and as may be adjusted each July thereafter. Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers. All rates are published on the Division of Medicaid’s website located at [Fee Schedules and Rates - Mississippi Division of Medicaid \(ms.gov\)](#).

Payment to providers, such as federally qualified health center and rural health clinics, do not exceed the reasonable costs of providing services. Payments to health departments are on an encounter rate and are determined annually.

Family planning services for EPSDT recipients, if medically necessary, which exceed the limitations and scope for Medicaid recipients, as covered in this Plan, are reimbursed according to the methodology in the above paragraph.

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

Physicians' services – The normal reimbursement rate for Medicaid physician services is ninety percent (90%) of the Medicare Physician Fee Schedule in effect as of January 1, 2022 and as may be adjusted each July thereafter. Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers. All rates are published at <https://medicaid.ms.gov/providers/fee-schedules-and-rates/#>.

Enhanced Primary Care Physician Payment:

The Division of Medicaid will continue to reimburse for services provided by physicians who self-attest as having a primary specialty designation of family medicine, pediatric medicine or internal medicine formerly authorized by 42 C.F.R. § 447.400(a).

Effective July 1, 2016, the Division of Medicaid will reimburse for services provided by obstetricians and gynecologists (OB/GYNs) with a primary specialty/subspecialty designation in obstetric/gynecologic medicine who attest to one (1) of the following:

- 1) Physician is board certified by the American Congress of Obstetricians and Gynecologists (ACOG) as a specialist or subspecialist in obstetric/gynecologic medicine, or
- 2) Physician with a primary specialty/subspecialty designation in obstetric/gynecologic medicine and has furnished the evaluation and management services and vaccines administration services listed below that equal at least sixty percent (60%) of the Medicaid codes they have billed during the most recently completed calendar year but does not have an ACOG certification, or
- 3) Physician, newly enrolled as a Medicaid provider, with a primary specialty/subspecialty designation in obstetric/gynecologic medicine and attests that the evaluation and management services and vaccines administration services listed below will equal at least sixty percent (60%) of the Medicaid codes they will bill during the attestation period, or
- 4) Non-physician practitioner providing primary care services in a Practice Agreement with a qualified physician enrolled for increased primary care services.

Primary Care Services' reimbursement applies to certain Evaluation and Management (E&M) and Vaccine Administration Codes.

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

Enhanced primary Care Services' fees are reimbursed at one hundred percent (100%) of the Medicare Physician Fee Schedule in effect as of January 1, 2022 and as may be adjusted each July thereafter. Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers. All rates are published at <https://medicaid.ms.gov/providers/fee-schedules-and-rates/#>.

Physician services not otherwise covered by the State Plan but determined to be medically necessary for EPSDT beneficiaries are reimbursed according to the methodology described above.

State of Mississippi

**METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES-OTHER
TYPES OF CARE**

Supplemental Payments for Physician at Qualifying Hospitals

Effective for dates of payment on or after April 1, 2024, the Division of Medicaid will make supplemental payments for physicians who are employed by or contracted with a qualifying hospital for services rendered to Medicaid beneficiaries. These supplemental payments will be equal to the difference between the average commercial payment rate and the amount otherwise paid pursuant to the fee schedule for physicians' services under Attachment 4.19-B.

1. Qualifying Criteria

Physicians as specified in 2. below who are employed by a qualifying hospital or who assigned Mississippi Medicaid payments to a qualifying hospital. The term "qualifying hospital" means a Mississippi state-owned academic health science center with a Level 1 trauma center, Level 4 neonatal intensive care nursery, an organ transplant program, and more than a four hundred (400) physician multispecialty practice group. To qualify for the supplemental payment, the physician must be:

- a. Licensed by the State of Mississippi, and
- b. Enrolled as a Mississippi Medicaid provider.

2. Qualifying Provider Types

For purposes of qualifying for supplemental payments under this section, services provided by the following professional practitioners will be included:

- a. Physicians

State of Mississippi

**METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES-OTHER
TYPES OF CARE**

3. Payment Methodology

The supplemental payment will be determined in a manner to bring payments for these services up to the average commercial rate level. The average commercial rate level is defined as the rates paid by commercial payers for the same service. Under this methodology the terms physician and physician services include services provided by all qualifying provider types as set forth in 2. above.

The specific methodology to be used in establishing the supplemental payment for physician services is as follows:

- a. For services provided by physicians at a qualifying hospital, the Division of Medicaid will collect from the hospital its current commercial physician fees by the current procedural terminology (CPT) code for the hospital's top five (5) commercial payers by volume.
- b. The Division of Medicaid will calculate the average commercial fee for each CPT code for each physician practice plan or physician that provides services at the qualifying hospital.
- c. The Division of Medicaid will extract from its paid claims history file for the preceding fiscal year all paid claims for those physicians who will qualify for a supplemental payment. The Division of Medicaid will align the average commercial fee for each CPT code as determined in 3.b. above to each Medicaid claim for that physician or physician practice plan and calculate the average commercial payments for the claims.
- d. The Division of Medicaid will also align the same paid Medicaid claims with the Medicare fees for each CPT code for the physician or physician practice plan and calculate the Medicare payment amounts for those claims. The Medicare fees will be the most currently available national non-facility fees.
- e. The Division of Medicaid will then calculate an overall Medicare to commercial conversion factor by dividing the total amount of the average commercial payments for the claims by the total Medicare payments for the claims. The commercial to Medicare ratio will be re-determined every three (3) years.

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**METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES-OTHER
TYPES OF CARE**

- f. For each quarter the Division of Medicaid will extract paid Medicaid claims for each qualifying provider types for that quarter.
- g. The Division of Medicaid will then calculate the amount Medicare would have paid for those claims by aligning the claims with the Medicare fee schedule by CPT code. The Medicare fees will be the national non-facility fees that were effective at the time the Medicaid claims were paid.
- h. The total amount that Medicare would have paid for those claims is then multiplied by the Medicare to commercial conversion factor and the amount Medicaid actually paid for those claims is subtracted to establish the supplemental payment amount for the qualifying provider types for that quarter.

The supplemental payments will be made on a quarterly basis and the Medicare equivalent of the average commercial rate of 159.28% factor will be rebased/updated every three (3) years by the Division of Medicaid. Supplemental payments will be directly remitted to the qualifying hospital or the physician practice plan to which participating physicians have assigned the Mississippi Medicaid payment.

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**METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES-OTHER
TYPES OF CARE**

Anesthesia Reimbursement

Mississippi Medicaid Anesthesia conversion factor is ninety percent (90%) of the Medicare locality-adjusted anesthesia conversion factor in effect January 1 of each year, effective July 1 of that year. The time base rate is the conversion factor divided by 15.

Anesthesia services are reimbursed the sum of the calculated Base Amount and the calculated Time Amount.

The Base Amount is computed using the relative value, as determined by The Relative Value Guide published by the American Society of Anesthesiologists, multiplied by the Mississippi Medicaid Anesthesia conversion factor.

The Time Amount is computed using the time base rate multiplied by the time spent.

Occurrence based codes 01961, 01967, 01968, and 01969 are reimbursed a flat dollar rate which is updated annually effective July 1 of each year, using the percentage of change between the previous and current year Mississippi Medicaid Anesthesia conversion factor.

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers. All rates are published at <https://medicaid.ms.gov/providers/fee-schedules-and-rates/#>.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

Attachment 4.19-B

Page 5.14

State Mississippi

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES - OTHER TYPES OF CARE

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TN 97-01

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State of Mississippi
METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES-OTHER TYPES OF CARE

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STATE: MISSISSIPPI

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES -OTHER TYPES OF CARE

Podiatry services are reimbursed from the same Mississippi Medicaid fee schedule as physicians' services.

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STATE: MISSISSIPPIMETHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES –
OTHER TYPES OF CARE

Chiropractic services are reimbursed from a Mississippi Medicaid statewide uniform fee schedule based on seventy percent (70%) of the Medicare rate in effect as of January 1, 2022 and as may be adjusted each July thereafter. Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers. All fees are published on the agency's website at <http://www.medicaid.ms.gov/FeeScheduleLists.aspx>.

Chiropractors' services for EPSDT recipients, if medically necessary, are reimbursed as described in the above paragraph.

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State of Mississippi

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES-OTHER TYPES OF CARE

6d. Other Licensed Practitioners' (OLP) Services:

Nurse Practitioner and Physician Assistant Services: Reimbursement for nurse practitioner and physician assistant services shall be at 90% of the fee for reimbursement paid to licensed physicians under the Mississippi Medicaid statewide physician fee schedule for comparable services under comparable circumstances.

Psychologist, Licensed Certified Social Workers (LCSW), and Licensed Professional Counselors (LPC) Services and Licensed Marriage and Family Therapists (LMFT) are reimbursed according to the payment methodology on Attachment 4.19-B, Page 13.

OLP services for EPSDT beneficiaries, when prior authorized by the Utilization Management/Quality Improvement Organization (UM/QIO) as 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 paragraph.

Reimbursement to a pharmacy provider, for vaccine administration by a pharmacist, is the same fee as a non-physician practitioner that has attested as a primary care physician (PCP) outlined in Attachment 4.19-B page 5a.

Pharmacy Disease Management Services: The pharmacy disease management services are reimbursed on a per encounter basis with an encounter averaging between fifteen and thirty minutes. The reimbursement is a flat fee established after reviewing Medicaid's physician fee schedule and reimbursement methodologies and fees of other states and third party payers.

Except as otherwise noted in the plan, state-developed uniform fixed fee schedule rates are the same for both governmental and private OLP providers. All rates are published on the agency's website at <http://www.medicaid.ms.gov/FeeScheduleLists.aspx>.

STATE: MISSISSIPPI

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES - OTHER TYPES OF CARE

Orthotics and Prosthetics for children under age 21, if medically necessary, are reimbursed as follows:

- A. The reimbursement for purchase of Orthotics and Prosthetics is made from a Mississippi Medicaid statewide uniform fee schedule based on eighty percent (80%) of the Medicare rate.
- B. The reimbursement for repair of Orthotics and Prosthetics is the actual cost, not to exceed fifty percent (50%) of the purchase amount.

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers. The agency's fee schedule rate is set annually as of July 1 and is effective for services provided on or after that date. All rates are published on the agency's website at [Fee Schedules and Rates - Mississippi Division of Medicaid \(ms.gov\)](#).

METHODS AND STANDARDS FOR ESTABLISHING RATES -OTHER TYPES OF CARE

Home Health Care Services - Payment for home health service's shall be on the basis of cost or charges, whichever is less, as determined under standards and principles applicable to Title XVIII, not to exceed in cost the prevailing cost of skilled nursing home services under Medicaid. Effective July 1, 1981, payment for Home Health Services is in accordance with the Mississippi Title XIX Home Health Agency Reimbursement Plan (see Exhibit "A", pages 1-9); however, under no circumstances will the cost of Home Health Services exceed the cost of skilled nursing home services per month under the Medicaid Program.

Home Health care services for EPSDT recipients, if medically necessary, which exceed the limitations and scope for Medicaid recipients, as covered in this Plan, are reimbursed according to the methodology in the above paragraph and in Exhibit A of Attachment 4.19-B.

Durable Medical Equipment Services - Payment for Durable Medical Equipment (DME) is in accordance with the Mississippi Title XIX Durable Medical Equipment Reimbursement Plan at Exhibit "A", page 10.

Medical Supplies - Payment for medical supplies is in accordance with Mississippi Title XIX Medical Supply Reimbursement at Exhibit "A", page 11.

State of Mississippi

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES – OTHER TYPES OF CARE

Clinic Services

Reimbursement is for services rendered by the Mississippi State Department of Health (MSDH) clinics. Reimbursement is based on cost reports submitted by the provider. In order to be reimbursed at cost, the provider must demonstrate its cost finding methodology and use a cost report approved by CMS. The provider is required to submit a cost report for each clinic type using the Medicare Cost Report Form 222. The encounter rate will be determined by dividing total reasonable cost by total encounters but will not exceed the upper limits specified in 42 CFR §§ 447.321 through 447.325. The rate for an encounter is limited to one (1) visit per day per beneficiary. An encounter is defined as services provided by physicians, physician assistants, nurse practitioners, clinical psychologists, dentists, optometrists, ophthalmologists and clinical social workers. A clinic's encounter rate covers the beneficiary's visit to the clinic, including all services and supplies, such as drugs and biologicals that are not usually self-administered by the patient, furnished as an incident to a professional service. The established rate setting period is July 1 to June 30. The Division of Medicaid requires the MSDH to submit the cost report by November 30 of each year, five (5) calendar months after the close of the cost reporting period. If a materially complete cost report is not filed by the end of the following fiscal year, claims payments to the provider will be held until the cost report is submitted to Medicaid. The cost report must be uploaded electronically to the cost report database as designated by the Division of Medicaid. An interim rate is paid until the end of the reporting period when there is a retrospective cost settlement. The interim rate is the established rate for the prior fiscal year. Actual reasonable costs reported on the cost report are divided by actual encounters by clinic type to determine the actual cost per encounter. Overpayments will be recouped from the provider, and underpayments will be paid to the provider.

The encounter rates are updated annually on July 1, and are effective for services provided on or after July 1. Rates for the MSDH clinics are published on the Division of Medicaid's website at www.medicaid.ms.gov/FeeScheduleLists.aspx.

The Division of Medicaid covers for all medically necessary services for EPSDT-eligible beneficiaries without regard to service limitations and with prior authorization.

State of Mississippi

**METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES –
OTHER TYPES OF CARE**

Ambulatory Surgical Center Facility Services

Reimbursement of ambulatory surgical center (ASC) services is made from a Mississippi Medicaid statewide uniform fee schedules updated October 1 of each year and effective for services provided on or after that date based on eighty percent (80%) of the Medicare Ambulatory Surgical Center Payment System in effect July 1 of that year.

Except as otherwise noted in the Plan, state-developed fee schedule rates are the same for both governmental, if any, and non-governmental providers of ambulatory surgical center services. All rates may be viewed at www.medicaid.ms.gov/FeeScheduleLists.aspx.

State of Mississippi
METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES – OTHER TYPES OF CARE

Dialysis Center Services

A. Payment Methodology

Effective January 1, 2014, dialysis centers shall be reimbursed at a bundled end-stage renal disease (ESRD) prospective payment system (PPS) rate. The ESRD PPS rate is equal to the Medicare ESRD bundled PPS rate as of January 1 published in the Federal Register in the fourth (4th) quarter of the preceding calendar year. The ESRD PPS rate provides a single payment to freestanding and hospital-based dialysis centers covering all resources used in providing dialysis treatment in the centers, including supplies, equipment, drugs, biologicals, laboratory services, and support services. A complete listing of drugs, biologicals and lab services included in the ESRD PPS rate can be viewed at www.medicaid.ms.gov/FeeScheduleLists.aspx.

B. Rate Setting

New dialysis centers are assigned an ESRD PPS rate equal to the prevailing Medicare bundled ESRD base PPS rate in effect the year of the Medicaid Provider Application approval, adjusted by the ESRD PPS Wage Index for the provider's Core-Based Statistical Area (CBSA) labor market area in effect that same year.

For each subsequent year, the dialysis center's ESRD PPS rate shall be equal to the bundled ESRD base PPS rate established by Medicare as of January 1 for that year and adjusted by the ESRD PPS Wage Index.

State of Mississippi
Methods and Standards For Establishing Payment Rates-Other Types of Care

Dental and Orthodontic Services - Payment for dental services is the lesser of:

1. The provider's usual and customary charge,
2. A fee from the Mississippi Medicaid statewide uniform dental fee schedule in effect July 1, 2018.
3. The fiftieth (50th) percentile fee reflected in the 2019 National Dental Advisory Service (NDAS) Fee Report, or
4. The fiftieth (50th) percentile fee reflected in the most current NDAS Fee Report for any new dental or orthodontic services not previously priced.

Once a dental or orthodontic service has been assigned a fee using the methodology above, that dental or orthodontic service will not be repriced. When a dental or orthodontic services Current Dental Terminology (CDT) code is discontinued and replaced with a new CDT code, the new CDT code will not be repriced. All fees are published on the Division of Medicaid's website at <https://medicaid.ms.gov/providers/fee-schedules-and-rates/>.

Except as otherwise noted in the state plan, state-developed fee schedule rates are the same for both governmental and private providers of dental services. Diagnostic and preventative services reimbursement rates will increase in each of the SFY 2022, 2023 and 2024 by five percent (5%) above the amount of the reimbursement rate for the previous state fiscal year (SFY). Restorative dental services reimbursement rates will be increased by five percent (5%) of the previous year's rate for SFYs 2023, 2024, and 2025. Effective October 1, 2023, orthodontic services reimbursement rates will be increased by ten percent (10%).

Medically necessary dental services for EPSDT-eligible beneficiaries which exceed the scope for Medicaid beneficiaries as covered in this Plan are reimbursed according to the methodology in the above paragraphs.

State of Mississippi

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

Therapy Services (provided in a non-hospital setting)

Physical therapy services – Reimbursement is made from a Mississippi Medicaid statewide uniform fee schedule based on ninety percent (90%) of the Medicare fee schedule in effect January 1, 2022, and as may be adjusted each July thereafter.

Occupational therapy services – Reimbursement is made from a Mississippi Medicaid statewide uniform fee schedule based on ninety percent (90%) of the Medicare fee schedule in effect January 1, 2022, and as may be adjusted each July thereafter.

Speech-language pathology services – Reimbursement is made from a Mississippi Medicaid statewide uniform fee schedule based on ninety percent (90%) of the Medicare fee schedule in effect January 1, 2022, and as may be adjusted each July thereafter.

Physical therapy, occupational therapy, and speech-language pathology services for EPSDT beneficiaries, if medically necessary, which exceed the limitations and scope for Medicaid beneficiaries, as covered in the Plan are reimbursed according to the methodology described above.

Except as otherwise noted in the Plan, state-developed fee schedule rates are the same for both governmental and private providers of physical therapy, occupational therapy, and speech-language pathology services in a non-hospital setting. All rates may be viewed at [Fee Schedules and Rates | Mississippi Division of Medicaid \(ms.gov\)](#)

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State of Mississippi

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES –OTHER TYPES OF CARE

Prescribed Drugs

The Division of Medicaid reimburses for certain legend and non-legend drugs, as authorized under the State Plan, prescribed by a Mississippi enrolled Medicaid prescribing provider licensed to prescribe drugs and dispensed by a Mississippi enrolled Medicaid pharmacy in accordance with Federal and State laws.

The Division of Medicaid Prescription Drug Program conforms to the Medicaid Prudent Pharmaceutical Purchasing Program as set forth in the Omnibus Budget Reconciliation Act of 1990 (OBRA'90) and complies with the Centers for Medicare and Medicaid (CMS) Covered Outpatient Drug Final Rule in accordance with 42 C.F.R. Part 447.

The Division of Medicaid reimburses the following drugs as described below:

- A. Brand Name drugs – Ingredient cost based on actual acquisition cost (AAC) which is defined as the lesser of:
 - 1. National Average Drug Acquisition Cost (NADAC) plus a professional dispensing fee of \$11.29, or
 - 2. Wholesale Acquisition Cost (WAC) plus zero percent (0%) plus a professional dispensing fee of \$11.29 when no NADAC is available or
 - 3. A rate set by the Division of Medicaid's rate-setting vendor plus a professional dispensing fee of \$11.29 when no NADAC or WAC are available, or
 - 4. The provider's usual and customary charge.
- B. Generic drugs – Ingredient cost based on AAC which is defined as the lesser of:
 - 1. NADAC plus a professional dispensing fee of \$11.29, or
 - 2. WAC plus zero percent (0%) plus a professional dispensing fee of \$11.29 when no NADAC is available, or
 - 3. A rate set by the Division of Medicaid's rate-setting vendor plus a professional dispensing fee of \$11.29 when no NADAC or WAC are available, or
 - 4. The provider's usual and customary charge.
- C. Reimbursement for 340B covered entities as described in section 1927(a)(5)(B) of the Act, including an Indian Health Service, tribal and urban Indian pharmacy as follows:
 - 1. Purchased 340B drugs – Ingredient cost must be no more than the 340B AAC defined as the price at which the covered entity has paid the wholesaler or manufacturer for the covered outpatient drug plus a professional dispensing fee of \$11.29.
 - 2. Drugs purchased outside of the 340B program by covered entities – Ingredient cost based on AAC which is defined as the lesser of:
 - a. NADAC plus a professional dispensing fee of \$11.29, or
 - b. WAC plus zero percent (0%) plus a professional dispensing fee of \$11.29 when no NADAC is available, or
 - c. A rate set by the Division of Medicaid's rate-setting vendor plus a professional dispensing fee of \$11.29 when no WAC is available, or
 - d. The provider's usual and customary charge.
 - 3. Drugs acquired through the federal 340B drug pricing program and dispensed by 340B contract pharmacies are not covered.
- D. Drugs acquired via the Federal Supply Schedule (FSS) – Ingredient cost based on AAC plus a professional dispensing fee of \$11.29.

State of Mississippi

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES –OTHER TYPES OF CARE

- E. Drugs acquired at Nominal Price (outside of 340B or FSS) – Ingredient cost based on AAC plus a professional dispensing fee of \$11.29.
- F. Specialty drugs are defined by the Division of Medicaid, updated no less than monthly, and listed at <https://medicaid.ms.gov/providers/pharmacy/pharmacy-reimbursement/>. Ingredient cost is defined as the lesser of:
1. For a 340B covered entity:
 - a. Purchased 340B drugs – Ingredient cost must be no more than the 340B AAC defined as the price at which the covered entity has paid the wholesaler or manufacturer for the outpatient drug plus a professional dispensing fee of \$61.14.
 - b. Drugs purchased outside of the 340B program by covered entities – Ingredient cost is defined as the lesser of:
 - 1) WAC plus zero percent (0%) plus a professional dispensing fee of \$61.14, or
 - 2) A rate set by the Division of Medicaid’s rate-setting vendor plus a professional dispensing fee of \$61.14 when no WAC is available, or
 - 3) The provider’s usual and customary charge.
 2. For a non-340B covered entity:
 - a. WAC plus zero percent (0%) plus a professional dispensing fee of \$61.14, or
 - b. A rate set by the Division of Medicaid’s rate-setting vendor plus a professional dispensing fee of \$61.14 when no WAC is available, or
 - c. The provider’s usual and customary charge.
- G. Drugs not dispensed by a retail community pharmacy (e.g., institutional or long-term care pharmacy when not included as part of an inpatient stay) – Ingredient cost based on AAC which is defined as the lesser of:
1. NADAC plus a professional dispensing fee of \$11.29, or
 2. WAC plus zero percent (0%) plus a professional dispensing fee of \$11.29 when no NADAC is available, or
 3. A rate set by the Division of Medicaid’s rate-setting vendor plus a professional dispensing fee of \$11.29 when no NADAC or WAC are available, or
 4. The provider’s usual and customary charge.
- H. Clotting Factor from Specialty Pharmacies, Hemophilia Treatment Centers (HTCs), or Centers of Excellence – Ingredient cost defined as:
1. For a 340B covered entity:
 - a. Purchased 340B drugs – Ingredient cost must be no more than the 340B AAC defined as the price at which the covered entity has paid the wholesaler or manufacturer for the clotting factor product plus a professional dispensing fee of \$0.02 per Unit
 - b. For drugs purchased outside of the 340B program by covered entities reimbursement is the lesser of the provider’s total usual and customary charge or the ingredient cost as defined in the hierarchy below :
 - 1) WAC minus ten percent (10%) plus a professional dispensing fee of \$0.02 per Unit. If there is no WAC available, then
 - 2) A rate set by the Division of Medicaid’s rate-setting vendor plus a professional dispensing fee of \$0.02.

State of Mississippi

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES –OTHER TYPES OF CARE

2. For a non-340B covered entity reimbursement for prescribed drugs is the lesser of the provider's total usual and customary charge or an ingredient cost as defined in the hierarchy below:
 - a. WAC minus ten percent (10%) plus a professional dispensing fee of \$0.02 per Unit. If there is no WAC available, then
 - b. A rate set by the Division of Medicaid's rate-setting vendor plus a professional dispensing fee of \$0.02.

I. Physician Administered Drugs and Implantable Drug System Devices as defined in Attachment 3.1-A, Exhibit 12a, Page 5 and reimbursed:

1. Using the lesser of methodology under the pharmacy benefit as described in A - F above, or
2. As described in Attachment 4.19-B, pages 12a.3-12a.4.

J. Prescribed drugs dispensed by Indian Health Services are reimbursed the current Federal Register encounter rate for outpatient hospital. Refer to Attachment 4.19-B, Supplement 3, Page 1.

II. The Division of Medicaid does not reimburse for Investigational Drugs.

III. Usual and Customary Charges

The Division of Medicaid defines usual and customary charge as the lowest price the pharmacy would charge to a particular customer if such customer were paying cash for the identical prescription drug services on the date dispensed. This includes any applicable discounts including, but not limited to, senior discounts, frequent shopper discounts, and other special discounts offered to attract customers such as four dollar (\$4.00) flat rate generic price lists. A pharmacy cannot have a usual and customary charge for prescription drug programs that differs from either cash customers or other third-party programs. The pharmacy must submit the accurate usual and customary charge with respect to all claims for prescription drug services.

IV. Overall, the Division of Medicaid's payment will not exceed the federal upper limit (FUL) based on the NADAC for ingredient reimbursement in the aggregate for multiple source drugs.

State of Mississippi

Methods and Standards For Establishing Payment Rates-Other Types of Care

Hospital Outpatient Drugs

- a. Drugs paid outside the Outpatient Prospective Payment System (OPPS)/Ambulatory Payment Classification (APC) rate will be reimbursed by a Medicare fee. If there is no Medicare fee the drug will be reimbursed using a MS Medicaid OPPS Chemotherapy fee.
- b. The APC and the Medicare fees on the MS Medicaid OPPS fee schedule will be calculated based on the Medicare outpatient Addendum B published by the Centers for Medicare and Medicaid Services (CMS) as of January 1 of each year. The MS Medicaid OPPS fee schedule is updated and effective July 1 of each year with no retroactive adjustments.
- c. Chemotherapy drugs and concomitant non-chemotherapy drugs administered during the chemotherapy treatment billed on the same claim as the chemotherapy treatment will be paid a MS Medicaid OPPS Chemotherapy fee. The MS Medicaid OPPS Chemotherapy fee will be the amount listed on the Medicare Average Sales Price (ASP) Drug Pricing File, titled Payment Allowance Limits for Medicare Part B, published by CMS as of January 1 of each year. The ASP files are one-hundred six percent (106%) of the ASP calculated from data submitted by drug manufacturers. The MS Medicaid OPPS Chemotherapy fee is updated and effective July 1 of each year with no retroactive adjustments.
- d. If there is no APC relative weight, Medicare payment rate, MS Medicaid OPPS Chemotherapy fee or ASP for a drug, reimbursement is made at no more than one-hundred percent (100%) of the provider's acquisition cost.
- e. All rates are published at <https://medicaid.ms.gov/providers/fee-schedules-and-rates/#>.

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

Physician Administered Drugs and Implantable Drug System Devices

Drugs and Biologicals

Drugs and Biologicals are reimbursed at 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 that date. The statewide uniform fee schedule will be calculated using the April 1 Medicare Part B Drug Fee Schedule of each year.

- 1) If there is no Medicare Part B Drug Fee Schedule a fee will be calculated at one hundred percent (100%) of the current April 1 Medicare Addendum B Outpatient Prospective Payment System (OPPS) Fee Schedule updated July 1 of each year and effective for services provided on or after that date.
- 2) If there is no Medicare Part B Drug Fee Schedule or Medicare Addendum B OPSS Fee Schedule a fee will be calculated using Wholesale Acquisition Cost (WAC) + 0% in effect on April 1 of each year and updated July 1 of each year and effective for services provided on or after that date.
- 3) If there is no (a) Medicare Part B Drug Fee Schedule, Medicare Addendum B OPSS Fee or WAC + 0% or (b) when it is determined, based on documentation, that a drug or biological fee is insufficient for the Mississippi Medicaid population or could result in a potential access issue, the price will be one hundred percent (100%) of the current invoice submitted by the provider including:
 - (1) A matching National Drug Code (NDC) as the product provided, and
 - (2) Medical documentation of the dosage administered.

Implantable Drug System Devices

Implantable drug system devices are reimbursed at 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 that date. The statewide uniform fee schedule will be calculated using the April 1 Medicare Part B Drug Fee Schedule of each year.

- 1) If there is no Medicare Part B Drug Fee Schedule a fee will be calculated at one hundred percent (100%) of the current April 1 Medicare Addendum B OPSS Fee Schedule updated July 1 of each year and effective for services provided on or after that date.
- 2) If there is no Medicare Part B Drug Fee Schedule or Medicare Addendum B OPSS Fee Schedule a fee will be calculated using WAC + 0% in effect on April 1 of each year and updated July 1 of each year and effective for services provided on or after that date.

State of Mississippi

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

- 3) If there is no (a) Medicare Part B Drug Fee Schedule, Medicare Addendum B OPPS Fee Schedule or WAC + 0% or (b) when it is determined, based on documentation, that an implantable drug device system fee is insufficient for the Mississippi Medicaid population or could result in a potential access issue, the price will be one hundred percent (100%) of the current invoice submitted by the provider including:
 - (1) A matching National Drug Code (NDC) as the product provided, and
 - (2) Medical documentation of the dosage administered.

Diagnostic or Therapeutic Radiopharmaceuticals and Contrast Imaging Agents

Diagnostic or therapeutic radiopharmaceuticals and contrast imaging agents are reimbursed at 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 that date. The statewide uniform fee schedule will be calculated using one hundred percent (100%) of the April Medicare Radiopharmaceutical Fee Schedule.

- 1) If there is no Medicare Radiopharmaceutical Fee a fee will be calculated at one hundred percent (100%) of the current April 1 Medicare Addendum B OPPS Fee Schedule updated July 1 of each year and effective for services provided on or after that date.
- 2) If there is no Medicare Radiopharmaceutical Fee or Medicare Addendum B OPPS Fee Schedule a fee will be calculated using WAC + 0% in effect on April 1 of each year and updated July 1 of each year and effective for services provided on or after that date.
- 3) If there is no (a) Medicare Radiopharmaceutical Fee, Medicare Addendum B OPPS Fee Schedule or WAC + 0% or (b) when it is determined, based on documentation, that a diagnostic or therapeutic radiopharmaceuticals and contrast imaging agent fee is insufficient for the Mississippi Medicaid population or could result in a potential access issue, the price will be one hundred percent (100%) of the current invoice submitted by the provider including:
 - (1) A matching National Drug Code (NDC) as the product provided, and
 - (2) Medical documentation of the dosage administered.

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of Physician Administered Drugs and Implantable Drug System Devices. All rates are published at www.medicaid.ms.gov/providers/fee-schedules-and-rates/#.

STATE: Mississippi

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES - OTHER TYPES OF CARE

Dentures for EPSDT recipients, if medically necessary, are reimbursed according to the Mississippi Medicaid statewide fee schedule for dental services. Effective July 1, 2021, fees will remain the same as those effective for State Fiscal Year (SFY) 2021.

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State MISSISSIPPI

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES -
OTHER TYPES OF CARE

Hearing Aids - Payment is from a Mississippi statewide uniform fixed fee schedule based on actual acquisition cost, plus a professional and fitting cost of \$80.00. Effective July 1, 2021, the fees will remain the same as those effective for State Fiscal Year (SFY) 2021.

Hearing aids for EPSDT recipients, if medically necessary, which exceed the limitations and scope for Medicaid recipients, as covered in this Plan, are reimbursed according to the methodology in the above paragraph.

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State: MISSISSIPPI

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES- OTHER TYPES OF CARE

Eyeglasses - Payment is made from a Mississippi statewide uniform fixed fee schedule for the professional services of the eye doctor plus actual acquisition cost for the frames and lenses. Effective July 1, 2021, the fees will remain the same as those effective for State Fiscal Year (SFY) 2021.

Eyeglasses for EPSDT recipients, if medically necessary, which exceed the limitations and scope for Medicaid recipients, as covered in this Plan, are reimbursed according to the methodology in the above paragraph.

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State of Mississippi

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES-OTHER TYPES OF CARE

13. Other Diagnostic, Screening, Preventive, and Rehabilitative Services: Mental Health Services described in Attachment 3.1-A, Exhibit 13.d are reimbursed as follows:

Covered services billed using Current Procedural Terminology (CPT) codes for psychiatric therapeutic procedures are reimbursed based on ninety percent (90%) of the most recent final Medicare fee schedule published by the Centers for Medicare and Medicaid Services (CMS) as of January 1, 2022, effective July 1 and as may be adjusted each July thereafter.

Covered services billed using Healthcare Common Procedure Coding System (HCPCS) are reimbursed according to a statewide uniform fixed fee schedule. In establishing the fee schedule, the Division of Medicaid (DOM) engaged an actuarial firm to establish fees. DOM provided service descriptions and other information for the existing mental health services offered and the proposed new services. The relationships between comparable services for Medicaid programs in other states were examined to develop factors to apply to existing Mississippi fees to calculate the new service group fees with the fees for the existing mental health services. Consideration was given to the service descriptions, required provider credentials and current costs associated with services. Preliminary fees were modified to better reflect the expected provider cost relative to other mental health services. The agency's state developed fee schedule rate is set as of July 1, 2012, and is effective for services provided on or after that date. Effective September 1, 2020, Intensive Community Outreach and Recovery Team (I-CORT) services will be paid the rate established July 1, 2012, for Intensive Outpatient Programs (IOP) and Mental Health Assessments by a Non-Physician will be paid ninety percent (90%) of the Medicaid physician rate for a Psychiatric Diagnostic Evaluation. Effective April 1, 2021, I-CORT will be paid at ninety percent (90%) of the Programs of Assertive Community Treatment (PACT) rate.

Reimbursement rates for services billed using HCPCS will be increased by 15.8% with half of the increase implemented in State Fiscal Year (SFY) 2024 and the second half of the increase implemented in SFY 2025. Rates are effective for services provided on or after July 1 for each year.

Except as otherwise noted in the plan, state-developed uniform fixed fee schedule rates are the same for both governmental and private providers of mental health rehabilitative services as described in Attachment 3.1-A, Exhibit 13.d. All rates are published on the agency's website at <http://www.medicaid.ms.gov/FeeScheduleLists.aspx>.

State of Mississippi

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES-OTHER TYPES OF CARE

13c. Preventive Services:

The Division of Medicaid reimburses for vaccines and vaccine administration the lower of the provider's usual and customary charge or the below.

Vaccine Ingredient Cost:

The federal Vaccine for Children (VFC) program provides vaccines free of charge to VFC enrolled providers. The Division of Medicaid does not reimburse for the cost of vaccines supplied through the VFC program.

Vaccines not covered through the VFC program are reimbursed:

1. In the pharmacy setting, at the actual acquisition cost (AAC) of the vaccine and are listed on the Division of Medicaid's website at <https://medicaid.ms.gov/providers/fee-schedules-and-rates/#>. The AAC is defined as the wholesale acquisition cost (WAC) plus 0% for any claim type.
2. In the office setting, according to Attachment 4.19B, page 12a.3.

Vaccine administration for VFC vaccines is the lower of the HHS regional maximum fee or the Mississippi Medicaid physician fee schedule as follows:

1. Physicians and non-physician practitioners as outlined in Attachment 4.19-B, page 5a.
2. Pharmacy providers are reimbursed the same fee as non-physician practitioner that has attested as a primary care physician (PCP).
3. To receive reimbursement for vaccine administration to a VFC-eligible beneficiary, a physician, non-physician practitioner, or pharmacy provider or must also be enrolled as a VFC provider.

Vaccine administration for non-VFC vaccines:

1. For a pharmacist employed by a Mississippi Medicaid pharmacy provider and non-physician practitioner that has attested as a primary care physician (PCP) are located in Attachment 4.19-B, page 5a.
2. For a physician is located on the physician fee schedule 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. All rates are published at www.medicaid.ms.gov/providers/fee-schedules-and-rates/#.

State Mississippi

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES - OTHER TYPES OF CARE

17. Nurse-midwife services

The reimbursement for certified nurse midwifery services shall not exceed ninety percent (90%) of the reimbursement rate for comparable services rendered by a physician. Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers. All rates are published at [Fee Schedules and Rates - Mississippi Division of Medicaid \(ms.gov\)](https://www.ms.gov).

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State of Mississippi

Descriptions of Limitations as to Amount, Duration and Scope of Medical Care and Services Provided

Hospice

Mississippi Medicaid's hospice fee schedule is updated annually with an effective date of October 1 for services provided on or after that date. All rates may be viewed at <http://www.medicaid.ms.gov/HospiceFees.aspx>.

The fee schedule reimburses for the hospice benefit, including routine home care, continuous home care, inpatient respite care and general inpatient care. These rates are authorized by section 1814(i)(c)(ii) of the Social Security Act, which also provides for annual increases in payment rates for hospice care services.

If a Medicaid beneficiary elects the Hospice Program and is admitted to nursing facility as an individual on hospice at the same time or while residing in a nursing facility when the hospice election is made, the State pays the hospice provider a room and board rate that is 95% of the Medicaid Nursing Facility per diem rate for each Medicaid or dually eligible individual on hospice residing in a nursing facility. This rate is required by Section 1902 (a)(13)(B) of the Social Security Act and is an additional per diem rate paid on routine home care and continuous home care days. Any Medicaid payment to the nursing facility ceases when the rate is paid to the hospice provider. The hospice provider pays the 95% rate to the nursing facility for room and board. All nursing facility rates may be viewed at <http://www.medicaid.ms.gov/Providers.aspx>.

STATE: MISSISSIPPI

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES - OTHER TYPES OF CARE

Targeted Case Management

Targeted Case Management for High-Risk Pregnant Women is paid a monthly rate from a statewide uniform fee schedule. Services listed on the beneficiary's plan of care are reimbursed according to the payment methodology for that service. Effective July 1, 2021, the fees will remain the same as those effective as of July 1, 2021.

Except as otherwise noted in the plan, state developed fee schedule rates are the same for both governmental and private providers of targeted case management. All rates are published on the agency's website at www.medicaid.ms.gov/providers/fee-schedules-and-rates/#.

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STATE Mississippi

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES - OTHER TYPES OF CARE

Targeted Case Management:

Targeted case management for chronically mentally ill community based recipients is reimbursed on a fee-for-service basis based on the number of units provided on behalf of the recipient.

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State of Mississippi

**METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES – OTHER
TYPES OF CARE**

Targeted Case Management:

Except as otherwise noted in the plan, state developed fee schedule rates are the same for both governmental and private providers of TCM as described in Supplement 1C to Attachment 3.1-A. The agency's fee schedule rate was set as of January 1, 2019, and is effective for services provided on or after that date. All rates are published on the agency's website at www.medicaid.ms.gov/FeeScheduleLists.aspx.

TCM is billed using the Healthcare Common Procedure Coding System (HCPCS) and reimbursed according to a statewide uniform fixed fee schedule. In establishing the fee schedule, the Division of Medicaid engaged an actuarial firm to establish the TCM fee based on a comparable service for the target population in other Mississippi Medicaid programs. Consideration was given to the service description, required provider credentials and current costs associated with the service. The preliminary fee was modified to better reflect the expected provider cost relative to other TCM services. The agency's state developed fee schedule rate is set as of January 1, 2019, and is effective for services provided on or after that date.

Payments for TCM for IDD beneficiaries in community-based settings do not duplicate payments made to public agencies or private entities under other program authorities for this same purpose.

STATE: MISSISSIPPI

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES - OTHER TYPES OF CARE

Targeted Case Management

Targeted Case Management services for High-Risk Infants Under the Age of One are paid a monthly rate from a statewide uniform fee schedule. Services listed on the beneficiary's plan of care are reimbursed according to the payment methodology for that service. Effective July 1, 2021, the fees will remain the same as those effective as of July 1, 2021.

Except as otherwise noted in the plan, state developed fee schedule rates are the same for both governmental and private providers of TCM for high-risk infants under the age of one. All rates are published on the agency's website at www.medicaid.ms.gov/providers/fee-schedules-and-rates/#.

TN # 21-0042
Supersedes
TN# New

Date Received: 06/30/21
Approved Date: 09/13/21
Effective Date: 07/01/21

State: Mississippi

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES OTHER TYPES OF CARE

Targeted Case Management Services for children birth to three participating in the Mississippi Early Intervention Program

Payment for Targeted Case Management (TCM) Services under the plan does not duplicate payments made to public agencies or private entities under other program authorities for this same purpose.

TCM Services by Public Providers

TCM for children, ages birth to three years of age, provided by public providers will be reimbursed through an encounter fee. The TCM encounter fee will be based on the actual costs associated with allowable case management service delivery.

Reimbursement is based on cost reports submitted by the provider. The encounter fee will be determined by dividing total reasonable cost by total encounters but will not exceed the upper limits specified in 42 CFR 447.321 through 447.325. The established rate setting period is July 1 to June 30. The rate is set as of July 1, 2021 with no further adjustments. The TCM encounter fee will be prospectively determined for an interim period until the end of the reporting period when there is a retrospective cost settlement. The cost report will include both the direct and indirect costs of providing case management services and statistical information regarding the number of children served, including the number of encounters. The cost report will include allocations between the different programs administered by the provider and the computation of the actual cost of case management. The provider must submit a copy of the two most current Random Moment Time Studies (RMTS) with each cost report. The RMTS must show the times allocated to each program administered by the provider. If a materially complete cost report is not filed by the end of the following fiscal year, claims payments to the provider will be held until the cost report is submitted to Medicaid. The cost report must be uploaded electronically to the cost report database as designated by the Division of Medicaid.

TCM Services for Non-Public Providers

TCM for children, ages birth to three years of age, provided by non-public providers are reimbursed on a fee-for-services basis.

State of Mississippi

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES-OTHER TYPES OF CARE

Targeted Case Management services for EPSDT-eligible beneficiaries with a serious emotional disturbance (SED) that meet the level of care provided in a psychiatric residential treatment facility (PRTF) are paid a monthly rate from a statewide uniform fee schedule. Services listed on the beneficiary's plan of care are reimbursed according to the payment methodology for that service.

Except as otherwise noted in the plan, state-developed uniform fixed fee schedule rates are the same for both governmental and private providers. The agency's fee schedule rate was set as of November 1, 2023 and is effective for services provided on or after that date.

All rates are published on the agency's website at <http://www.medicaid.ms.gov/FeeScheduleLists.aspx>.

State: Mississippi

Methods and Standards For Establishing Payment Rates-Other Types of Care

Extended Services for Pregnant Women

Reimbursement will be on a fee-for-service basis.. Payment will be the established Mississippi Medicaid fee.

The established fees were based on like procedures and services currently paid in the Mississippi Medicaid program. Effective July 1, 2021, all fees will remain the same as those effective for State Fiscal Year (SFY) 2021.

Except as otherwise noted in the plan, state developed fee schedule rates are the same for both governmental and private providers of extended services for pregnant women. All rates are published on the agency's website at www.medicaid.ms.gov/providers/fee-schedules-and-rates/#.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
MEDICAL ASSISTANCE PROGRAM

State of Mississippi

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES- OTHER TYPES OF CARE

Item 1. Payment of Title XVIII Part A and Part B Deductible/ Coinsurance

The Medicaid agency uses the following method:

	Medicare-Medicaid Individual	Medicare-Medicaid/ QMB Individual	Medicare-QMB Individual
Part A Deductible Inpatient Hospital	___ limited to State Plan rates <u>X</u> full amount	___ limited to State plan rates <u>X</u> full amount	___ limited to State plan rates <u>X</u> full amount
Part A Coinsurance Inpatient Hospital	___ limited to State plan rates <u>X</u> full amount	___ limited to State plan rates <u>X</u> full amount	___ limited to State plan rates <u>X</u> full amount
Part A Deductible Nursing Facility Hospice Home Health	<u>X</u> limited to State plan rates* ___ full amount	<u>X</u> limited to State plan rates ___ full amount	<u>X</u> limited to State plan rates ___ full amount
Part A Coinsurance Nursing Facility Hospice Home Health	<u>X</u> limited to State plan rates* ___ full amount	<u>X</u> limited to State plan rates ___ full amount	<u>X</u> limited to State plan rates ___ full amount
Part B Deductible	___ limited to State plan rates <u>X</u> full amount	___ limited to State plan rates <u>X</u> full amount	___ limited to State plan rates <u>X</u> full amount
Part B Coinsurance	___ limited to State plan rates <u>X</u> full amount	___ limited to State plan rates <u>X</u> full amount	___ limited to State plan rates <u>X</u> full amount

*The Medicaid agency will not reimburse for services that are not covered under the Medicaid State Plan.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE: Mississippi -

Attachment 4.19-B

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METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES - OTHER TYPES
OF CARE

Respiratory Care Services for EPSDT recipients, if medically necessary, reimbursed on a fee for service scale. Effective July 1, 2021, all fees will remain the same as those effective for State Fiscal Year (SFY) 2021.

STATE: Mississippi

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES - OTHER TYPES OF CARE

Christian Science Nurses for EPSDT recipients, if medically necessary, are reimbursed according to an established fee for service scale. Effective July 1, 2021, all fees will remain the same as those effective for State Fiscal Year (SFY) 2021.

TN # 21-0037
Superseded
TN # 2002-06

Date Received 6/30/2021
Date Approved 8/26/2021
Date Effective 07/01/2021

State Mississippi

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES - OTHER TYPES OF CARE

Care and services provided in a Christian Science sanatoria -Reimbursement is a prospective per diem based on cost report data. Effective July 1, 2021, all rates will remain the same as those effective for State Fiscal Year (SFY) 2021.

TN # 21-0037
Superseded
TN # 2002-06

Date Received 6/30/2021
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Date Effective 07/01/2021

State of Mississippi

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES-OTHER TYPES OF CARE

24a. Transportation

Emergency Ground Ambulance

The Division of Medicaid reimburses emergency ground ambulance services, including mileage beginning with the twenty-sixth (26th) mile, the lesser of the provider's usual and customary charge or a fee from a Mississippi statewide uniform fee schedule set as of July 1, 2020 and effective for the services provided on or after July 1, 2020. The fees are calculated at one hundred percent (100%) of the Medicare ambulance urban fee schedule in effect as of January 1, 2020. If a Medicare fee is not established, then the fee is set at one hundred percent (100%) of the Medicare fee for a comparable service. Effective February 1, 2023, the first twenty-five (25) miles are reimbursed \$.01 per mile. Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers. All rates are published at www.medicaid.ms.gov/providers/fee-schedules-and-rates/#.

Emergency Air Ambulance

The Division of Medicaid reimburses the lesser of the provider's usual and customary charge or a fee from a Mississippi statewide uniform fee schedule updated July 1, 2020 and effective for the services listed below provided on or after July 1, 2020 and is calculated as seventy percent (70%) of the Medicare ambulance fee schedule in effect as of January 1, 2020. If a Medicare fee is not established, then the fee is set at seventy percent (70%) of the Medicare fee for a comparable service.

- 1) Emergency Air Ambulance Services provided in a rotary-wing aircraft, including mileage, and
- 2) Emergency and Urgent Air Ambulance Services provided in a fixed-wing aircraft, including mileage.

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of emergency ambulance transportation services. All rates are published at www.medicaid.ms.gov/providers/fee-schedules-and-rates/#.

Non-Emergency Transportation

The Division of Medicaid reimburses for Non-Emergency Transportation (NET) services through a Broker Program or Broker as described in Attachment 3.1-D.

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

State of Mississippi

**METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES-OTHER
TYPES OF CARE**

Effective for emergency transportation services, required by 42 CFR § 431.53, for dates of service on or after July 1, 2022, qualifying emergency ground ambulance services within the State of Mississippi shall be eligible to receive emergency ambulance service access payments. No payment under this section is dependent on any agreement or arrangement for providers or related entities to donate money or services to a governmental entity.

The Division of Medicaid will provide supplemental payments for government and non-government ambulance providers. The annual payment period is each state fiscal year, from July 1 through June 30. Provider eligibility will be determined annually for each state fiscal year as of July 1. Eligible emergency ambulance service providers must be enrolled as a Mississippi Medicaid provider and licensed in Mississippi as a ground ambulance provider as of July 1. Ambulance providers must also be an eligible ground ambulance provider enrolled with the Mississippi Division of Medicaid at the time of payment.

An average commercial rate (ACR) is the calculated average of at least three, and no more than five, commercial payer rates for specific Healthcare Common Procedure Coding System (HCPCS) emergency transport service codes. The list of CPT codes being utilized for the ACR includes A0427, A0429, A0433, A0434, A0380, A0390, and A0425. The submitted survey data will be used to determine the ACRs for each provider. A statewide average ACR will be used when any provider-specific ACR is not available. Average commercial rate data used for payments will be from a period no more than two years prior to the beginning of the payment year.

The access payments will be calculated on an annual basis and will equal one hundred percent (100%) of the difference between Medicaid payments otherwise made to each emergency ambulance provider for the applicable HCPCS transport codes and the average amount the emergency ambulance provider would have received from commercial insurers for those services. Annual access payments shall be made on a quarterly basis in the last month of each quarter of the state fiscal year in September, December, March and June.

CY2021 claims will be used as the basis for the SFY2023 payment. Beginning July 1, 2023, the total payments for each annual payment period will be calculated using actual Medicaid claims volume and payments from the state fiscal year two years prior to the payment period. As an example, SFY2022 claims will be used as the basis for the SFY2024 payment.

Eligible Participating providers who will receive payment and receive payments under the program include the emergency ambulance service providers which:

- Are enrolled as a Mississippi Medicaid provider as of July 1 of the payment year,
- Have not been terminated from Medicaid enrollment at the time of the payment, and
- Are licensed by the MS Department of Health as a ground ambulance provider as of July 1 of the payment year which is also the state fiscal year.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State Mississippi

Attachment 4.19-B
Page 24C

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES - OTHER TYPES OF CARE

Care and services provided in Christian Science sanatoria - Reimbursement is a prospective per diem based on cost report data.

Notwithstanding any other provision of this section, the Division of Medicaid, as required by state law, shall reduce the rate of reimbursement to providers for any service by five percent (5%) of the allowed amount for that service

TN # 2002-06
Superseded TN # 94-13

Date Effective MAY 01 2002
Date Approved JUN 10 2002
Date Received MAY 02 2002

Methods and Standards for Establishing Payment Rates

1. Services Provided Under Section 1915(i) of the Social Security Act. For each optional service, describe the methods and standards used to set the associated payment rate. *(Check each that applies, and describe methods and standards to set rates):*

<input type="checkbox"/>	HCBS Case Management
<input type="checkbox"/>	HCBS Homemaker
<input type="checkbox"/>	HCBS Home Health Aide
<input checked="" type="checkbox"/>	<p>HCBS Personal Care</p> <p>Supported Living</p> <p>Supported Living is reimbursed for a maximum of eight (8) hours per day in 15-minute units. The rate is tiered according to the number of person’s served by the same staff member at one time.</p> <p>Effective November 1, 2023, a link to the published fee schedule can be found by going to the Home and Community Based Services (HCBS) Waivers section of https://medicaid.ms.gov/providers/fee-schedules-and-rates/#, clicking on the date for Intellectual and Developmental Disabilities 1915(i) Community Support Program.</p> <p>State-developed fee schedule rates are the same for both governmental and private providers of habilitation services as described in Attachment 3.1-i. The agency’s fee schedule rate was set as of November 1, 2023, and is effective for services provided on or after that date. All rates are published on the agencies website at Fee Schedules and Rates - Mississippi Division of Medicaid (ms.gov).</p> <p>Payment for Supported Living services as outlined per Attachment 3.1 page 20 – 21 is reimbursed in accordance with the Intellectual and Developmental Disabilities 1915(i) Community Support Program fee schedule found at https://medicaid.ms.gov/providers/fee-schedules-and-rates/#.</p> <p>As of the submission of this renewal, the state has a comprehensive workforce/provider survey and corresponding rate study underway. DOM has contracted with an actuary firm to thoroughly evaluate and rebase service rates. As those studies were not completed by the CMS submission deadline, DOM worked with our actuarial firm to update the existing rates established using the historical methodology in order to increase reimbursement to reflect economic changes since the last time each fee was reviewed. This update was completed by adjusting the direct practitioner costs based on Mississippi specific Bureau of Labor Statistics (BLS) wage data from May 2021 and then trending forward the rates utilizing the Medicare Economic Index (MEI) from Quarter 2 2021 to the Quarter 3 2023 forecast. This 4.4% average projected MEI was applied annually to the prior 1915(i) Fee For Service rates to develop the 1915(i) Y1 (SFY 2024) estimates. Once the comprehensive studies are completed, DOM will submit amendments to further update rates/methodologies where appropriate. Due to the ongoing rate study, no rate methodologies were updated other than as described as above.</p> <p>To set the context for developing service rates, the service descriptions for each service were carefully considered. It was determined whether certain services had essentially the same provider education requirements, expectations and billable productivity levels. If so, these services were grouped together for purposes of rate development.</p> <p>For all services reviewed, we either compared current rates to the same non-HCBS Medicaid service rates, or we performed a thorough “ground up” provider rate development.</p>

<input type="checkbox"/>	HCBS Adult Day Health
<input checked="" type="checkbox"/>	HCBS Habilitation

Day Services Adult

Day Services Adult is reimbursed for a maximum of six (6) hours per day in 15-minute units. The rate is tiered according to the person’s level of need identified by their ICAP score. People receiving Day Services-Adult may also receive Prevocational Services but not at the same time of day.

Effective November 1, 2023, a link to the published fee schedule can be found by going to the Home and Community Based Services (HCBS) Waivers section of <https://medicaid.ms.gov/providers/fee-schedules-and-rates/#>, clicking on the date for Intellectual and Developmental Disabilities 1915(i) Community Support Program.

State-developed fee schedule rates are the same for both governmental and private providers of habilitation services as described in Attachment 3.1-i. The agency’s fee schedule rate was set as of November 1, 2023, and is effective for services provided on or after that date. All rates are published on the agencies website at Fee Schedules and Rates - Mississippi Division of Medicaid (ms.gov).

Payment for Day Services Adult as outlined per Attachment 3.1 page 11 – 13 is reimbursed in accordance with the Intellectual and Developmental Disabilities 1915(i) Community Support Program fee schedule found at <https://medicaid.ms.gov/providers/fee-schedules-and-rates/#>.

As of the submission of this renewal, the state has a comprehensive workforce/provider survey and corresponding rate study underway. DOM has contracted with an actuary firm to thoroughly evaluate and rebase service rates. As those studies were not completed by the CMS submission deadline, DOM worked with our actuarial firm to update the existing rates established using the historical methodology in order to increase reimbursement to reflect economic changes since the last time each fee was reviewed. This update was completed by adjusting the direct practitioner costs based on Mississippi specific Bureau of Labor Statistics (BLS) wage data from May 2021 and then trending forward the rates utilizing the Medicare Economic Index (MEI) from Quarter 2 2021 to the Quarter 3 2023 forecast. This 4.4% average projected MEI was applied annually to the prior 1915(i) Fee For Service rates to develop the 1915(i) Y1 (SFY 2024) estimates. Once the comprehensive studies are completed, DOM will submit amendments to further update rates/methodologies where appropriate. Due to the ongoing rate study, no rate methodologies were updated other than as described as above.

To set the context for developing service rates, the service descriptions for each service were carefully considered. It was determined whether certain services had essentially the same provider education requirements, expectations and billable productivity levels. If so, these services were grouped together for purposes of rate development.

For all services reviewed, we either compared current rates to the same non-HCBS Medicaid service rates, or we performed a thorough “ground up” provider rate development.

Prevocational Services

Prevocational Services are reimbursed for a maximum of six (6) hours per day in 15-minute units. The rate is tiered according to the person’s level of need identified by their ICAP score. People receiving Prevocational Services may also receive Day Services-Adult but not at the same time of day.

Effective November 1, 2023, a link to the published fee schedule can be found by going to the Home and Community Based Services (HCBS) Waivers section of <https://medicaid.ms.gov/providers/fee-schedules-and-rates/#>, clicking on the date for Intellectual and Developmental Disabilities 1915(i) Community Support Program.

State-developed fee schedule rates are the same for both governmental and private providers of habilitation services as described in Attachment 3.1-i. The agency's fee schedule rate was set as of November 1, 2023, and is effective for services provided on or after that date. All rates are published on the agencies website at Fee Schedules and Rates - Mississippi Division of Medicaid (ms.gov).

Payment for Prevocational services as outlined per Attachment 3.1 page 14 – 16 is reimbursed in accordance with the Intellectual and Developmental Disabilities 1915(i) Community Support Program fee schedule found at <https://medicaid.ms.gov/providers/fee-schedules-and-rates/#>.

As of the submission of this renewal, the state has a comprehensive workforce/provider survey and corresponding rate study underway. DOM has contracted with an actuary firm to thoroughly evaluate and rebase service rates. As those studies were not completed by the CMS submission deadline, DOM worked with our actuarial firm to update the existing rates established using the historical methodology in order to increase reimbursement to reflect economic changes since the last time each fee was reviewed. This update was completed by adjusting the direct practitioner costs based on Mississippi specific Bureau of Labor Statistics (BLS) wage data from May 2021 and then trending forward the rates utilizing the Medicare Economic Index (MEI) from Quarter 2 2021 to the Quarter 3 2023 forecast. This 4.4% average projected MEI was applied annually to the prior 1915(i) Fee For Service rates to develop the 1915(i) Y1 (SFY 2024) estimates. Once the comprehensive studies are completed, DOM will submit amendments to further update rates/methodologies where appropriate. Due to the ongoing rate study, no rate methodologies were updated other than as described as above.

To set the context for developing service rates, the service descriptions for each service were carefully considered. It was determined whether certain services had essentially the same provider education requirements, expectations and billable productivity levels. If so, these services were grouped together for purposes of rate development.

For all services reviewed, we either compared current rates to the same non-HCBS Medicaid service rates, or we performed a thorough “ground up” provider rate development.

Supported Employment

Supported Employment Services – Job Development is reimbursed for a maximum of 90 hours per year in 15-minute units.

Supported Employment Services – Job Maintenance is reimbursed up to a maximum amount of 100 hours per month in 15-minute units. The rate is tiered according to the number of person's served by the same staff member at one time.

Effective November 1, 2023, a link to the published fee schedule can be found by going to the Home and Community Based Services (HCBS) Waivers section of <https://medicaid.ms.gov/providers/fee-schedules-and-rates/#>, clicking on the date for Intellectual and Developmental Disabilities 1915(i) Community Support Program.

State-developed fee schedule rates are the same for both governmental and private providers of habilitation services as described in Attachment 3.1-i. The agency's fee schedule rate was set as of November 1, 2023, and is effective for services provided on or after that date. All rates are published on the agencies website at Fee Schedules and Rates - Mississippi Division of Medicaid (ms.gov).

Payment for Supported Employment services as outlined per Attachment 3.1 pages 17-19 is reimbursed in accordance with the Intellectual and Developmental Disabilities 1915(i) Community Support Program fee

schedule found at <https://medicaid.ms.gov/providers/fee-schedules-and-rates/#>.

As of the submission of this renewal, the state has a comprehensive workforce/provider survey and corresponding rate study underway. DOM has contracted with an actuary firm to thoroughly evaluate and rebase service rates. As those studies were not completed by the CMS submission deadline, DOM worked with our actuarial firm to update the existing rates established using the historical methodology in order to increase reimbursement to reflect economic changes since the last time each fee was reviewed. This update was completed by adjusting the direct practitioner costs based on Mississippi specific Bureau of Labor Statistics (BLS) wage data from May 2021 and then trending forward the rates utilizing the Medicare Economic Index (MEI) from Quarter 2 2021 to the Quarter 3 2023 forecast. This 4.4% average projected MEI was applied annually to the prior 1915(i) Fee For Service rates to develop the 1915(i) Y1 (SFY 2024) estimates. Once the comprehensive studies are completed, DOM will submit amendments to further update rates/methodologies where appropriate. Due to the ongoing rate study, no rate methodologies were updated other than as described as above.

To set the context for developing service rates, the service descriptions for each service were carefully considered. It was determined whether certain services had essentially the same provider education requirements, expectations and billable productivity levels. If so, these services were grouped together for purposes of rate development.

For all services reviewed, we either compared current rates to the same non-HCBS Medicaid service rates, or we performed a thorough “ground up” provider rate development.



HCBS Respite Care

In-Home Respite services are reimbursed for a maximum of four (4) hours per day billed in 15-minute units. The rate is tiered according to the number of person's served by the same staff member at one time.

Effective November 1, 2023, a link to the published fee schedule can be found by going to the Home and Community Based Services (HCBS) Waivers section of <https://medicaid.ms.gov/providers/fee-schedules-and-rates/#>, clicking on the date for Intellectual and Developmental Disabilities 1915(i) Community Support Program.

State-developed fee schedule rates are the same for both governmental and private providers of habilitation services as described in Attachment 3.1-i. The agency's fee schedule rate was set as of November 1, 2023, and is effective for services provided on or after that date. All rates are published on the agencies website at Fee Schedules and Rates - Mississippi Division of Medicaid (ms.gov).

Payment for In-Home Respite services as outlined per Attachment 3.1 page 22 – 24 is reimbursed in accordance with the Intellectual and Developmental Disabilities 1915(i) Community Support Program fee schedule found at <https://medicaid.ms.gov/providers/fee-schedules-and-rates/#>.

As of the submission of this renewal, the state has a comprehensive workforce/provider survey and corresponding rate study underway. DOM has contracted with an actuary firm to thoroughly evaluate and rebase service rates. As those studies were not completed by the CMS submission deadline, DOM worked with our actuarial firm to update the existing rates established using the historical methodology in order to increase reimbursement to reflect economic changes since the last time each fee was reviewed. This update was completed by adjusting the direct practitioner costs based on Mississippi specific Bureau of Labor Statistics (BLS) wage data from May 2021 and then trending forward the rates utilizing the Medicare Economic Index (MEI) from Quarter 2 2021 to the Quarter 3 2023 forecast. As In-Home Respite is a new service and comparable to the ID/DD Waiver In-Home Respite service, a 4.4% average projected MEI was applied annually to the existing In-Home Respite waiver rate to develop the 1915(i) Y1 (SFY 2024) estimate. Once the comprehensive studies are completed, DOM will submit amendments to further update rates/methodologies where appropriate. Due to the ongoing rate study, no rate methodologies were updated other than as described as above.

To set the context for developing service rates, the service descriptions for each service were carefully considered. It was determined whether certain services had essentially the same provider education requirements, expectations and billable productivity levels. If so, these services were grouped together for purposes of rate development.

For all services reviewed, we either compared current rates to the same non-HCBS Medicaid service rates, or we performed a thorough "ground up" provider rate development.

For Individuals with Chronic Mental Illness, the following services:	
<input type="checkbox"/>	HCBS Day Treatment or Other Partial Hospitalization Services
<input type="checkbox"/>	HCBS Psychosocial Rehabilitation
<input type="checkbox"/>	HCBS Clinic Services (whether or not furnished in a facility for CMI)
<input type="checkbox"/>	Other Services (specify below)

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES –OTHER TYPES OF CARE

Telehealth Services

Payment for telehealth services is made as follows:

The originating or spoke site provider is paid a Mississippi Medicaid telehealth originating site facility fee per completed transmission except for when the originating site is an inpatient hospital or the beneficiary's home. The inpatient hospital originating site fee is included in the All Patient Refined Diagnosis Related Group (APR-DRG) payment. There is no originating site fee paid when the originating site is the beneficiary's home. The originating site provider may not bill for an encounter or Evaluation and Management (E&M) visit unless a separately identifiable service is performed.

The distant or hub site provider is paid the current applicable Mississippi Medicaid fee for the telehealth service provided.

Providers delivering simultaneous distant and originating site services to a beneficiary are reimbursed

1. The current applicable Mississippi Medicaid fee-for-service rate for the medical service(s) provided, and
2. Either the originating or distant site facility fees, not both, except for RHC, FQHC and CMHC when such services are appropriately provided by the same organization.

The Mississippi Medicaid telehealth originating site facility fee was calculated by an actuarial firm using the May 2013 Bureau of Labor Statistics (BLS) mean wage for Nurse Practitioners in MS adjusted by 35% for benefits and 2% for wage growth at half of the rate for 30 minute increments. The Mississippi Medicaid telehealth originating site facility fee is effective July 1, 2020 based on the annual percentage change in the Medicare physician fee schedule for Level III Established Patient E&M code effective on January 1, 2020.

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of telehealth services. All rates are published on the Division of Medicaid's website at <http://www.medicaid.ms.gov/providers/fee-schedules-and-rates/>.

State of Mississippi

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES-OTHER TYPES

1905(a)(29) Medication-Assisted Treatment (MAT)

Effective October 1, 2020, the Division of Medicaid reimburses for MAT services provided by certified Opioid Treatment Programs (OTPs) according to the appropriate fee schedule for the service provided located on the Division of Medicaid's website: [Fee Schedules and Rates | Mississippi Division of Medicaid \(ms.gov\)](#).

Physician and non-physician practitioners that provide MAT services are reimbursed according to the appropriate fee schedule for the service provided located on the Division of Medicaid's website: [Fee Schedules and Rates | Mississippi Division of Medicaid \(ms.gov\)](#).

MAT unbundled prescribed drugs and biologicals that are dispensed or administered by physician and non-physician practitioners are reimbursed using the same methodology as described on Attachment 4.19-B, Pages 12a through 12a.4, for prescribed drugs.

Effective April 1, 2021, the Division of Medicaid reimburses certified Opioid Treatment Programs (OTPs) ninety percent (90%) of the Medicare bundled rate for OTP services updated annually each July effective for services provided on or after that date. OTPs are limited to only the bundled rates for provision of MAT services and drugs cannot be billed separately.

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers. All rates are published at www.medicaid.ms.gov/providers/fee-schedules-and-rates/#.

State of Mississippi

**METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES-OTHER
TYPES OF CARE**

The Division of Medicaid reimburses routine patient costs for items and services furnished in connection with participation in a qualifying clinical trial according to the state plan reimbursement methodology for the item or service provided.

State of Mississippi

**METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES-OTHER TYPES
OF CARE**

MISSISSIPPI TITLE XIX HOME HEALTH AGENCIES REIMBURSEMENT PLAN

I. Cost Finding and Cost Reporting

- A. Each home health agency participating in the Mississippi Medicaid Program will submit a uniform cost report using the appropriate Medicare/Medicaid forms, CMS-1728-94 or CMS-2552-10, postmarked no later than five (5) calendar months after the close of its cost reporting year. Extensions will be granted only if the provider submits documentation of an extension granted by CMS or a waiver granted by the Executive Director of the Division of Medicaid (DOM). The year-end adopted for the purpose of this plan shall be the same as for Title XVIII, if applicable. One (1) completed copy of the cost report, with original signature, must be submitted to the Division of Medicaid.
- B. Cost reports must be submitted by the specified due date, unless a waiver is granted by the Executive Director of the Division of Medicaid, in order to avoid a penalty in the amount of fifty dollars (\$50.00) per day for each day the cost report is delinquent. Cost reports with a due date that falls on a weekend, a State of Mississippi holiday or a federal holiday will be due the following business day.

A home health agency which does not file a cost report within five (5) calendar months after the close of its cost reporting year may be subject to cancellation of its provider agreement at the discretion of the Division of Medicaid.

In order for cost reports to be considered complete, the following information must be submitted:

1. Cost report with original signature (1 copy),
2. Working trial balance including assets and liabilities (1 copy),
3. Depreciation schedule (1 copy),
4. Home office cost report and other related party support, i.e., a detailed statement of total costs with adjustments for non-allowable costs and a description of the basis used to allocate the costs, along with a narrative description or a copy of contracts of management services provided by the related party or home office (1 copy),
5. Medicaid cost reporting schedules, i.e., Medicaid costs and visits by discipline and a schedule to reflect the lower of reasonable costs or customary charges as applicable to Medicaid (1 copy),
6. Medicare provider questionnaire and related exhibits (1 copy),
7. Supporting work papers for the Medicare cost report worksheets for reclassifications, adjustments, and related party expenses (1 copy),
8. A narrative description of purchased management services or a copy of contracts for managed services (1 copy), and
9. Verification of the Medicare and Medicaid surety bond premiums included in the cost report (1 copy).

State of Mississippi

**METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES-OTHER TYPES
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If all required information is not submitted with the original cost report by the due date, the provider will be notified via fax or email to the provider's designee on file with the Division of Medicaid. The notification will contain the specific items missing. The provider will have ten (10) business days from the date of the notification to submit the requested information. If the information has not been received by the tenth (10th) business day, a second request will be faxed or emailed to the provider's designee on file with the Division of Medicaid. The provider will have five (5) business days from the date of the second notification to submit the requested information. Failure to submit the requested information by the fifth (5th) business day after the second notification will result in the related costs being disallowed. The provider will not be allowed to submit the information at a later date, amend the cost report in order to submit the requested information, or appeal the desk review and/or audit as a result of the omission of the requested information.

- C. All home health agencies are required to maintain financial and statistical records. For purposes of this plan, statistical records shall include beneficiaries' medical records. All records must be available upon demand to representatives, employees or contractors of the Division of Medicaid, Mississippi Office of the State Auditor, General Accounting Office (GAO) or the United States Department of Health & Human Services (HHS).
- D. Records of related organizations as defined by 42 C.F.R. § 413.17 must be available upon demand to representatives, employees or contractors of the Division of Medicaid, Mississippi Office of the State Auditor, GAO, or HHS.
- E. The Division of Medicaid shall retain all uniform cost reports submitted for a period of at least five (5) years following the date of submission of such reports and will maintain those reports pursuant to the record keeping requirements of 45 C.F.R. § 205.60 and Mississippi state law. Access to submitted cost reports will be in conformity with the Mississippi Public Records Act.

II. Audits

A Background

Medicaid (Title XIX) requires that home health agencies be reimbursed on a reasonable cost related basis. Medicare (Title XVIII) is reimbursed based on a prospective payment system. To assure that payment of reasonable cost is being achieved, a comprehensive audit program has been established.

The common audit program has been established to reduce the cost of auditing submitted cost reports under the above programs and to avoid duplicate auditing efforts. The purpose then is to have one audit which will serve the needs of participating programs reimbursing home health agencies for services rendered.

B. Common Audit Program

The Division of Medicaid has entered into agreements with Medicare intermediaries for participation in a common audit program of Titles XVIII and XIX. Under this agreement, the intermediaries shall provide the Division of Medicaid the results of desk reviews and field audits of those agencies located in Mississippi.

C. Other Audits

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For those home health agencies not covered by the common audits agreement with Medicare intermediaries, the Office of Compliance and Financial Review of the Division of Medicaid shall be responsible for performance of field reviews and field audits. The Office of Reimbursement of the Division of Medicaid will be responsible for performance of desk reviews.

D. Retention

All audit reports received from Medicare intermediaries or issued by the Division of Medicaid will be retained for a period of at least five (5) years.

E. Overpayment

Overpayments as determined by desk review or audit will be reimbursable to the Division of Medicaid. All overpayments shall be reported to HHS as required.

F. Appeal Procedures – Desk Reviews

A provider who disagrees with the results of their original desk review may request a reconsideration. The request for reconsideration must be made in writing to the Division of Medicaid and must include the reason for the request and any supporting documentation, and must be made within thirty (30) calendar days after receipt of the notification of the desk review results. Notices and responses shall be delivered by certified mail, return receipt requested, overnight delivery by a private carrier, or by hand delivery, and shall be deemed to have been received, if by certified mail or overnight mail, on the day the delivery receipt is signed, or if by hand delivery, on the date delivered. The written request for reconsideration should include the provider's name, provider number, cost reporting period, and a detailed description of the adjustment(s) or issues to be reconsidered. If the provider does not request a reconsideration, the Division of Medicaid will consider the provider's nonresponse as acceptance of the final desk review results. Therefore, no administrative hearing request will be considered.

If the reconsideration is submitted on a timely basis and includes all required information, the Division of Medicaid will review the reconsideration request and respond to the provider within thirty (30) calendar days of the date of receipt of all the required information.

If the provider disagrees with the results of the reconsideration, the provider may request an administrative hearing by the Division of Medicaid as described in Miss. Admin. Code Part 300, within thirty (30) calendar days of the receipt date of the final reconsideration letter.

Unless a timely and proper request for an administrative hearing is received by the Division of Medicaid from the provider, the findings of the Division of Medicaid shall be considered a final and binding administrative determination. Any administrative hearing will be conducted in accordance with the procedures for administrative hearings as adopted by the Division of Medicaid.

G. Final Cost Reports

The final cost reports received from Medicare intermediaries will be used as received from the intermediary to adjust rates. Providers may not appeal to the Division of Medicaid regarding the results of final cost reports. Appeals should be made to the Medicare intermediary under the procedures established by the

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intermediary. Once appealed adjustments have been resolved by the Medicare intermediary, the provider's rates will be adjusted if necessary, based on the amended final cost report.

III. Allowable Costs

Allowable costs will be determined using Title XVIII (Medicare) Principles of Reimbursement and the guidelines in the Provider Reimbursement Manual except as modified by Title XIX of the Act, the State Plan, requirements of licensure and certification, and the duration and scope of benefits provided under the Mississippi Medicaid Program.

- A. Allowable costs include all expense items that home health agencies incur in meeting:
1. The definition of a home health agency as described in Section 1901(a)(13) of the Social Security Act.
 2. Requirements established by the State Agency responsible for establishing and maintaining health standards.
 3. Any other requirements for licensing under the state law which are necessary for providing home health services.
- B. Implicit in any definition of allowable costs is that those costs should not exceed what a prudent and cost conscious buyer pays for a given service or item. If costs are determined to exceed the level that a prudent buyer would incur, then the excess costs would not be reimbursable under the State Plan.
- C. A proportion of costs incurred by a home health agency for services to an eligible Medicaid beneficiary for whom payments are received from third parties are not reimbursable under the State Plan. Appropriate adjustments shall be made.
- D. Cost reports for years ended within a calendar year will be used to establish the class ceilings and home health agency rates beginning the following October 1. For example cost reports ended during 1996 will be used to compute the rate effective October 1, 1997. If a provider experiences a change of ownership and files two cost reports during the calendar year, the last filed cost report will be used. Providers will be notified of their respective rates by type of visit and rate ceilings by type of visit prior to implementation of the rates. Any provider of home health services under the Medicaid Program may appeal its prospective rates in accordance with Attachment 4.19-B, Exhibit A, Section VI of the State Plan.
- E. The Division of Medicaid shall maintain any responses received on the State Plan, subsequent changes to the State Plan, or rates for a period of five (5) years from the date of receipt. Such comments shall be available to the public upon request.
- F. A home health agency may offer to the public new or expanded services or may drop a service. Within sixty (60) days after such an event, the home health agency may submit a budget which shall take into consideration new and expanded services or dropped services. Such budgets will be subject to desk review and audit by the Division of Medicaid. Upon completion of the desk review, new reimbursement rates will be established. Failure to submit budgets within sixty (60) days shall require disallowance of all expenses, direct and indirect, associated with the service. Overpayments as a result of the differences between budget and

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actual costs shall be refunded to the Division of Medicaid. New reimbursement rates shall not exceed the established class ceilings.

- G. Type of visit ceilings and individual provider's reimbursement rates will not include amounts representing growth allowances.
- H. Payment by type of visit and type of visit ceilings will be established prospectively.
- I. The prospectively determined individual home health agency's rate will be adjusted under the following circumstances:
 - 1. Administrative errors on the part of the Division of Medicaid or the home health agencies that result in erroneous payments. Overpayments or underpayments resulting from errors will be corrected when discovered. Overpayments will be recouped by the Division of Medicaid and underpayments will be paid to the home health agency. In no case will payment adjustments be made for administrative error or audit findings prior to notifying the appropriate agency and affording an opportunity to present facts and evidence to dispute the exception.
 - 2. The amendment of a previously submitted cost report. Such amendments must be submitted within eighteen (18) months following the close of the cost report period that is being amended. If an increase or decrease in the rate is computed as a result of the amended cost report, claims history will be adjusted retroactive to the effective date of the original rate.
 - 3. The information contained in the cost report is found to be intentionally misrepresented. Such an adjustment shall be made retroactive to the date of the original rate. At the discretion of the Division of Medicaid, this shall be grounds to suspend the home health agency from the Mississippi Medicaid Program until such time as an administrative hearing is held, if requested by the home health agency.
 - 4. The home health agency experiences extraordinary circumstances which may include, but are not limited to riot, strike, civil insurrection, earthquakes or flood.
 - 5. Under no circumstances shall such adjustment exceed the class ceiling established for the respective classes.
 - 6. The receipt of the final or amended final cost report from the Medicare intermediary.
 - 7. Resolution by the Medicare intermediary of a provider appealed adjustment on a previous year final cost report that was applied to an original desk review. The rates for all years affected by the appealed adjustment for which the final cost report has not been received will be recalculated and claims history adjusted retroactive to the effective date of the original rate.
- J. Costs incurred for the acquisition of durable medical equipment, appliances and supplies related to the use of durable medical equipment are non-allowable costs since they are reimbursed outside of the home health agency visit rate.

IV. Rate Methodology

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- A. The Division of Medicaid will utilize a prospective rate of reimbursement and will not make retroactive adjustments except as specified in the State Plan. The prospective rates will be determined from cost reports, set on a federal fiscal year (October 1-September 30) basis, and applicable to all facilities with a valid provider agreement. Total payments per month for each home health beneficiary may not exceed the average Medicaid nursing facility rate per month as determined based on the nursing facility rates computed July 1 of each year. The average Medicaid Nursing Facility rates are posted on the Mississippi Division of Medicaid's website at <https://medicaid.ms.gov/providers/fee-schedules-and-rates/#>.

Providers will be paid the lower of their prospective rate as computed in accordance with the State Plan or their usual and customary charge.

- B. Payments of medical supplies which are directly identifiable supplies furnished to individual beneficiaries and for which a separate charge is made will be reimbursed as described in Section IV. D. 5., of this plan. Payments of durable medical equipment, appliances and supplies are reimbursed as described In Section VIII, of the State Plan.

Prospective rates and ceilings will be established for the home health visits.

- C. Trend Factor

In order to adjust costs for anticipated increases or decreases due to changes in the economy, a trend factor is computed using the Centers for Medicare and Medicaid Services (CMS) Home Health Market Baskets that are published in the Integrated Healthcare Strategies (HIS) Economic Healthcare Cost Review, or its successor, in the fourth (4th) quarter of the previous calendar year, prior to the start of the rate period. The moving averages for the following market basket components are used: Wages and Salaries, Benefits, Utilities, Malpractice Insurance, Administrative Support, Financial Services, Medical Supplies, Rubber Products, Telephone, Postage, Other Services, Other Products, Transportation, Fixed Capital, and Movable Capital. Relative weights are obtained from the same period National Market Basket Price Proxies-Home Health Agency Operating Costs.

- D. Rate Setting

1. Home health agencies are reimbursed for skilled nursing visits at the lower of the following:

- (a) trended cost, plus a profit incentive, but not greater than 105% of the median, which is computed as follows:

- (1) determine the cost per visit as computed on the desk review of each home health agency cost report for the period ended in the calendar year prior to the start of the standard rate year of October 1 through September 30;
- (2) trend the costs, using the trend factor determined in paragraph C, above, to account for the time difference between the midpoint of the cost report period and the midpoint of the rate period;

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- (3) array the trended costs from the lowest to the highest with the total number of skilled nursing visits and determine the cost associated with the median visit (interpolate, if necessary);
 - (4) multiply the median visit trended cost by 105% to determine the ceiling;
 - (5) for agencies with trended cost below the 105% of the median amount, compute 50% of the difference between the ceiling and the higher of their trended cost or the median trended cost to determine the profit incentive;
 - (6) sum the lesser of each home health agency's trended cost or the 105% of the median ceiling and the profit incentive determined in (5), above; or,
- (b) the sum of the following:
- (1) the ceiling for direct care and care related costs for nursing facilities at a case mix score of 1.000 as determined each July 1 prior to the start of the October 1 through September 30 home health agency rate period; and
 - (2) the ceiling for administrative and operating costs for Large Nursing Facilities as determined each July 1 prior to the start of the October 1 through September 30 home health agency rate period.
- (c) plus the medical supply add-on as computed in Section IV. D. 5.
2. Physical therapy visits for Early and Periodic Screening, Diagnosis, and Treatment (EPSDT)-eligible beneficiaries are reimbursed on a fee-for-service basis at an all-inclusive, per visit rate of \$65.00 plus the medical supply add-on as computed in Section IV. D. 5.
 3. Speech therapy visits for Early and Periodic Screening, Diagnosis, and Treatment (EPSDT)-eligible beneficiaries are reimbursed on a fee-for-service basis at an all-inclusive, per visit rate of \$65.00 plus the medical supply add-on as computed in Section IV. D. 5.
 4. Home health agencies are reimbursed for home health aide visits based on the following methodology:
 - (a) trended cost, plus a profit incentive, but not greater than 105% of the median, plus the medical supply add-on, which is computed as follows:
 - (1) determine the cost per visit as computed on the desk review of each home health agency cost report for the period ended in the calendar year prior to the start of the standard rate year of October 1 through September 30;
 - (2) trend the costs, using the trend factor determined in paragraph C, above, to account for the time difference between the midpoint of the cost report period and the midpoint of the rate period;
 - (3) array the trended costs from the lowest to the highest with the total number of home health aide visits and determine the cost associated with the median visit (interpolate, if necessary);

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- (4) multiply the median visit trended cost by 105% to determine the ceiling;
 - (5) for agencies with trended cost below the 105% of the median amount, compute 50% of the difference between the ceiling and the higher of their trended cost or the median trended cost to determine the profit incentive;
 - (6) sum the lesser of each home health agency's trended cost or the 105% of the median ceiling and the profit incentive determined in (5), above, plus the medical supply add-on as computed in Section IV. D. 5.
5. The Medical Supply payment amount that will be added on to each discipline will be reimbursed at the lower of the following:
- (a) trended medical supply cost per visit computed as follows:
 - (1) determine the medical supply cost per visit as computed on the desk review of each home health agency cost report for the period ended in the calendar year prior to the start of the standard rate year of October 1 through September 30 (divide total medical supply cost per the desk review by total medical supply charges; multiply this ratio times Medicaid medical supply charges per the desk review; divide this number by total Medicaid visits);
 - (2) trend the costs, using the trend factor determined in paragraph C, above, to account for the time difference between the midpoint of the cost report period and the midpoint of the rate period; or
 - (b) 105% of the median medical supply trended cost, which is computed as follows:
 - (1) determine the medical supply cost per visit as computed on the desk review of each home health agency cost report for the period ended in the calendar year prior to the start of the standard rate year of October 1 through September 30 (divide total medical supply cost per the desk review by total medical supply charges; multiply this ratio times Medicaid medical supply charges per the desk review; divide this number by total Medicaid visits);
 - (2) trend the costs, using the trend factor determined in paragraph C, above, to account for the time difference between the midpoint of the cost report period and the midpoint of the rate period;
 - (3) array the trended costs from the lowest to the highest with the total number of Medicaid visits per the desk review and determine the cost associated with the median visit (interpolate, if necessary);
 - (4) multiply the median visit trended cost by 105% to determine the ceiling.

V. New Providers

1. Changes of Ownership

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For purposes of this plan, a change of ownership of a home health agency includes, but is not limited to, inter vivos gifts, purchases, transfers, lease arrangements, cash, transactions or other comparable arrangements whenever the person or entity acquires a majority interest of the agency. The change of ownership must be an arm's length transaction consummated in the open market between non-related parties in a normal buyer-seller relationship.

A home health agency which undergoes a change of ownership must notify the Division of Medicaid in writing of the effective date of the change of ownership. The new owner will be assigned the previous owner's rate. The Division of Medicaid will update the provider's information in the Medicaid Management Information System (MMIS).

The new owner, upon consummation of the transaction affecting the change of ownership, shall as a condition of participation, assume liability, jointly and severally, with the prior owner for any and all amounts that may be due or become due to the Medicaid Program, and such amounts may be withheld from the payment of claims submitted when determined. However, the new owner shall not be construed as relieving the prior owner of his liability to the Division of Medicaid.

2. New Home Health Agencies

When new providers are established that are not changes of ownership, the provider shall be reimbursed at the maximum rate for each type of home health visit pending the receipt of the initial cost report. After receipt of the initial cost report, a rate will be determined that is retroactive to the date of the establishment of the provider.

VI. Provider Participation

Payments made in accordance with the standards and methods described in this attachment are designed to enlist participation of a sufficient number of home health agencies in the program, so that eligible beneficiaries can receive the medical care and services included in the State Plan at least to the extent these services are available to the general public. Providers must be certified to participate as a home health agency under Title XVIII (Medicare) of the Social Security Act, and meet all applicable state laws and requirements.

VII. Payment in Full

Participation in the program shall be limited to home health agencies who accept, as payment in full, the amount paid in accordance with the State Plan.

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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 the statewide uniform fee schedule effective as of October 1, 2022 and updated July 1 of each year thereafter and effective for services provided on or after those dates. The Mississippi 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.

If there is no DMEPOS fee, the provider will be reimbursed a fee determined by the Division of Medicaid, as needed, based on 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.

B. If there is no DMEPOS fee or a fee determined by the Division of Medicaid, the provider will be reimbursed a fee calculated through the following manual pricing:

1. Manufacturer's Suggested Retail Price (MSRP) minus twenty percent (20%), or
2. If there is no MSRP, then the provider's invoice received from a wholesaler or manufacturer plus twenty percent (20%).

C. The payment for rental of DME is made from a Mississippi statewide uniform fee schedule based on ten percent (10%) of eighty percent (80%) of the Medicare DMEPOS in effect January 1 of that year or Mississippi 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 Mississippi statewide uniform fee schedule based on fifty percent (50%) of eighty percent (80%) of the Medicare DMEPOS in effect January 1 of that year or Mississippi 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 in effect January 1 of that year or Mississippi Medicaid established fee as described in letter A or B.

F. 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.

G. Certain diabetic equipment will be reimbursed according to Attachment 4.19-B, Pages 12a. through 12a.1.1 when provided by a Mississippi Medicaid enrolled Pharmacy.

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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.

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/#.

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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 Mississippi statewide uniform fee schedule effective as of October 1, 2022 and updated July 1 of each year thereafter and effective for services provided on or after those dates. 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.
- B. If there is no DMEPOS fee, the provider will be reimbursed a fee determined by the Division of Medicaid, as needed, based on 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.
- C. If there is no DMEPOS fee or a fee determined by the Division of Medicaid, the provider will be reimbursed a fee calculated through the following manual pricing:
1. Manufacturer's Suggested Retail Price (MSRP) minus twenty percent (20%), or
 2. If there is no MSRP, then the provider's invoice received from a wholesaler or manufacturer plus twenty percent (20%).
- D. Any medical supplies not listed on the Mississippi Medicaid 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.

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 medical supplies. All rates are published at www.medicaid.ms.gov/providers/fee-schedules-and-rates/#.

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Supplement 1

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES
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Pursuant to the provisions of Section 25-14-1, et seq., Mississippi Code of 1972, as Amended, individual providers of medical care under Title XIX are eligible to participate in the Deferred Compensation Plan administered by the Mississippi Public Employees Retirement System Board. The Medicaid fiscal agent defers compensation of individual providers in accordance with the agreement between the provider and the Public Employees Retirement Board. All such deferred payments are made in accordance with State and Federal legal requirements pertaining to deferred compensation plans.

Transmittal #87-22

TN No. 87-22 DATE 10-20-87
SUPERSEDES 6-15-86
TN No. New DATE 10-1-87

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Supplement 2

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES
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Coverage for Aliens — Payment to a provider who renders a covered service to an alien due to an emergency medical condition shall be at the same rate that is payable for that same service when rendered to any other Medicaid recipient who is not an alien.

TN No. 87-22 DATE/RECEIPT 10-20
SUPERSEDES DATE/RECEIPT 6-75
TN No. New DATE/EFFECTIVE 1-77

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REIMBURSEMENT FOR INDIAN HEALTH SERVICES
AND TRIBAL 638 HEALTH FACILITIES

Services provided by or through facilities of the Indian Health Services (IHS) which includes, at the option of the tribe, facilities operated by a tribe or tribal organization and funded by Title I or V of the Indian Self Determination and Education Assistance Act, also known as Tribal 638 facilities, are paid at the most current rates published in the Federal Register.

The most current published outpatient per visit rate, also known as the outpatient all-inclusive rate, is paid for up to five (5) outpatient visits per beneficiary per calendar day for professional services.

An outpatient visit is defined as a face-to-face or telemedicine contact between any health care professional, at or through the IHS facility as described above, authorized to provide services under the State Plan and a beneficiary for the provision of Title XIX defined services, as documented in the beneficiary's medical record.

To be included in the outpatient per visit rate are certain pharmaceutical/drugs, dental services, rehabilitative services, behavioral health services, any and all ancillary services, and emergency room services provided on-site and medical supplies incidental to the services provided to the beneficiary.