

Medicaid 101

Medical Advisory Committee

July 25, 2025

Outline

Origin of Medicaid

Eligibility

**Fee-for-Service vs.
Managed Care**

**Household Income
Limits**

**Historical
Enrollment**

**Overview of
Benefits**

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**One Big Beautiful Bill
Act**

Mississippi's Medicaid Program

- Medicaid was created as part of the Social Security Amendments of 1965 to provide health coverage for certain eligible, low-income populations.
- Mississippi Legislature authorized the Medicaid program in a 1969 special session. The program began operations on January 1, 1970.
- Medicaid is separate and distinct from Medicare, although some people can be enrolled in both.
- Medicaid is the state government's largest budget item.
- It is the largest health insurance program in the state.
- Medicaid members do not receive direct payments. Providers are paid for services they deliver to Medicaid members.
- Nationally, the range of services that Medicaid will pay for has increased substantially over the years.
- Medicaid started with the basic coverage of doctor, hospital, and nursing home services.
- Over time the Medicaid program grew to include: prescription drugs, allied health services (PT, OT), certain special education services in K-12, behavioral health services (including substance use disorder treatments), etc.

Eligibility

- Must be a resident of Mississippi; must apply; must meet requirements for household income and/or age, and for certain aged, blind, or disabled coverage groups, must have medical need and/or limited assets.
- Individuals who receive social security income and children who are in foster care, qualify for Medicaid by virtue of their participation in those programs. Others must meet financial criteria that vary by group and by state.
- Federal law requires periodic renewal, or redetermination, of eligibility.
- Medicaid is generally the payer of last resort.
- Medicaid pays for certain cost sharing amounts charged to enrollees by their primary insurance.
- Some eligibility groups are mandated by federal law and others may be covered as a state option.

Primary Eligibility Pathways

- Modified Adjusted Gross Income (MAGI)
- Examples:
 - Pregnant women
 - Low-Income parents
 - Infants and children
 - CHIP children
- Non-MAGI
- Based on age 65 or older, disability, medical need, or based on income & resources
- Examples:
 - SSI Enrollees
 - Institutional Long-Term Care
 - HCBS Waiver Populations
 - Dually Medicare/Medicaid Eligible
 - Katie Beckett Children

Fee-for-Service vs. Managed Care

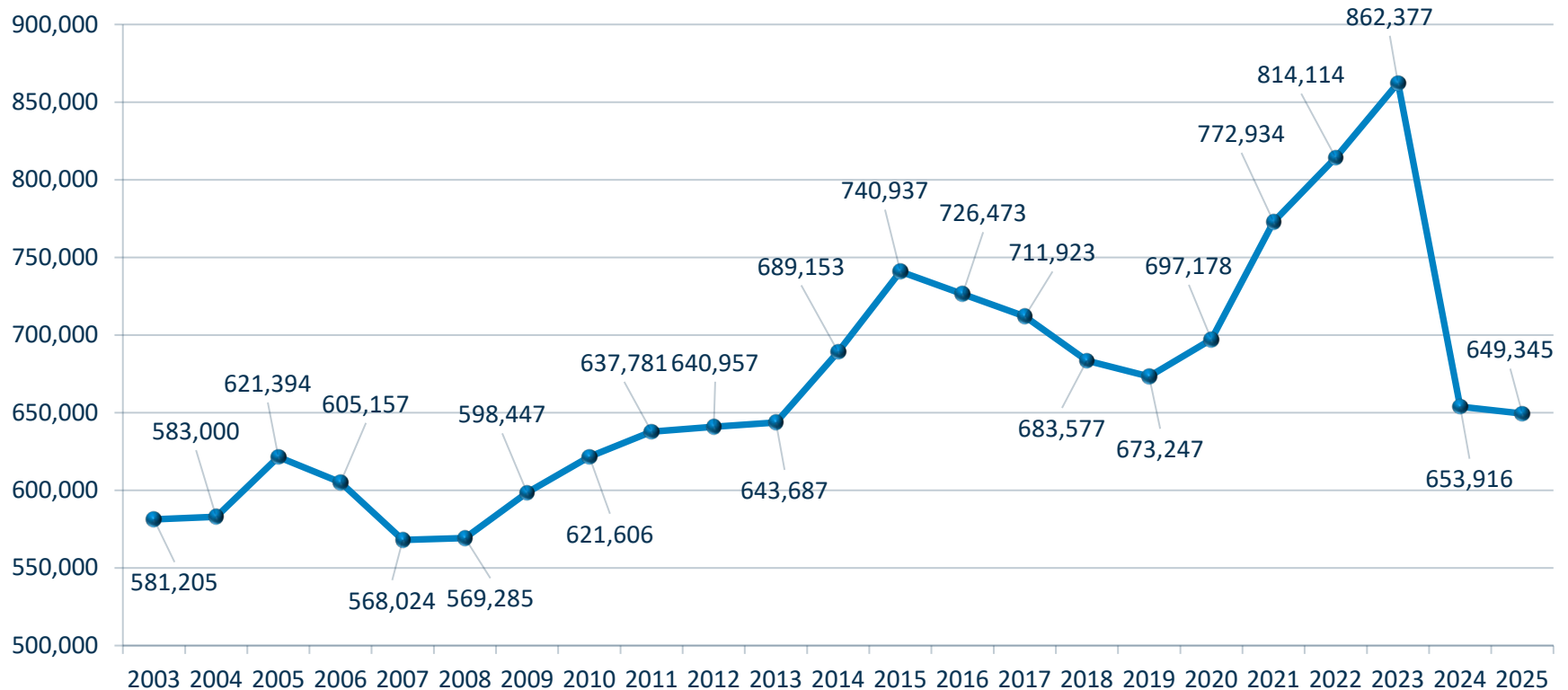
- Under fee-for-service model, the state pays providers directly for each covered service received by a Medicaid beneficiary.
- Under managed care, the state pays a fee to a managed care plan for each person enrolled in the plan. In turn, the managed care plan pays providers for all of the Medicaid services a beneficiary may require that are included in the plan's contract with the state.

Annual Household Income Limits (MAGI)

		Pregnant Women; Infants to age 1; Family Planning	Children 1 to 5	Children 6 to 19	CHIP Children	Parent & Caretaker Relatives
Household Size	100% FPL	194% FPL	143% FPL	133% FPL	209% FPL	Set Dollar Limit
1	\$15,650	\$30,361	\$22,379.50	\$20,814.50	\$32,708.50	\$3,504
2	\$21,150	\$41,031	\$30,244.50	\$28,129.50	\$44,203.50	\$4,728
3	\$26,650	\$51,701	\$38,109.50	\$35,444.50	\$55,698.50	\$5,940
4	\$32,150	\$62,371	\$45,974.50	\$42,759.50	\$67,193.50	\$7,152

Mississippi Medicaid Historical Enrollment

Medicaid enrollment (2003-2025)



Figures are for Medicaid only, the month of July each year (except for 2025 which is month of June).

Benefits

Mandatory and optional benefits are defined in federal statutes and regulations to include a range of items and services as well as specific provider types. State statutes (e.g., Section 43-13-117) also articulate the types of covered benefits.

Federally-Mandated Medicaid Benefits		“Optional” Benefits	
Inpatient Hospital	EPSDT*	Prescription Drugs	Clinic services
Outpatient Hospital	Nursing Facility Services	Dental services	Occupational therapy
Physician Services	Home Health Services	Speech	Physical Therapy
Rural health clinic	FQHC services	Eyeglasses	Chiropractic Services
Laboratory and x-ray services	Family planning services	Hospice	Personal Care (in waivers)
Non-emergency transportation	Nurse midwife services	Case Management (in waivers)	Intermediate care facility for individuals with intellectual disability
Certified pediatric and family nurse practitioner services	Freestanding birth center services (when licensed)	State Plan Home and Community Based Services	
Tobacco cessation counseling for pregnant women			

Waiver Operations

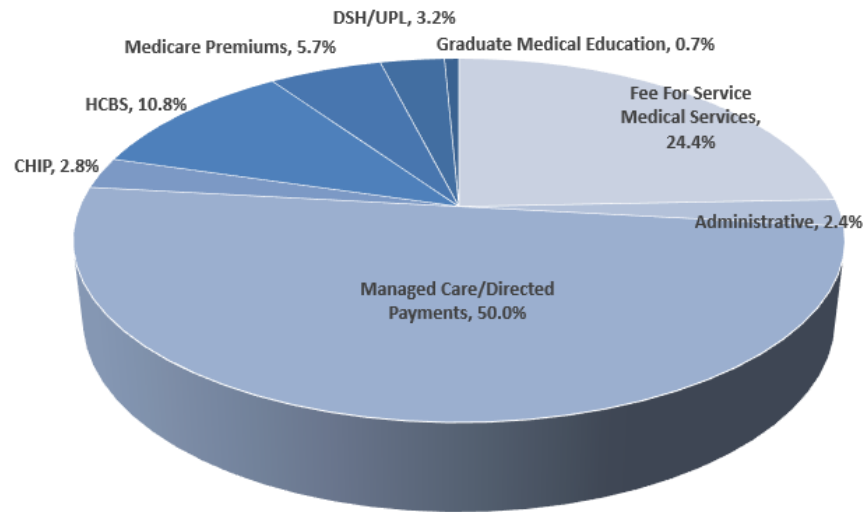
The Mississippi Division of Medicaid has five (5) 1915(c) home and community-based service waivers, which are operated as follows:

- ❖ **Assisted Living (AL) Waiver** - Administered and operated by DOM. Case management is provided as an administrative function by DOM staff. Targeted to qualifying individuals 21+ living in Medicaid enrolled AL facilities.
- ❖ **Elderly & Disabled (E&D) Waiver** - Administered and operated by DOM. Case management is provided as a service by a statewide network of ten Area Agencies on Aging/Planning and Development Districts within defined catchment areas. Targeted toward qualifying individuals 21+ who are elderly or disabled.
- ❖ **Independent Living (IL) Waiver** – Administered by DOM and operated by the Mississippi Department of Rehabilitation Services (MDRS). Case management is provided as an administrative function by MDRS staff. Targeted toward qualifying individuals 16+ who have neurological or orthopedic impairments.
- ❖ **Traumatic Brain Injury/Spinal Cord Injury (TBI/SCI) Waiver** - Administered by DOM and operated by the Mississippi Department of Rehabilitation Services. Case management is provided as an administrative function by MDRS staff. Targeted toward qualifying individuals with traumatic brain or spinal cord injuries.
- ❖ **Intellectual Disabilities/Developmental Disabilities (ID/DD) Waiver** - Administered by DOM and operated by the Mississippi Department of Mental Health (DMH). Support coordination is currently provided by DMH's four Regional Centers within defined catchment areas. Targeted toward qualifying individuals with intellectual or developmental disabilities.

Mississippi Medicaid Law

- “Big Three” Medicaid Statutes
 - Section 43-13-115 (groups of recipients)
 - Section 43-13-117 (types of care and services; managed care; reimbursement; other provisions)
 - Section 43-13-145 (hospital and long-term care facility assessments)

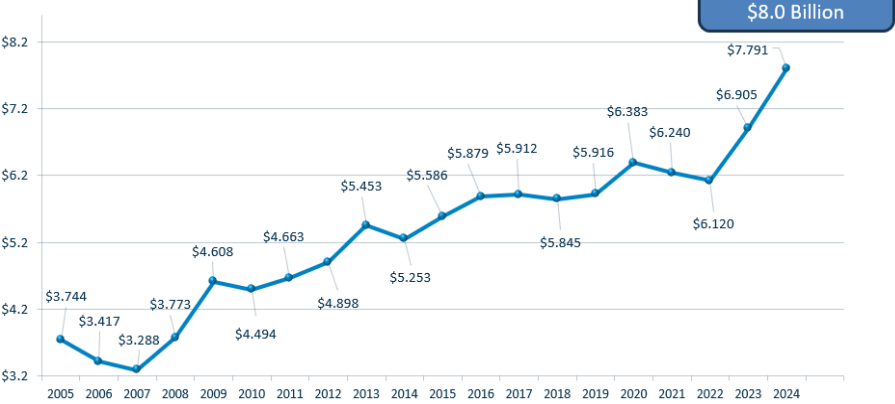
SFY 2025 Medicaid Spending



Total Medicaid Spending

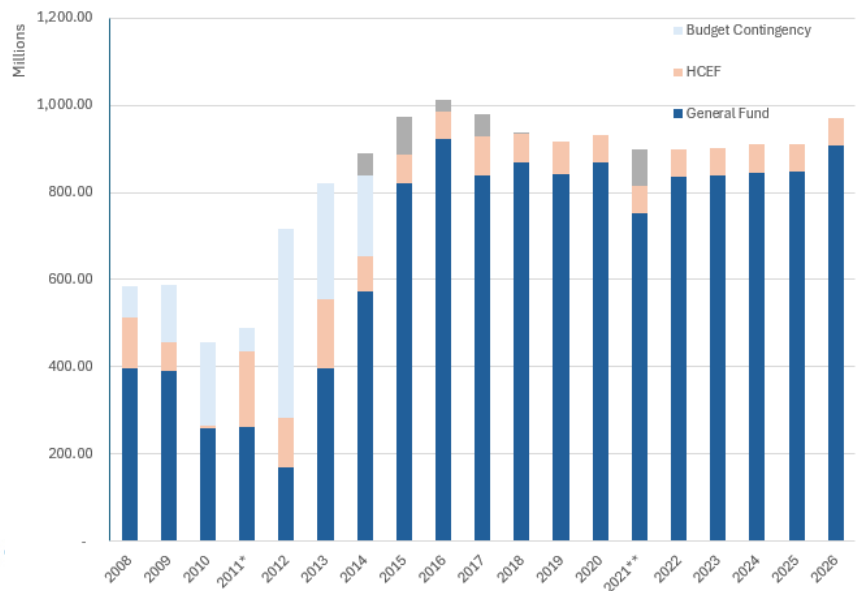
Gross increase in directed and supplemental payments propelled projected total spending to \$8 billion in FY25.

Total Medicaid expenditures (in billions) FY12-24



Figures for 2025 spending are estimates.

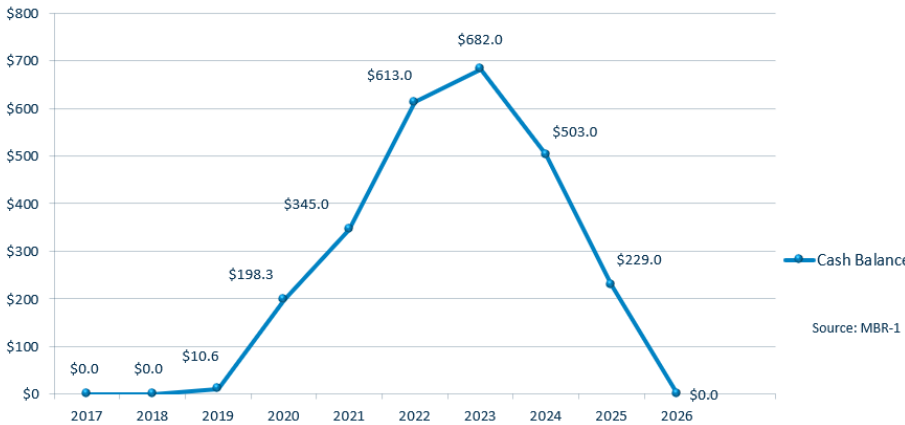
State Support Appropriation



Spenddown of cash balance delaying budget hike

Using \$503M cash balance in FY25 & FY26 reduces immediate negative impact of FMAP decline and inflationary pressures

DOM cash balance, June 30 of fiscal year end (in millions)



Source: MBR-1

Online Resources

Mississippi Medicaid State Plan

<https://medicaid.ms.gov/about/state-plan/>

The Mississippi Medicaid State Plan (State Plan) is a detailed agreement between the State of Mississippi and the Federal Government that describes the nature and scope of Mississippi's Medicaid Program. Changes to the State Plan, called State Plan Amendments (SPAs), must be approved by the Centers for Medicare and Medicaid Services (CMS).

Mississippi Administrative Code

<https://medicaid.ms.gov/providers/administrative-code/>

The Mississippi Administrative Code (Admin. Code) Title 23 Division of Medicaid is a set of rules that dictate how the Medicaid agency is administered. The Code is divided into parts, chapters and rules which outlines policy and procedures. Changes to the Admin. Code must be filed with the Secretary of State's Office in accordance with the Mississippi Administrative Procedures Act.

Late Breaking News

<https://medicaid.ms.gov/late-breaking-news/>

Late Breaking News is a feature on the Mississippi Medicaid website where the latest updates and information providers need to be aware of is posted. Providers and other stakeholders can sign up to receive Late Breaking News email alerts, and they can also find links to past Provider Bulletins and a Late Breaking News Archive.

Medicaid Advisory Committee Website

<https://medicaid.ms.gov/medicaid-advisory-committee/>

MAC Email Address

MAC@medicaid.ms.gov

This email address is dedicated for committee members to use for any MAC-related business with the Mississippi Division of Medicaid.