MHAP Training

(Based on SFY 2027 Proposed Parameters)

January 28, 2026

MISSISSIPPI DIVISION OF MEDICAID

MHAP
Mississippi Hospital Access Program

(Based on MississippiCAN managed care beneficiaries only)

Composed of two parts:

Fee Schedule Adjustment (FSA)

- Managed Care encounters based on Inpatient discharges and Outpatient payments.
- HIN participation differential is included in the FSA.
- (FSA will be included in the reconciliation process.)

Quality Incentive Payment Program (QIPP)

- Based on quality metrics.
- There is a $50M VBP carve out.
- (QIPP is not included in the utilization reconciliation process. Based on prior year MHAP allocation.)

MHAP Payment Model

The monthly MHAP Payment Model includes the following tabs:

- **Magnolia SFY26**
- **Molina SFY26**
- **TrueCare SFY26**

Monthly hospital payments by MCO, including any reconciliation adjustments or tax withholdings.

- **CCO Total SFY26 (CM)** – The sum of the 3 MCO payment tabs.
- **FY-26 Monthly MHAP Pmts** – Monthly and year to date MHAP payments per MCO by category.
- **Payment Breakdown** – Total MHAP payments per hospital broken down by FSA and QIPP components. This also considers QIPP forfeitures and reallocations.
- **2026 QIPP** – Payment calculation for each hospital for FSA and QIPP components.
- **Hospital Class** – Demonstrates pool allocations.
- **QIPP Rebalance** – Forfeitures and reallocations are calculated on this tab.
- **QIPP Tracking Log** – Tracks the hospitals provision of attestations by program with related forfeitures.
- **FY-25 Monthly MHAP Pmts** – Total MHAP payments from the prior state fiscal year.
- **Provider List** – List of hospitals included in the model.
- **MMIS Data** – These are the inpatient and outpatient MCO encounters used to calculate the interim FSA payments.

Current MHAP Payment Cadence

For each month in SFY 27:

- The FSA portion of MHAP will be paid each month of the state fiscal year.

For each quarter in SFY 27:

- The QIPP portions of MHAP (PPHR, PPC, & AM-PPC) will be paid the last month of the quarter:
  - September 2026
  - December 2026
  - March 2027
  - June 2027

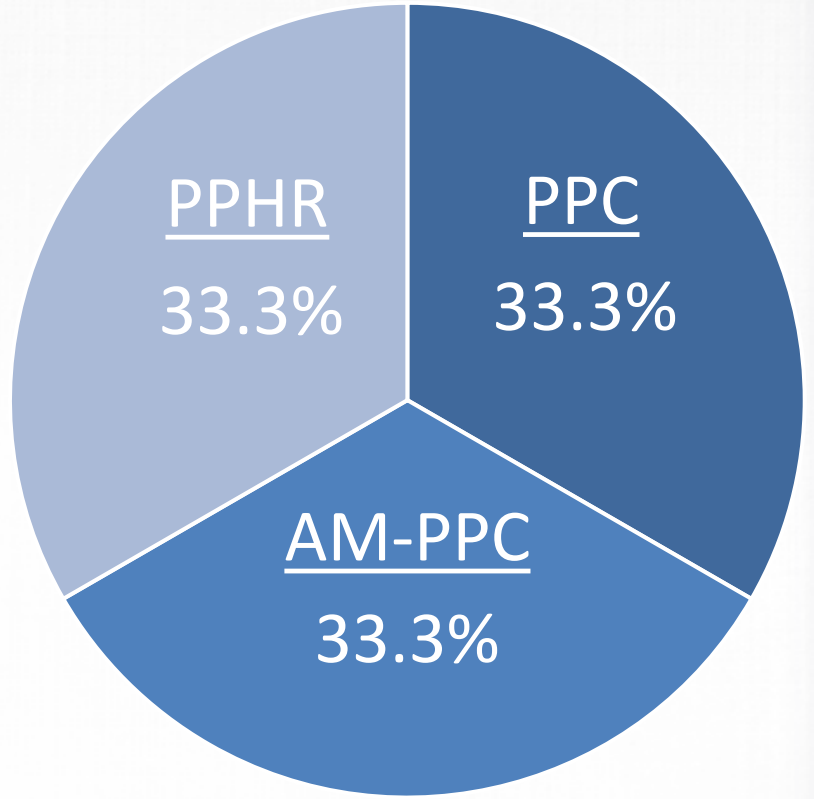
MHAP Reconciliation Process

- Interim payments made during the period July 1, 2026 – June 30, 2027.
    - Based on utilization data from July 1, 2024 – June 30, 2025.
- Reconciliation is based on utilization for state fiscal year: July 1, 2026 – June 30, 2027
- Reconciliation is completed in the spring of 2028 (expected to be May 2028) to allow for the claims runout.
- Any overpayment or underpayment for actual compared to interim is trued up and recouped in the following MHAP payment(s).
- Underpayments will not be carried forward to the next state fiscal year.

Components of QIPP

3 Separate Quality Reports – Total Allocation 100%

- Potentially Preventable Hospital Returns (PPHR)
  - Hospital returns refer to both inpatient readmissions and return ED visits, the PPHR rate refers to the rate of inpatient admissions that are followed by either an inpatient readmission, or a return ED visit, or both.
- Potentially Preventable Complications (PPC) (Inpatient)
  - Patient conditions that develop during an inpatient stay that may reflect adverse outcomes.
- Ambulatory Potentially Preventable Complications (AM-PPC)
  - Harmful events or negative outcomes that develop, or are discovered, after an elective ambulatory procedure was performed and may result from processes of care rather than from natural progression of an underlying illness and are therefore potentially preventable.



Cycles of QIPP PPHR Reporting

State Fiscal Year (SFY)	SFY24	SFY25	SFY26	SFY 27
PPHR Cycle	Cycle 5	Cycle 6	Cycle 7	Cycle 8
Statewide Threshold A/E Ratio	1.04	1.02	1.02	1.00
Baseline Period	1/1/2021-12/31/2022	1/1/2022-12/31/2023	1/1/2023-12/31/2024	1/1/2024-12/31/2025
Date of Report to determine if CAP is required	July 2024	July 2025	July 2026	July 2027
If CAP is required, due date to submit CAP	9/16/2024	9/2/2025	9/1/2026	9/1/2027
Corrective Action Plan (CAP) Period	1/1/2022-12/31/2023	1/1/2023-12/31/2024	1/1/2024-12/31/2025	1/1/2025-12/31/2026
Date of Report that Provider Performance Incentives will be assessed (1%-2% improvement from CAP period)	January 2026	January 2027	January 2028	January 2029
Performance Incentives Period	7/1/2023-6/30/2025	7/1/2024-6/30/2026	7/1/2025-6/30/2027	7/1/2026-6/30/2028

Note about QIPP PPHR cycles: A PPHR cycle is a period of three years that includes one baseline year, one year for corrective action plans, and one year for performance incentives. A new cycle starts each state fiscal year. The cycles overlap such that the second cycle's baseline year will cover the same time period as the first cycle's corrective action plan year.

Cycles of QIPP PPC Reporting

State Fiscal Year (SFY)	SFY23	SFY24	SFY25	SFY26	SFY 27
PPC Cycle	Cycle 2	Cycle 3	Cycle 4	Cycle 5	Cycle 6
Statewide Threshold A/E Ratio	1.00	1.00	1.00	1.00	1.00
Baseline Period	1/1/2020-12/31/2021	1/1/2021-12/31/2022	1/1/2022-12/31/2023	1/1/2023-12/31/2024	1/1/2024-12/31/2025
Date of Report to determine if CAP is required	July 2023	July 2024	July 2025	July 2026	July 2027
If CAP is required, due date to submit CAP	9/1/2023	9/16/2024	9/2/2025	9/1/2026	9/1/2027
Corrective Action Plan (CAP) Period	1/1/2021-12/31/2022	1/1/2022-12/31/2023	1/1/2023-12/31/2024	1/1/2024-12/31/2025	1/1/2024-12/31/2025
Date of Report that Provider Performance Incentives will be assessed (1%-2% improvement from CAP period)	January 2026	January 2027	January 2028	January 2029	January 2030
Performance Incentives Period	7/1/2023-6/30/2025	7/1/2024-6/30/2026	7/1/2025-6/30/2027	7/1/2026-6/30/2028	7/1/2027-6/30/2029

A cycle is a period of four years that includes one baseline year, two year for corrective action plans, and one year for performance incentives. A new cycle starts each state fiscal year. The cycles overlap such that the second cycle's baseline year will cover the same time period as the first cycle's corrective action plan year.

***DOM will evaluate the threshold for PPCs in consideration of using the statewide expected values versus the national values.**

Cycles of QIPP AM-PPC Reporting

State Fiscal Year (SFY)	SFY25	SFY26	SFY27	SFY28
AM-PPC Cycle	**Cycle 1**	**Cycle 2**	**Cycle 3**	**Cycle 4**
Statewide Threshold A/E Ratio	1.00	1.00	1.00	1.00
Baseline Period	1/1/2022 - 12/31/2023	1/1/2023 - 12/31/2024	1/1/2024 - 12/31/2025	1/1/2025 - 12/31/2026
Date of Report to determine if CAP is required	No CAP Required	July 2026	July 2027	July 2028
If CAP is required, due date to submit CAP	No CAP Required	9/1/2026	9/1/2027	9/1/2028
Corrective Action Plan (CAP) Period	1/1/2023-12/31/2024	1/1/2024-12/31/2025	1/1/2025-12/31/2026	1/1/2026-12/31/2027
Date of Report that Provider Performance Incentives will be assessed (1%-2% improvement from CAP period)	N/A	January 2029	January 2030	January 2031
Performance Incentives Period	7/1/2025-6/30/2027	7/1/2026-6/30/2028	7/1/2027-6/30/2029	7/1/2028-6/30/2030

AM-PPC performance is measured in three periods (Baseline, Corrective Action Plan, and Performance Incentives). A new cycle starts each state fiscal year (SFY). The cycles overlap such that the second cycle's initial reporting year will cover the same time period as the first cycle's first corrective action plan implementation year. Each QIPP AM-PPC report will list your hospital's performance for each of the currently active cycles. Hospitals are not required to submit CAP for AM-PPC Cycle 1.

Corrective Action Plans (CAP)

- If your hospital is **below** the statewide threshold for any of the QIPP reports, your hospital does not have an at-risk component.
- If your hospital is **above** the statewide threshold, the Division will evaluate your performance improvement against a CAP.
- Providers who are required to submit a CAP must:
    1. Reduce your hospital's actual-to-expected ratio below the statewide threshold, OR
    2. Improve your hospital's actual-to-expected ratio by 1% to receive 50% of the QIPP portion of the MHAP funds, OR
    3. Improve your hospital's actual-to-expected ratio by 2% to receive 100% of the QIPP portion of the MHAP funds.

How to Determine Results for the PPHR and PPC $50M Carve Out

For SFY 27, the consideration for improvement will be evaluated by comparing July 2026 and July 2027 reports for PPHR (cycle 7) and PPC (cycle 6).

The following slide shows examples from SFY 25 for PPHR and PPC.

PPHR:

Cycle Five: Corrective plan Implementation period, V.40 of the PPR Algorithm Rolling Two Years Report: 1/1/2023-12/31/2024									
Hospital Performance (rolling year):	**1/1/2023-12/31/2024**	**10/1/2022-9/30/2024**	**7/1/2022-6/30/2024**	**4/1/2022-3/31/2024**	**1/1/2022-12/31/2023**	**10/1/2021-9/30/2023**	**7/1/2021-6/30/2023**	**4/1/2021-3/31/2023**	**1/1/2021-12/31/2022**
Potentially preventable hospital return (PPHR) rate[1]:	14.42%	14.55%	14.65%	14.37%	13.82%	13.24%	14.05%	14.41%	14.80%
Casemix-adjusted statewide PPHR rate (based on calendar year 2021-2022 baseline)[2]	14.36%	14.46%	14.52%	14.49%	14.33%	14.56%	14.53%	14.73%	14.78%
PPHR Actual-to-expected ratio[3]:	**1.004**	**1.006**	**1.008**	**0.992**	**0.964**	**0.910**	**0.967**	**0.978**	**1.001**
Additional Performance Metrics:									
Potentially Preventable Inpatient Readmission (PPR) rate	8.69%	8.64%	8.53%	8.29%	8.04%	7.73%	8.08%	7.95%	7.91%
Casemix-adjusted statewide PPR rate	7.21%	7.22%	7.28%	7.37%	7.22%	7.36%	7.27%	7.55%	7.69%
PPR Actual-to-expected ratio:	1.206	1.196	1.171	1.124	1.113	1.051	1.112	1.052	1.028
Potentially Preventable Return Emergency Department Visit (PPED) rate	6.79%	6.85%	7.13%	7.27%	6.82%	6.66%	7.20%	7.58%	7.84%
Casemix-adjusted statewide PPED rate	8.38%	8.46%	8.44%	8.33%	8.36%	8.43%	8.48%	8.35%	8.24%
PPED Actual-to-expected ratio:	0.810	0.811	0.845	0.872	0.816	0.790	0.850	0.908	0.951

PPC

Cycle Four: Corrective Plan Identification, V.41 of the PPC algorithm Report covers time period: 1/1/2023-12/31/2024					
Hospital Performance (rolling two year analysis period):	**1/1/2023 - 12/31/2024[6]**	**10/1/2022 - 9/30/2024[6]**	**7/1/2022 - 6/30/2024[6]**	**4/1/2022 - 3/31/2024[6]**	**1/1/2022 - 12/31/2023[6]**
Number of total inpatient admissions, including global exclusions[1]:	9,064	8,925	8,790	8,461	8,575
Number of potentially preventable complications (PPCs)[2]:	93	85	93	101	88
Actual PPC weight[4]:	65.83	59.09	63.31	69.90	62.58
Expected PPC weight:	82.18	79.81	81.17	80.07	73.03
Cost-Weighted Actual-to-Expected Ratio[5]:	**0.801**	**0.740**	**0.780**	**0.873**	**0.857**
Statewide threshold for cost-weighted actual-to-expected Ratio	1.000	1.000	1.000	1.000	1.000

Note:

PPC count excludes PPCs 21 and 24, which are recommended for monitoring only. PPC count also excludes inpatient stays with more than 6 PPCs, as these are likely catastrophic stays where complications could not be avoided.

CMS Managed Care Rule – 2024

The Division would like to remind hospitals that based on the *Medicaid and CHIP Managed Care Access, Finance, and Quality Final Rule* (Rule) (CMS-2439-F) published in the Federal Register on May 10, 2024, a provision of the rule (copied below) requires states to only use managed care utilization "during" the rating period. [42 CFR § 438.6(c)(2)(vii)]

> "Any State directed payment described in paragraph (c)(1)(iii) of this section must:
>
> - (A) Condition payment from the MCO, PIHP, or PAHP to the provider on the utilization and delivery of services under the contract for the rating period for which the State is seeking written prior approval only; and
> - (B) Not condition payment from the MCO, PIHP, or PAHP to the provider on utilization and delivery of services outside of the rating period for which the State is seeking written prior approval and then require that payments be reconciled to utilization during the rating period."

This portion of the Rule is effective for rating periods beginning on or after July 9, 2027. For Mississippi, this new rule will become effective for SFY 2029 beginning July 1, 2028. The Division is providing this information to the hospitals for advanced notification of this new rule.

Changes with the CMS Transition

Once the Division makes the transition due to CMS Managed Care Rule,

- MHAP payments will be based on actual utilization incurred during the state fiscal year
- MHAP payments are expected to be paid through actual managed care claims as an add-on amount to the claim
- Payment cadence is expected to change
- Since payments will be based on actual utilization, the reconciliation process will cease

Contact Information

For Further Information

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For QIPP Resources including the presentation, see the following link:
Value-Based Incentives - Mississippi Division of Medicaid (ms.gov)

Questions