

By: Moody

To: Public Health and
Welfare;
Appropriations

HOUSE BILL NO. 1280
(As Sent to Governor)

1 AN ACT TO AMEND SECTION 43-13-117, MISSISSIPPI CODE OF 1972,
2 TO CLARIFY THE PROVISION AUTHORIZING MEDICAID REIMBURSEMENT TO
3 HOSPITALS FOR IMPLANTABLE PROGRAMMABLE PUMPS; TO PROVIDE THAT IF
4 THE DIVISION OF MEDICAID PROVIDES MANAGED CARE SERVICES TO
5 MEDICAID RECIPIENTS, THE DIVISION SHALL BE RESPONSIBLE FOR
6 EDUCATING THE PARTICIPANTS IN THE MANAGED CARE PROGRAM REGARDING
7 THE MANNER IN WHICH THEY SHOULD SEEK HEALTH CARE UNDER THE
8 PROGRAM; TO DELETE THE AUTHORITY OF THE DIVISION TO OPERATE A
9 CAPITATED MANAGED CARE PROGRAM; TO AUTHORIZE THE DIVISION TO
10 CONTRACT WITH A CERTAIN HOSPITAL TO PROVIDE MENTAL HEALTH AND
11 CRISIS INTERVENTION SERVICES FOR CHILDREN AND ADOLESCENTS; TO
12 CLARIFY THE SERVICES ELIGIBLE FOR REIMBURSEMENT FOR DUALY
13 ELIGIBLE BENEFICIARIES; TO AUTHORIZE MEDICAID REIMBURSEMENT FOR AN
14 OBSTETRICAL CARE PROGRAM FOR LOW BIRTH WEIGHT AND PRE-TERM BABIES;
15 TO AUTHORIZE MEDICAID REIMBURSEMENT FOR SMOKING CESSATION
16 MEDICATIONS FOR PREGNANT WOMEN AND OTHER WOMEN OF CHILD-BEARING
17 AGE; AND FOR RELATED PURPOSES.

18 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

19 SECTION 1. Section 43-13-117, Mississippi Code of 1972, as
20 amended by Senate Bill No. 2143, 1999 Regular Session, which
21 became law after veto by approval of the Legislature during the
22 2000 Regular Session, and House Bill No. 1432, 2000 Regular
23 Session, is amended as follows:[RF1]

24 43-13-117. Medical assistance as authorized by this article
25 shall include payment of part or all of the costs, at the
26 discretion of the division or its successor, with approval of the
27 Governor, of the following types of care and services rendered to
28 eligible applicants who shall have been determined to be eligible
29 for such care and services, within the limits of state
30 appropriations and federal matching funds:

31 (1) Inpatient hospital services.

32 (a) The division shall allow thirty (30) days of
33 inpatient hospital care annually for all Medicaid recipients. The

34 division shall be authorized to allow unlimited days in
35 disproportionate hospitals as defined by the division for eligible
36 infants under the age of six (6) years.

37 (b) From and after July 1, 1994, the Executive
38 Director of the Division of Medicaid shall amend the Mississippi
39 Title XIX Inpatient Hospital Reimbursement Plan to remove the
40 occupancy rate penalty from the calculation of the Medicaid
41 Capital Cost Component utilized to determine total hospital costs
42 allocated to the Medicaid program.

43 (c) Hospitals will receive an additional payment
44 for the implantable programmable pump implanted in an inpatient
45 basis. The payment pursuant to written invoice will be in
46 addition to the facility's per diem reimbursement and will
47 represent a reduction of costs on the facility's annual cost
48 report, and shall not exceed Ten Thousand Dollars (\$10,000.00) per
49 year per recipient. * * * This paragraph (c) shall stand repealed
50 on July 1, 2001.

51 (2) Outpatient hospital services. Provided that where
52 the same services are reimbursed as clinic services, the division
53 may revise the rate or methodology of outpatient reimbursement to
54 maintain consistency, efficiency, economy and quality of care.
55 The division shall develop a Medicaid-specific cost-to-charge
56 ratio calculation from data provided by hospitals to determine an
57 allowable rate payment for outpatient hospital services, and shall
58 submit a report thereon to the Medical Advisory Committee on or
59 before December 1, 1999. The committee shall make a
60 recommendation on the specific cost-to-charge reimbursement method
61 for outpatient hospital services to the 2000 Regular Session of
62 the Legislature.

63 (3) Laboratory and x-ray services.

64 (4) Nursing facility services.

65 (a) The division shall make full payment to
66 nursing facilities for each day, not exceeding fifty-two (52) days
67 per year, that a patient is absent from the facility on home
68 leave. Payment may be made for the following home leave days in
69 addition to the fifty-two-day limitation: Christmas, the day
70 before Christmas, the day after Christmas, Thanksgiving, the day

71 before Thanksgiving and the day after Thanksgiving. However,
72 before payment may be made for more than eighteen (18) home leave
73 days in a year for a patient, the patient must have written
74 authorization from a physician stating that the patient is
75 physically and mentally able to be away from the facility on home
76 leave. Such authorization must be filed with the division before
77 it will be effective and the authorization shall be effective for
78 three (3) months from the date it is received by the division,
79 unless it is revoked earlier by the physician because of a change
80 in the condition of the patient.

81 (b) From and after July 1, 1997, the division
82 shall implement the integrated case-mix payment and quality
83 monitoring system, which includes the fair rental system for
84 property costs and in which recapture of depreciation is
85 eliminated. The division may reduce the payment for hospital
86 leave and therapeutic home leave days to the lower of the case-mix
87 category as computed for the resident on leave using the
88 assessment being utilized for payment at that point in time, or a
89 case-mix score of 1.000 for nursing facilities, and shall compute
90 case-mix scores of residents so that only services provided at the
91 nursing facility are considered in calculating a facility's per
92 diem. The division is authorized to limit allowable management
93 fees and home office costs to either three percent (3%), five
94 percent (5%) or seven percent (7%) of other allowable costs,
95 including allowable therapy costs and property costs, based on the
96 types of management services provided, as follows:

97 A maximum of up to three percent (3%) shall be allowed where
98 centralized managerial and administrative services are provided by
99 the management company or home office.

100 A maximum of up to five percent (5%) shall be allowed where
101 centralized managerial and administrative services and limited
102 professional and consultant services are provided.

103 A maximum of up to seven percent (7%) shall be allowed where

104 a full spectrum of centralized managerial services, administrative
105 services, professional services and consultant services are
106 provided.

107 (c) From and after July 1, 1997, all state-owned
108 nursing facilities shall be reimbursed on a full reasonable cost
109 basis.

110 (d) When a facility of a category that does not
111 require a certificate of need for construction and that could not
112 be eligible for Medicaid reimbursement is constructed to nursing
113 facility specifications for licensure and certification, and the
114 facility is subsequently converted to a nursing facility pursuant
115 to a certificate of need that authorizes conversion only and the
116 applicant for the certificate of need was assessed an application
117 review fee based on capital expenditures incurred in constructing
118 the facility, the division shall allow reimbursement for capital
119 expenditures necessary for construction of the facility that were
120 incurred within the twenty-four (24) consecutive calendar months
121 immediately preceding the date that the certificate of need
122 authorizing such conversion was issued, to the same extent that
123 reimbursement would be allowed for construction of a new nursing
124 facility pursuant to a certificate of need that authorizes such
125 construction. The reimbursement authorized in this subparagraph
126 (d) may be made only to facilities the construction of which was
127 completed after June 30, 1989. Before the division shall be
128 authorized to make the reimbursement authorized in this
129 subparagraph (d), the division first must have received approval
130 from the Health Care Financing Administration of the United States
131 Department of Health and Human Services of the change in the state
132 Medicaid plan providing for such reimbursement.

133 (e) The division shall develop and implement, not
134 later than January 1, 2001, a case-mix payment add-on determined
135 by time studies and other valid statistical data which will
136 reimburse a nursing facility for the additional cost of caring for

137 a resident who has a diagnosis of Alzheimer's or other related
138 dementia and exhibits symptoms that require special care. Any
139 such case-mix add-on payment shall be supported by a determination
140 of additional cost. The division shall also develop and implement
141 as part of the fair rental reimbursement system for nursing
142 facility beds, an Alzheimer's resident bed depreciation enhanced
143 reimbursement system which will provide an incentive to encourage
144 nursing facilities to convert or construct beds for residents with
145 Alzheimer's or other related dementia.

146 (f) The Division of Medicaid shall develop and
147 implement a referral process for long-term care alternatives for
148 Medicaid beneficiaries and applicants. No Medicaid beneficiary
149 shall be admitted to a Medicaid-certified nursing facility unless
150 a licensed physician certifies that nursing facility care is
151 appropriate for that person on a standardized form to be prepared
152 and provided to nursing facilities by the Division of Medicaid.
153 The physician shall forward a copy of that certification to the
154 Division of Medicaid within twenty-four (24) hours after it is
155 signed by the physician. Any physician who fails to forward the
156 certification to the Division of Medicaid within the time period
157 specified in this paragraph shall be ineligible for Medicaid
158 reimbursement for any physician's services performed for the
159 applicant. The Division of Medicaid shall determine, through an
160 assessment of the applicant conducted within two (2) business days
161 after receipt of the physician's certification, whether the
162 applicant also could live appropriately and cost-effectively at
163 home or in some other community-based setting if home- or
164 community-based services were available to the applicant. The
165 time limitation prescribed in this paragraph shall be waived in
166 cases of emergency. If the Division of Medicaid determines that a
167 home- or other community-based setting is appropriate and
168 cost-effective, the division shall:

169 (i) Advise the applicant or the applicant's

170 legal representative that a home- or other community-based setting
171 is appropriate;

172 (ii) Provide a proposed care plan and inform
173 the applicant or the applicant's legal representative regarding
174 the degree to which the services in the care plan are available in
175 a home- or in other community-based setting rather than nursing
176 facility care; and

177 (iii) Explain that such plan and services are
178 available only if the applicant or the applicant's legal
179 representative chooses a home- or community-based alternative to
180 nursing facility care, and that the applicant is free to choose
181 nursing facility care.

182 The Division of Medicaid may provide the services described
183 in this paragraph (f) directly or through contract with case
184 managers from the local Area Agencies on Aging, and shall
185 coordinate long-term care alternatives to avoid duplication with
186 hospital discharge planning procedures.

187 Placement in a nursing facility may not be denied by the
188 division if home- or community-based services that would be more
189 appropriate than nursing facility care are not actually available,
190 or if the applicant chooses not to receive the appropriate home-
191 or community-based services.

192 The division shall provide an opportunity for a fair hearing
193 under federal regulations to any applicant who is not given the
194 choice of home- or community-based services as an alternative to
195 institutional care.

196 The division shall make full payment for long-term care
197 alternative services.

198 The division shall apply for necessary federal waivers to
199 assure that additional services providing alternatives to nursing
200 facility care are made available to applicants for nursing
201 facility care.

202 (5) Periodic screening and diagnostic services for

203 individuals under age twenty-one (21) years as are needed to
204 identify physical and mental defects and to provide health care
205 treatment and other measures designed to correct or ameliorate
206 defects and physical and mental illness and conditions discovered
207 by the screening services regardless of whether these services are
208 included in the state plan. The division may include in its
209 periodic screening and diagnostic program those discretionary
210 services authorized under the federal regulations adopted to
211 implement Title XIX of the federal Social Security Act, as
212 amended. The division, in obtaining physical therapy services,
213 occupational therapy services, and services for individuals with
214 speech, hearing and language disorders, may enter into a
215 cooperative agreement with the State Department of Education for
216 the provision of such services to handicapped students by public
217 school districts using state funds which are provided from the
218 appropriation to the Department of Education to obtain federal
219 matching funds through the division. The division, in obtaining
220 medical and psychological evaluations for children in the custody
221 of the State Department of Human Services may enter into a
222 cooperative agreement with the State Department of Human Services
223 for the provision of such services using state funds which are
224 provided from the appropriation to the Department of Human
225 Services to obtain federal matching funds through the division.

226 On July 1, 1993, all fees for periodic screening and
227 diagnostic services under this paragraph (5) shall be increased by
228 twenty-five percent (25%) of the reimbursement rate in effect on
229 June 30, 1993.

230 (6) Physician's services. All fees for physicians'
231 services that are covered only by Medicaid shall be reimbursed at
232 ninety percent (90%) of the rate established on January 1, 1999,
233 and as adjusted each January thereafter, under Medicare (Title
234 XVIII of the Social Security Act, as amended), and which shall in
235 no event be less than seventy percent (70%) of the rate

236 established on January 1, 1994. All fees for physicians' services
237 that are covered by both Medicare and Medicaid shall be reimbursed
238 at ten percent (10%) of the adjusted Medicare payment established
239 on January 1, 1999, and as adjusted each January thereafter, under
240 Medicare (Title XVIII of the Social Security Act, as amended), and
241 which shall in no event be less than seven percent (7%) of the
242 adjusted Medicare payment established on January 1, 1994.

243 (7) (a) Home health services for eligible persons, not
244 to exceed in cost the prevailing cost of nursing facility
245 services, not to exceed sixty (60) visits per year.

246 (b) Repealed.

247 (8) Emergency medical transportation services. On
248 January 1, 1994, emergency medical transportation services shall
249 be reimbursed at seventy percent (70%) of the rate established
250 under Medicare (Title XVIII of the Social Security Act, as
251 amended). "Emergency medical transportation services" shall mean,
252 but shall not be limited to, the following services by a properly
253 permitted ambulance operated by a properly licensed provider in
254 accordance with the Emergency Medical Services Act of 1974
255 (Section 41-59-1 et seq.): (i) basic life support, (ii) advanced
256 life support, (iii) mileage, (iv) oxygen, (v) intravenous fluids,
257 (vi) disposable supplies, (vii) similar services.

258 (9) Legend and other drugs as may be determined by the
259 division. The division may implement a program of prior approval
260 for drugs to the extent permitted by law. Payment by the division
261 for covered multiple source drugs shall be limited to the lower of
262 the upper limits established and published by the Health Care
263 Financing Administration (HCFA) plus a dispensing fee of Four
264 Dollars and Ninety-one Cents (\$4.91), or the estimated acquisition
265 cost (EAC) as determined by the division plus a dispensing fee of
266 Four Dollars and Ninety-one Cents (\$4.91), or the providers' usual
267 and customary charge to the general public. The division shall
268 allow five (5) prescriptions per month for noninstitutionalized

269 Medicaid recipients; however, exceptions for up to ten (10)
270 prescriptions per month shall be allowed, with the approval of the
271 director.

272 Payment for other covered drugs, other than multiple source
273 drugs with HCFA upper limits, shall not exceed the lower of the
274 estimated acquisition cost as determined by the division plus a
275 dispensing fee of Four Dollars and Ninety-one Cents (\$4.91) or the
276 providers' usual and customary charge to the general public.

277 Payment for nonlegend or over-the-counter drugs covered on
278 the division's formulary shall be reimbursed at the lower of the
279 division's estimated shelf price or the providers' usual and
280 customary charge to the general public. No dispensing fee shall
281 be paid.

282 The division shall develop and implement a program of payment
283 for additional pharmacist services, with payment to be based on
284 demonstrated savings, but in no case shall the total payment
285 exceed twice the amount of the dispensing fee.

286 As used in this paragraph (9), "estimated acquisition cost"
287 means the division's best estimate of what price providers
288 generally are paying for a drug in the package size that providers
289 buy most frequently. Product selection shall be made in
290 compliance with existing state law; however, the division may
291 reimburse as if the prescription had been filled under the generic
292 name. The division may provide otherwise in the case of specified
293 drugs when the consensus of competent medical advice is that
294 trademarked drugs are substantially more effective.

295 (10) Dental care that is an adjunct to treatment of an
296 acute medical or surgical condition; services of oral surgeons and
297 dentists in connection with surgery related to the jaw or any
298 structure contiguous to the jaw or the reduction of any fracture
299 of the jaw or any facial bone; and emergency dental extractions
300 and treatment related thereto. On July 1, 1999, all fees for
301 dental care and surgery under authority of this paragraph (10)

302 shall be increased to one hundred sixty percent (160%) of the
303 amount of the reimbursement rate that was in effect on June 30,
304 1999. It is the intent of the Legislature to encourage more
305 dentists to participate in the Medicaid program.

306 (11) Eyeglasses necessitated by reason of eye surgery,
307 and as prescribed by a physician skilled in diseases of the eye or
308 an optometrist, whichever the patient may select, or one (1) pair
309 every three (3) years as prescribed by a physician or an
310 optometrist, whichever the patient may select.

311 (12) Intermediate care facility services.

312 (a) The division shall make full payment to all
313 intermediate care facilities for the mentally retarded for each
314 day, not exceeding eighty-four (84) days per year, that a patient
315 is absent from the facility on home leave. Payment may be made
316 for the following home leave days in addition to the
317 eighty-four-day limitation: Christmas, the day before Christmas,
318 the day after Christmas, Thanksgiving, the day before Thanksgiving
319 and the day after Thanksgiving. However, before payment may be
320 made for more than eighteen (18) home leave days in a year for a
321 patient, the patient must have written authorization from a
322 physician stating that the patient is physically and mentally able
323 to be away from the facility on home leave. Such authorization
324 must be filed with the division before it will be effective, and
325 the authorization shall be effective for three (3) months from the
326 date it is received by the division, unless it is revoked earlier
327 by the physician because of a change in the condition of the
328 patient.

329 (b) All state-owned intermediate care facilities
330 for the mentally retarded shall be reimbursed on a full reasonable
331 cost basis.

332 (c) The division is authorized to limit allowable
333 management fees and home office costs to either three percent
334 (3%), five percent (5%) or seven percent (7%) of other allowable

335 costs, including allowable therapy costs and property costs, based
336 on the types of management services provided, as follows:

337 A maximum of up to three percent (3%) shall be allowed where
338 centralized managerial and administrative services are provided by
339 the management company or home office.

340 A maximum of up to five percent (5%) shall be allowed where
341 centralized managerial and administrative services and limited
342 professional and consultant services are provided.

343 A maximum of up to seven percent (7%) shall be allowed where
344 a full spectrum of centralized managerial services, administrative
345 services, professional services and consultant services are
346 provided.

347 (13) Family planning services, including drugs,
348 supplies and devices, when such services are under the supervision
349 of a physician.

350 (14) Clinic services. Such diagnostic, preventive,
351 therapeutic, rehabilitative or palliative services furnished to an
352 outpatient by or under the supervision of a physician or dentist
353 in a facility which is not a part of a hospital but which is
354 organized and operated to provide medical care to outpatients.
355 Clinic services shall include any services reimbursed as
356 outpatient hospital services which may be rendered in such a
357 facility, including those that become so after July 1, 1991. On
358 July 1, 1999, all fees for physicians' services reimbursed under
359 authority of this paragraph (14) shall be reimbursed at ninety
360 percent (90%) of the rate established on January 1, 1999, and as
361 adjusted each January thereafter, under Medicare (Title XVIII of
362 the Social Security Act, as amended), and which shall in no event
363 be less than seventy percent (70%) of the rate established on
364 January 1, 1994. All fees for physicians' services that are
365 covered by both Medicare and Medicaid shall be reimbursed at ten
366 percent (10%) of the adjusted Medicare payment established on
367 January 1, 1999, and as adjusted each January thereafter, under

368 Medicare (Title XVIII of the Social Security Act, as amended), and
369 which shall in no event be less than seven percent (7%) of the
370 adjusted Medicare payment established on January 1, 1994. On July
371 1, 1999, all fees for dentists' services reimbursed under
372 authority of this paragraph (14) shall be increased to one hundred
373 sixty percent (160%) of the amount of the reimbursement rate that
374 was in effect on June 30, 1999.

375 (15) Home- and community-based services, as provided
376 under Title XIX of the federal Social Security Act, as amended,
377 under waivers, subject to the availability of funds specifically
378 appropriated therefor by the Legislature. Payment for such
379 services shall be limited to individuals who would be eligible for
380 and would otherwise require the level of care provided in a
381 nursing facility. The home- and community-based services
382 authorized under this paragraph shall be expanded over a five-year
383 period beginning July 1, 1999. The division shall certify case
384 management agencies to provide case management services and
385 provide for home- and community-based services for eligible
386 individuals under this paragraph. The home- and community-based
387 services under this paragraph and the activities performed by
388 certified case management agencies under this paragraph shall be
389 funded using state funds that are provided from the appropriation
390 to the Division of Medicaid and used to match federal funds.

391 (16) Mental health services. Approved therapeutic and
392 case management services provided by (a) an approved regional
393 mental health/retardation center established under Sections
394 41-19-31 through 41-19-39, or by another community mental health
395 service provider meeting the requirements of the Department of
396 Mental Health to be an approved mental health/retardation center
397 if determined necessary by the Department of Mental Health, using
398 state funds which are provided from the appropriation to the State
399 Department of Mental Health and used to match federal funds under
400 a cooperative agreement between the division and the department,

401 or (b) a facility which is certified by the State Department of
402 Mental Health to provide therapeutic and case management services,
403 to be reimbursed on a fee for service basis. Any such services
404 provided by a facility described in paragraph (b) must have the
405 prior approval of the division to be reimbursable under this
406 section. After June 30, 1997, mental health services provided by
407 regional mental health/retardation centers established under
408 Sections 41-19-31 through 41-19-39, or by hospitals as defined in
409 Section 41-9-3(a) and/or their subsidiaries and divisions, or by
410 psychiatric residential treatment facilities as defined in Section
411 43-11-1, or by another community mental health service provider
412 meeting the requirements of the Department of Mental Health to be
413 an approved mental health/retardation center if determined
414 necessary by the Department of Mental Health, shall not be
415 included in or provided under any capitated managed care pilot
416 program provided for under paragraph (24) of this section. From
417 and after July 1, 2000, the division is authorized to contract
418 with a 134-bed specialty hospital located on Highway 39 North in
419 Lauderdale County for the use of not more than sixty (60) beds at
420 the facility to provide mental health services for children and
421 adolescents and for crisis intervention services for emotionally
422 disturbed children with behavioral problems, with priority to be
423 given to children in the custody of the Department of Human
424 Services who are, or otherwise will be, receiving such services
425 out-of-state.

426 (17) Durable medical equipment services and medical
427 supplies. The Division of Medicaid may require durable medical
428 equipment providers to obtain a surety bond in the amount and to
429 the specifications as established by the Balanced Budget Act of
430 1997.

431 (18) Notwithstanding any other provision of this
432 section to the contrary, the division shall make additional
433 reimbursement to hospitals which serve a disproportionate share of

434 low-income patients and which meet the federal requirements for
435 such payments as provided in Section 1923 of the federal Social
436 Security Act and any applicable regulations. However, from and
437 after January 1, 2000, no public hospital shall participate in the
438 Medicaid disproportionate share program unless the public hospital
439 participates in an intergovernmental transfer program as provided
440 in Section 1903 of the federal Social Security Act and any
441 applicable regulations. Administration and support for
442 participating hospitals shall be provided by the Mississippi
443 Hospital Association.

444 (19) (a) Perinatal risk management services. The
445 division shall promulgate regulations to be effective from and
446 after October 1, 1988, to establish a comprehensive perinatal
447 system for risk assessment of all pregnant and infant Medicaid
448 recipients and for management, education and follow-up for those
449 who are determined to be at risk. Services to be performed
450 include case management, nutrition assessment/counseling,
451 psychosocial assessment/counseling and health education. The
452 division shall set reimbursement rates for providers in
453 conjunction with the State Department of Health.

454 (b) Early intervention system services. The
455 division shall cooperate with the State Department of Health,
456 acting as lead agency, in the development and implementation of a
457 statewide system of delivery of early intervention services,
458 pursuant to Part H of the Individuals with Disabilities Education
459 Act (IDEA). The State Department of Health shall certify annually
460 in writing to the director of the division the dollar amount of
461 state early intervention funds available which shall be utilized
462 as a certified match for Medicaid matching funds. Those funds
463 then shall be used to provide expanded targeted case management
464 services for Medicaid eligible children with special needs who are
465 eligible for the state's early intervention system.
466 Qualifications for persons providing service coordination shall be

467 determined by the State Department of Health and the Division of
468 Medicaid.

469 (20) Home- and community-based services for physically
470 disabled approved services as allowed by a waiver from the United
471 States Department of Health and Human Services for home- and
472 community-based services for physically disabled people using
473 state funds which are provided from the appropriation to the State
474 Department of Rehabilitation Services and used to match federal
475 funds under a cooperative agreement between the division and the
476 department, provided that funds for these services are
477 specifically appropriated to the Department of Rehabilitation
478 Services.

479 (21) Nurse practitioner services. Services furnished
480 by a registered nurse who is licensed and certified by the
481 Mississippi Board of Nursing as a nurse practitioner including,
482 but not limited to, nurse anesthetists, nurse midwives, family
483 nurse practitioners, family planning nurse practitioners,
484 pediatric nurse practitioners, obstetrics-gynecology nurse
485 practitioners and neonatal nurse practitioners, under regulations
486 adopted by the division. Reimbursement for such services shall
487 not exceed ninety percent (90%) of the reimbursement rate for
488 comparable services rendered by a physician.

489 (22) Ambulatory services delivered in federally
490 qualified health centers and in clinics of the local health
491 departments of the State Department of Health for individuals
492 eligible for medical assistance under this article based on
493 reasonable costs as determined by the division.

494 (23) Inpatient psychiatric services. Inpatient
495 psychiatric services to be determined by the division for
496 recipients under age twenty-one (21) which are provided under the
497 direction of a physician in an inpatient program in a licensed
498 acute care psychiatric facility or in a licensed psychiatric
499 residential treatment facility, before the recipient reaches age

500 twenty-one (21) or, if the recipient was receiving the services
501 immediately before he reached age twenty-one (21), before the
502 earlier of the date he no longer requires the services or the date
503 he reaches age twenty-two (22), as provided by federal
504 regulations. Recipients shall be allowed forty-five (45) days per
505 year of psychiatric services provided in acute care psychiatric
506 facilities, and shall be allowed unlimited days of psychiatric
507 services provided in licensed psychiatric residential treatment
508 facilities. The division is authorized to limit allowable
509 management fees and home office costs to either three percent
510 (3%), five percent (5%) or seven percent (7%) of other allowable
511 costs, including allowable therapy costs and property costs, based
512 on the types of management services provided, as follows:

513 A maximum of up to three percent (3%) shall be allowed where
514 centralized managerial and administrative services are provided by
515 the management company or home office.

516 A maximum of up to five percent (5%) shall be allowed where
517 centralized managerial and administrative services and limited
518 professional and consultant services are provided.

519 A maximum of up to seven percent (7%) shall be allowed where
520 a full spectrum of centralized managerial services, administrative
521 services, professional services and consultant services are
522 provided.

523 (24) Managed care services in a program to be developed
524 by the division by a public or private provider. If managed care
525 services are provided by the division to Medicaid recipients, and
526 those managed care services are operated, managed and controlled
527 by and under the authority of the division, the division shall be
528 responsible for educating the Medicaid recipients who are
529 participants in the managed care program regarding the manner in
530 which the participants should seek health care under the program.

531 _Notwithstanding any other provision in this article to the
532 contrary, the division shall establish rates of reimbursement to

533 providers rendering care and services authorized under this
534 paragraph (24), and may revise such rates of reimbursement without
535 amendment to this section by the Legislature for the purpose of
536 achieving effective and accessible health services, and for
537 responsible containment of costs.

538 * * *

539 (25) Birthing center services.

540 (26) Hospice care. As used in this paragraph, the term
541 "hospice care" means a coordinated program of active professional
542 medical attention within the home and outpatient and inpatient
543 care which treats the terminally ill patient and family as a unit,
544 employing a medically directed interdisciplinary team. The
545 program provides relief of severe pain or other physical symptoms
546 and supportive care to meet the special needs arising out of
547 physical, psychological, spiritual, social and economic stresses
548 which are experienced during the final stages of illness and
549 during dying and bereavement and meets the Medicare requirements
550 for participation as a hospice as provided in federal regulations.

551 (27) Group health plan premiums and cost sharing if it
552 is cost effective as defined by the Secretary of Health and Human
553 Services.

554 (28) Other health insurance premiums which are cost
555 effective as defined by the Secretary of Health and Human
556 Services. Medicare eligible must have Medicare Part B before
557 other insurance premiums can be paid.

558 (29) The Division of Medicaid may apply for a waiver
559 from the Department of Health and Human Services for home- and
560 community-based services for developmentally disabled people using
561 state funds which are provided from the appropriation to the State
562 Department of Mental Health and used to match federal funds under
563 a cooperative agreement between the division and the department,
564 provided that funds for these services are specifically
565 appropriated to the Department of Mental Health.

566 (30) Pediatric skilled nursing services for eligible
567 persons under twenty-one (21) years of age.

568 (31) Targeted case management services for children
569 with special needs, under waivers from the United States
570 Department of Health and Human Services, using state funds that
571 are provided from the appropriation to the Mississippi Department
572 of Human Services and used to match federal funds under a
573 cooperative agreement between the division and the department.

574 (32) Care and services provided in Christian Science
575 Sanatoria operated by or listed and certified by The First Church
576 of Christ Scientist, Boston, Massachusetts, rendered in connection
577 with treatment by prayer or spiritual means to the extent that
578 such services are subject to reimbursement under Section 1903 of
579 the Social Security Act.

580 (33) Podiatrist services.

581 (34) The division shall make application to the United
582 States Health Care Financing Administration for a waiver to
583 develop a program of services to personal care and assisted living
584 homes in Mississippi. This waiver shall be completed by December
585 1, 1999.

586 (35) Services and activities authorized in Sections
587 43-27-101 and 43-27-103, using state funds that are provided from
588 the appropriation to the State Department of Human Services and
589 used to match federal funds under a cooperative agreement between
590 the division and the department.

591 (36) Nonemergency transportation services for
592 Medicaid-eligible persons, to be provided by the Division of
593 Medicaid. The division may contract with additional entities to
594 administer nonemergency transportation services as it deems
595 necessary. All providers shall have a valid driver's license,
596 vehicle inspection sticker, valid vehicle license tags and a
597 standard liability insurance policy covering the vehicle.

598 (37) Targeted case management services for individuals

599 with chronic diseases, with expanded eligibility to cover services
600 to uninsured recipients, on a pilot program basis. This paragraph
601 (37) shall be contingent upon continued receipt of special funds
602 from the Health Care Financing Authority and private foundations
603 who have granted funds for planning these services. No funding
604 for these services shall be provided from state general funds.

605 (38) Chiropractic services: a chiropractor's manual
606 manipulation of the spine to correct a subluxation, if x-ray
607 demonstrates that a subluxation exists and if the subluxation has
608 resulted in a neuromusculoskeletal condition for which
609 manipulation is appropriate treatment. Reimbursement for
610 chiropractic services shall not exceed Seven Hundred Dollars
611 (\$700.00) per year per recipient.

612 (39) Dually eligible Medicare/Medicaid beneficiaries.
613 The division shall pay the Medicare deductible and ten percent
614 (10%) coinsurance amounts for services available under Medicare
615 for the duration and scope of services otherwise available under
616 the Medicaid program.

617 (40) The division shall prepare an application for a
618 waiver to provide prescription drug benefits to as many
619 Mississippians as permitted under Title XIX of the Social Security
620 Act.

621 (41) Services provided by the State Department of
622 Rehabilitation Services for the care and rehabilitation of persons
623 with spinal cord injuries or traumatic brain injuries, as allowed
624 under waivers from the United States Department of Health and
625 Human Services, using up to seventy-five percent (75%) of the
626 funds that are appropriated to the Department of Rehabilitation
627 Services from the Spinal Cord and Head Injury Trust Fund
628 established under Section 37-33-261 and used to match federal
629 funds under a cooperative agreement between the division and the
630 department.

631 (42) Notwithstanding any other provision in this

632 article to the contrary, the division is hereby authorized to
633 develop a population health management program for women and
634 children health services through the age of two (2). This program
635 is primarily for obstetrical care associated with low birth weight
636 and pre-term babies. In order to effect cost savings, the
637 division may develop a revised payment methodology which may
638 include at-risk capitated payments.

639 (43) The division shall provide reimbursement,
640 according to a payment schedule developed by the division, for
641 smoking cessation medications for pregnant women during their
642 pregnancy and other Medicaid-eligible women who are of
643 child-bearing age.

644 Notwithstanding any provision of this article, except as
645 authorized in the following paragraph and in Section 43-13-139,
646 neither (a) the limitations on quantity or frequency of use of or
647 the fees or charges for any of the care or services available to
648 recipients under this section, nor (b) the payments or rates of
649 reimbursement to providers rendering care or services authorized
650 under this section to recipients, may be increased, decreased or
651 otherwise changed from the levels in effect on July 1, 1999,
652 unless such is authorized by an amendment to this section by the
653 Legislature. However, the restriction in this paragraph shall not
654 prevent the division from changing the payments or rates of
655 reimbursement to providers without an amendment to this section
656 whenever such changes are required by federal law or regulation,
657 or whenever such changes are necessary to correct administrative
658 errors or omissions in calculating such payments or rates of
659 reimbursement.

660 Notwithstanding any provision of this article, no new groups
661 or categories of recipients and new types of care and services may
662 be added without enabling legislation from the Mississippi
663 Legislature, except that the division may authorize such changes
664 without enabling legislation when such addition of recipients or

665 services is ordered by a court of proper authority. The director
666 shall keep the Governor advised on a timely basis of the funds
667 available for expenditure and the projected expenditures. In the
668 event current or projected expenditures can be reasonably
669 anticipated to exceed the amounts appropriated for any fiscal
670 year, the Governor, after consultation with the director, shall
671 discontinue any or all of the payment of the types of care and
672 services as provided herein which are deemed to be optional
673 services under Title XIX of the federal Social Security Act, as
674 amended, for any period necessary to not exceed appropriated
675 funds, and when necessary shall institute any other cost
676 containment measures on any program or programs authorized under
677 the article to the extent allowed under the federal law governing
678 such program or programs, it being the intent of the Legislature
679 that expenditures during any fiscal year shall not exceed the
680 amounts appropriated for such fiscal year.

681 SECTION 2. It is the intent of the Legislature that the
682 amendments to Section 43-13-117, Mississippi Code of 1972,
683 contained in this House Bill No. 1280, 2000 Regular Session, shall
684 supersede the amendments to this section contained in House Bill
685 No. 1432, 2000 Regular Session.

686 SECTION 3. This act shall take effect and be in force from
687 and after its passage.