

By: Gordon, Huggins

To: Public Health and  
Welfare;  
Appropriations

COMMITTEE SUBSTITUTE  
FOR  
SENATE BILL NO. 2942

1 AN ACT TO AMEND SECTION 43-13-117, MISSISSIPPI CODE OF 1972,  
2 TO PROVIDE THAT NO PUBLIC HOSPITAL SHALL PARTICIPATE IN THE  
3 MEDICAID DISPROPORTIONATE SHARE PROGRAM UNLESS THE HOSPITAL  
4 PARTICIPATES IN AN INTERGOVERNMENTAL TRANSFER PROGRAM; TO CLARIFY  
5 THAT THE DIVISION SHALL PAY MEDICARE DEDUCTIBLE AND COINSURANCE  
6 AMOUNTS FOR PHYSICIAN SERVICES ONLY; AND FOR RELATED PURPOSES.

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

8 SECTION 1. Section 43-13-117, Mississippi Code of 1972, as  
9 amended by Senate Bill No. 2143, 1999 Regular Session, which  
10 became law after veto by approval of the Legislature during the  
11 2000 Regular Session, is amended as follows:

12 43-13-117. Medical assistance as authorized by this article  
13 shall include payment of part or all of the costs, at the  
14 discretion of the division or its successor, with approval of the  
15 Governor, of the following types of care and services rendered to  
16 eligible applicants who shall have been determined to be eligible  
17 for such care and services, within the limits of state  
18 appropriations and federal matching funds:

19 (1) Inpatient hospital services.

20 (a) The division shall allow thirty (30) days of  
21 inpatient hospital care annually for all Medicaid recipients. The  
22 division shall be authorized to allow unlimited days in  
23 disproportionate hospitals as defined by the division for eligible  
24 infants under the age of six (6) years.

25 (b) From and after July 1, 1994, the Executive Director  
26 of the Division of Medicaid shall amend the Mississippi Title XIX  
27 Inpatient Hospital Reimbursement Plan to remove the occupancy rate  
28 penalty from the calculation of the Medicaid Capital Cost

29 Component utilized to determine total hospital costs allocated to  
30 the Medicaid program.

31 (c) Hospitals will receive an additional payment for  
32 the implantable programmable pump for approved spasticity patients  
33 implanted in an inpatient setting, to be determined by the  
34 Division of Medicaid and approved by the Medical Advisory  
35 Committee. The payment pursuant to written invoice will be in  
36 addition to the facility's per diem reimbursement and will  
37 represent a reduction of costs on the facility's annual cost  
38 report, and shall not exceed Ten Thousand Dollars (\$10,000.00) per  
39 year per recipient. This paragraph (c) shall stand repealed on  
40 July 1, 2000.

41 (2) Outpatient hospital services. Provided that where the  
42 same services are reimbursed as clinic services, the division may  
43 revise the rate or methodology of outpatient reimbursement to  
44 maintain consistency, efficiency, economy and quality of care.  
45 The division shall develop a Medicaid-specific cost-to-charge  
46 ratio calculation from data provided by hospitals to determine an  
47 allowable rate payment for outpatient hospital services, and shall  
48 submit a report thereon to the Medical Advisory Committee on or  
49 before December 1, 1999. The committee shall make a  
50 recommendation on the specific cost-to-charge reimbursement method  
51 for outpatient hospital services to the 2000 Regular Session of  
52 the Legislature.

53 (3) Laboratory and x-ray services.

54 (4) Nursing facility services.

55 (a) The division shall make full payment to nursing  
56 facilities for each day, not exceeding fifty-two (52) days per  
57 year, that a patient is absent from the facility on home leave.  
58 Payment may be made for the following home leave days in addition  
59 to the fifty-two-day limitation: Christmas, the day before  
60 Christmas, the day after Christmas, Thanksgiving, the day before  
61 Thanksgiving and the day after Thanksgiving. However, before  
62 payment may be made for more than eighteen (18) home leave days in  
63 a year for a patient, the patient must have written authorization  
64 from a physician stating that the patient is physically and  
65 mentally able to be away from the facility on home leave. Such

66 authorization must be filed with the division before it will be  
67 effective and the authorization shall be effective for three (3)  
68 months from the date it is received by the division, unless it is  
69 revoked earlier by the physician because of a change in the  
70 condition of the patient.

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

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

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

93 A maximum of up to seven percent (7%) shall be allowed where  
94 a full spectrum of centralized managerial services, administrative  
95 services, professional services and consultant services are  
96 provided.

97 (c) From and after July 1, 1997, all state-owned  
98 nursing facilities shall be reimbursed on a full reasonable cost

99 basis.

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

123 (e) The division shall develop and implement a case-mix  
124 payment add-on determined by time studies and other valid  
125 statistical data which will reimburse a nursing facility for the  
126 additional cost of caring for a resident who has a diagnosis of  
127 Alzheimer's or other related dementia and exhibits symptoms that  
128 require special care. Any such case-mix add-on payment shall be  
129 supported by a determination of additional cost. The division  
130 shall also develop and implement as part of the fair rental  
131 reimbursement system for nursing facility beds, an Alzheimer's

132 resident bed depreciation enhanced reimbursement system which will  
133 provide an incentive to encourage nursing facilities to convert or  
134 construct beds for residents with Alzheimer's or other related  
135 dementia.

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

159           (i) Advise the applicant or the applicant's legal  
160 representative that a home- or other community-based setting is  
161 appropriate;

162           (ii) Provide a proposed care plan and inform the  
163 applicant or the applicant's legal representative regarding the  
164 degree to which the services in the care plan are available in a

165 home- or in other community-based setting rather than nursing  
166 facility care; and

167 (iii) Explain that such plan and services are  
168 available only if the applicant or the applicant's legal  
169 representative chooses a home- or community-based alternative to  
170 nursing facility care, and that the applicant is free to choose  
171 nursing facility care.

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

177 Placement in a nursing facility may not be denied by the  
178 division if home- or community-based services that would be more  
179 appropriate than nursing facility care are not actually available,  
180 or if the applicant chooses not to receive the appropriate home-  
181 or community-based services.

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

186 The division shall make full payment for long-term care  
187 alternative services.

188 The division shall apply for necessary federal waivers to  
189 assure that additional services providing alternatives to nursing  
190 facility care are made available to applicants for nursing  
191 facility care.

192 (5) Periodic screening and diagnostic services for  
193 individuals under age twenty-one (21) years as are needed to  
194 identify physical and mental defects and to provide health care  
195 treatment and other measures designed to correct or ameliorate  
196 defects and physical and mental illness and conditions discovered  
197 by the screening services regardless of whether these services are

198 included in the state plan. The division may include in its  
199 periodic screening and diagnostic program those discretionary  
200 services authorized under the federal regulations adopted to  
201 implement Title XIX of the federal Social Security Act, as  
202 amended. The division, in obtaining physical therapy services,  
203 occupational therapy services, and services for individuals with  
204 speech, hearing and language disorders, may enter into a  
205 cooperative agreement with the State Department of Education for  
206 the provision of such services to handicapped students by public  
207 school districts using state funds which are provided from the  
208 appropriation to the Department of Education to obtain federal  
209 matching funds through the division. The division, in obtaining  
210 medical and psychological evaluations for children in the custody  
211 of the State Department of Human Services may enter into a  
212 cooperative agreement with the State Department of Human Services  
213 for the provision of such services using state funds which are  
214 provided from the appropriation to the Department of Human  
215 Services to obtain federal matching funds through the division.

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

220 (6) Physician's services. All fees for physicians' services  
221 that are covered only by Medicaid shall be reimbursed at ninety  
222 percent (90%) of the rate established on January 1, 1999, and as  
223 adjusted each January thereafter, under Medicare (Title XVIII of  
224 the Social Security Act, as amended), and which shall in no event  
225 be less than seventy percent (70%) of the rate established on  
226 January 1, 1994. All fees for physicians' services that are  
227 covered by both Medicare and Medicaid shall be reimbursed at ten  
228 percent (10%) of the adjusted Medicare payment established on  
229 January 1, 1999, and as adjusted each January thereafter, under  
230 Medicare (Title XVIII of the Social Security Act, as amended), and

231 which shall in no event be less than seven percent (7%) of the  
232 adjusted Medicare payment established on January 1, 1994.

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

236 (b) Repealed.

237 (8) Emergency medical transportation services. On January  
238 1, 1994, emergency medical transportation services shall be  
239 reimbursed at seventy percent (70%) of the rate established under  
240 Medicare (Title XVIII of the Social Security Act, as amended).

241 "Emergency medical transportation services" shall mean, but shall  
242 not be limited to, the following services by a properly permitted  
243 ambulance operated by a properly licensed provider in accordance  
244 with the Emergency Medical Services Act of 1974 (Section 41-59-1  
245 et seq.): (i) basic life support, (ii) advanced life support,  
246 (iii) mileage, (iv) oxygen, (v) intravenous fluids, (vi)  
247 disposable supplies, (vii) similar services.

248 (9) Legend and other drugs as may be determined by the  
249 division. The division may implement a program of prior approval  
250 for drugs to the extent permitted by law. Payment by the division  
251 for covered multiple source drugs shall be limited to the lower of  
252 the upper limits established and published by the Health Care  
253 Financing Administration (HCFA) plus a dispensing fee of Four  
254 Dollars and Ninety-one Cents (\$4.91), or the estimated acquisition  
255 cost (EAC) as determined by the division plus a dispensing fee of  
256 Four Dollars and Ninety-one Cents (\$4.91), or the providers' usual  
257 and customary charge to the general public. The division shall  
258 allow five (5) prescriptions per month for noninstitutionalized  
259 Medicaid recipients; however, exceptions for up to ten (10)  
260 prescriptions per month shall be allowed, with the approval of the  
261 director.

262 Payment for other covered drugs, other than multiple source  
263 drugs with HCFA upper limits, shall not exceed the lower of the



264 estimated acquisition cost as determined by the division plus a  
265 dispensing fee of Four Dollars and Ninety-one Cents (\$4.91) or the  
266 providers' usual and customary charge to the general public.

267 Payment for nonlegend or over-the-counter drugs covered on  
268 the division's formulary shall be reimbursed at the lower of the  
269 division's estimated shelf price or the providers' usual and  
270 customary charge to the general public. No dispensing fee shall  
271 be paid.

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

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

285 (10) Dental care that is an adjunct to treatment of an acute  
286 medical or surgical condition; services of oral surgeons and  
287 dentists in connection with surgery related to the jaw or any  
288 structure contiguous to the jaw or the reduction of any fracture  
289 of the jaw or any facial bone; and emergency dental extractions  
290 and treatment related thereto. On July 1, 1999, all fees for  
291 dental care and surgery under authority of this paragraph (10)  
292 shall be increased to one hundred sixty percent (160%) of the  
293 amount of the reimbursement rate that was in effect on June 30,  
294 1999. It is the intent of the Legislature to encourage more  
295 dentists to participate in the Medicaid program.

296 (11) Eyeglasses necessitated by reason of eye surgery, and

297 as prescribed by a physician skilled in diseases of the eye or an  
298 optometrist, whichever the patient may select, or one (1) pair  
299 every three (3) years as prescribed by a physician or an  
300 optometrist, whichever the patient may select.

301 (12) Intermediate care facility services.

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

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

322 (c) The division is authorized to limit allowable  
323 management fees and home office costs to either three percent  
324 (3%), five percent (5%) or seven percent (7%) of other allowable  
325 costs, including allowable therapy costs and property costs, based  
326 on the types of management services provided, as follows:

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

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

333 A maximum of up to seven percent (7%) shall be allowed where  
334 a full spectrum of centralized managerial services, administrative  
335 services, professional services and consultant services are  
336 provided.

337 (13) Family planning services, including drugs, supplies and  
338 devices, when such services are under the supervision of a  
339 physician.

340 (14) Clinic services. Such diagnostic, preventive,  
341 therapeutic, rehabilitative or palliative services furnished to an  
342 outpatient by or under the supervision of a physician or dentist  
343 in a facility which is not a part of a hospital but which is  
344 organized and operated to provide medical care to outpatients.  
345 Clinic services shall include any services reimbursed as  
346 outpatient hospital services which may be rendered in such a  
347 facility, including those that become so after July 1, 1991. On  
348 July 1, 1999, all fees for physicians' services reimbursed under  
349 authority of this paragraph (14) shall be reimbursed at ninety  
350 percent (90%) of the rate established on January 1, 1999, and as  
351 adjusted each January thereafter, under Medicare (Title XVIII of  
352 the Social Security Act, as amended), and which shall in no event  
353 be less than seventy percent (70%) of the rate established on  
354 January 1, 1994. All fees for physicians' services that are  
355 covered by both Medicare and Medicaid shall be reimbursed at ten  
356 percent (10%) of the adjusted Medicare payment established on  
357 January 1, 1999, and as adjusted each January thereafter, under  
358 Medicare (Title XVIII of the Social Security Act, as amended), and  
359 which shall in no event be less than seven percent (7%) of the  
360 adjusted Medicare payment established on January 1, 1994. On July  
361 1, 1999, all fees for dentists' services reimbursed under  
362 authority of this paragraph (14) shall be increased to one hundred

363 sixty percent (160%) of the amount of the reimbursement rate that  
364 was in effect on June 30, 1999.

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

381 (16) Mental health services. Approved therapeutic and case  
382 management services provided by (a) an approved regional mental  
383 health/retardation center established under Sections 41-19-31  
384 through 41-19-39, or by another community mental health service  
385 provider meeting the requirements of the Department of Mental  
386 Health to be an approved mental health/retardation center if  
387 determined necessary by the Department of Mental Health, using  
388 state funds which are provided from the appropriation to the State  
389 Department of Mental Health and used to match federal funds under  
390 a cooperative agreement between the division and the department,  
391 or (b) a facility which is certified by the State Department of  
392 Mental Health to provide therapeutic and case management services,  
393 to be reimbursed on a fee for service basis. Any such services  
394 provided by a facility described in paragraph (b) must have the  
395 prior approval of the division to be reimbursable under this

396 section. After June 30, 1997, mental health services provided by  
397 regional mental health/retardation centers established under  
398 Sections 41-19-31 through 41-19-39, or by hospitals as defined in  
399 Section 41-9-3(a) and/or their subsidiaries and divisions, or by  
400 psychiatric residential treatment facilities as defined in Section  
401 43-11-1, or by another community mental health service provider  
402 meeting the requirements of the Department of Mental Health to be  
403 an approved mental health/retardation center if determined  
404 necessary by the Department of Mental Health, shall not be  
405 included in or provided under any capitated managed care pilot  
406 program provided for under paragraph (24) of this section.

407 (17) Durable medical equipment services and medical  
408 supplies. The Division of Medicaid may require durable medical  
409 equipment providers to obtain a surety bond in the amount and to  
410 the specifications as established by the Balanced Budget Act of  
411 1997.

412 (18) Notwithstanding any other provision of this section to  
413 the contrary, the division shall make additional reimbursement to  
414 hospitals which serve a disproportionate share of low-income  
415 patients and which meet the federal requirements for such payments  
416 as provided in Section 1923 of the federal Social Security Act and  
417 any applicable regulations Provided, however, that from and after  
418 January 1, 1999, no public hospital shall participate in the  
419 Medicaid disproportionate share program unless the public hospital  
420 participates in an intergovernmental transfer program as provided  
421 in Section 1903 of the federal Social Security Act and any  
422 applicable regulations. Administration and support for  
423 participating hospitals shall be provided by the Mississippi  
424 Hospital Association.

425 (19) (a) Perinatal risk management services. The division  
426 shall promulgate regulations to be effective from and after  
427 October 1, 1988, to establish a comprehensive perinatal system for  
428 risk assessment of all pregnant and infant Medicaid recipients and

429 for management, education and follow-up for those who are  
430 determined to be at risk. Services to be performed include case  
431 management, nutrition assessment/counseling, psychosocial  
432 assessment/counseling and health education. The division shall  
433 set reimbursement rates for providers in conjunction with the  
434 State Department of Health.

435 (b) Early intervention system services. The division  
436 shall cooperate with the State Department of Health, acting as  
437 lead agency, in the development and implementation of a statewide  
438 system of delivery of early intervention services, pursuant to  
439 Part H of the Individuals with Disabilities Education Act (IDEA).

440 The State Department of Health shall certify annually in writing  
441 to the director of the division the dollar amount of state early  
442 intervention funds available which shall be utilized as a  
443 certified match for Medicaid matching funds. Those funds then  
444 shall be used to provide expanded targeted case management  
445 services for Medicaid eligible children with special needs who are  
446 eligible for the state's early intervention system.

447 Qualifications for persons providing service coordination shall be  
448 determined by the State Department of Health and the Division of  
449 Medicaid.

450 (20) Home- and community-based services for physically  
451 disabled approved services as allowed by a waiver from the United  
452 States Department of Health and Human Services for home- and  
453 community-based services for physically disabled people using  
454 state funds which are provided from the appropriation to the State  
455 Department of Rehabilitation Services and used to match federal  
456 funds under a cooperative agreement between the division and the  
457 department, provided that funds for these services are  
458 specifically appropriated to the Department of Rehabilitation  
459 Services.

460 (21) Nurse practitioner services. Services furnished by a  
461 registered nurse who is licensed and certified by the Mississippi

462 Board of Nursing as a nurse practitioner including, but not  
463 limited to, nurse anesthetists, nurse midwives, family nurse  
464 practitioners, family planning nurse practitioners, pediatric  
465 nurse practitioners, obstetrics-gynecology nurse practitioners and  
466 neonatal nurse practitioners, under regulations adopted by the  
467 division. Reimbursement for such services shall not exceed ninety  
468 percent (90%) of the reimbursement rate for comparable services  
469 rendered by a physician.

470 (22) Ambulatory services delivered in federally qualified  
471 health centers and in clinics of the local health departments of  
472 the State Department of Health for individuals eligible for  
473 medical assistance under this article based on reasonable costs as  
474 determined by the division.

475 (23) Inpatient psychiatric services. Inpatient psychiatric  
476 services to be determined by the division for recipients under age  
477 twenty-one (21) which are provided under the direction of a  
478 physician in an inpatient program in a licensed acute care  
479 psychiatric facility or in a licensed psychiatric residential  
480 treatment facility, before the recipient reaches age twenty-one  
481 (21) or, if the recipient was receiving the services immediately  
482 before he reached age twenty-one (21), before the earlier of the  
483 date he no longer requires the services or the date he reaches age  
484 twenty-two (22), as provided by federal regulations. Recipients  
485 shall be allowed forty-five (45) days per year of psychiatric  
486 services provided in acute care psychiatric facilities, and shall  
487 be allowed unlimited days of psychiatric services provided in  
488 licensed psychiatric residential treatment facilities. The  
489 division is authorized to limit allowable management fees and home  
490 office costs to either three percent (3%), five percent (5%) or  
491 seven percent (7%) of other allowable costs, including allowable  
492 therapy costs and property costs, based on the types of management  
493 services provided, as follows:

494 A maximum of up to three percent (3%) shall be allowed where

495 centralized managerial and administrative services are provided by  
496 the management company or home office.

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

500 A maximum of up to seven percent (7%) shall be allowed where  
501 a full spectrum of centralized managerial services, administrative  
502 services, professional services and consultant services are  
503 provided.

504 (24) Managed care services in a program to be developed by  
505 the division by a public or private provider.

506 (a) Notwithstanding any other provision in this article  
507 to the contrary, the division shall establish rates of  
508 reimbursement to providers rendering care and services authorized  
509 under this paragraph (24), and may revise such rates of  
510 reimbursement without amendment to this section by the Legislature  
511 for the purpose of achieving effective and accessible health  
512 services, and for responsible containment of costs.

513 (b) The managed care services under this paragraph (24)  
514 shall include, but not be limited to, one (1) module of capitated  
515 managed care in a rural area, and one (1) module of capitated  
516 managed care in an urban area; however, the capitated managed care  
517 program operated by the division shall not be implemented,  
518 conducted or expanded into any county or part of any county other  
519 than the following counties: Covington, Forrest, Hancock,  
520 Harrison, Lamar, Lauderdale, Pearl River, Perry, Warren and  
521 Washington. From and after passage of this act, Medicaid  
522 eligibility is guaranteed up to six (6) months for individuals  
523 enrolled in a Medicaid managed care program. This subparagraph  
524 (b) shall stand repealed on July 1, 2002.

525 (25) Birthing center services.

526 (26) Hospice care. As used in this paragraph, the term  
527 "hospice care" means a coordinated program of active professional



528 medical attention within the home and outpatient and inpatient  
529 care which treats the terminally ill patient and family as a unit,  
530 employing a medically directed interdisciplinary team. The  
531 program provides relief of severe pain or other physical symptoms  
532 and supportive care to meet the special needs arising out of  
533 physical, psychological, spiritual, social and economic stresses  
534 which are experienced during the final stages of illness and  
535 during dying and bereavement and meets the Medicare requirements  
536 for participation as a hospice as provided in federal regulations.

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

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

544 (29) The Division of Medicaid may apply for a waiver from  
545 the Department of Health and Human Services for home- and  
546 community-based services for developmentally disabled people using  
547 state funds which are provided from the appropriation to the State  
548 Department of Mental Health and used to match federal funds under  
549 a cooperative agreement between the division and the department,  
550 provided that funds for these services are specifically  
551 appropriated to the Department of Mental Health.

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

554 (31) Targeted case management services for children with  
555 special needs, under waivers from the United States Department of  
556 Health and Human Services, using state funds that are provided  
557 from the appropriation to the Mississippi Department of Human  
558 Services and used to match federal funds under a cooperative  
559 agreement between the division and the department.

560 (32) Care and services provided in Christian Science

561 Sanatoria operated by or listed and certified by The First Church  
562 of Christ Scientist, Boston, Massachusetts, rendered in connection  
563 with treatment by prayer or spiritual means to the extent that  
564 such services are subject to reimbursement under Section 1903 of  
565 the Social Security Act.

566 (33) Podiatrist services.

567 (34) The division shall make application to the United  
568 States Health Care Financing Administration for a waiver to  
569 develop a program of services to personal care and assisted living  
570 homes in Mississippi. This waiver shall be completed by December  
571 1, 1999.

572 (35) Services and activities authorized in Sections  
573 43-27-101 and 43-27-103, using state funds that are provided from  
574 the appropriation to the State Department of Human Services and  
575 used to match federal funds under a cooperative agreement between  
576 the division and the department.

577 (36) Nonemergency transportation services for  
578 Medicaid-eligible persons, to be provided by the Division of  
579 Medicaid. The division may contract with additional entities to  
580 administer nonemergency transportation services as it deems  
581 necessary. All providers shall have a valid driver's license,  
582 vehicle inspection sticker, valid vehicle license tags and a  
583 standard liability insurance policy covering the vehicle.

584 (37) Targeted case management services for individuals with  
585 chronic diseases, with expanded eligibility to cover services to  
586 uninsured recipients, on a pilot program basis. This paragraph  
587 (37) shall be contingent upon continued receipt of special funds  
588 from the Health Care Financing Authority and private foundations  
589 who have granted funds for planning these services. No funding  
590 for these services shall be provided from state general funds.

591 (38) Chiropractic services: a chiropractor's manual  
592 manipulation of the spine to correct a subluxation, if x-ray  
593 demonstrates that a subluxation exists and if the subluxation has

594 resulted in a neuromusculoskeletal condition for which  
595 manipulation is appropriate treatment. Reimbursement for  
596 chiropractic services shall not exceed Seven Hundred Dollars  
597 (\$700.00) per year per recipient.

598 (39) Dually eligible Medicare/Medicaid beneficiaries. The  
599 division shall pay Medicare deductible and ten percent (10%)  
600 coinsurance amounts for physician services available under  
601 Medicare for the duration and scope of services otherwise  
602 available under the Medicaid program.

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

606 (41) Services provided by the State Department of  
607 Rehabilitation Services for the care and rehabilitation of persons  
608 with spinal cord injuries or traumatic brain injuries, as allowed  
609 under waivers from the United States Department of Health and  
610 Human Services, using up to seventy-five percent (75%) of the  
611 funds that are appropriated to the Department of Rehabilitation  
612 Services from the Spinal Cord and Head Injury Trust Fund  
613 established under Section 37-33-261 and used to match federal  
614 funds under a cooperative agreement between the division and the  
615 department.

616 Notwithstanding any provision of this article, except as  
617 authorized in the following paragraph and in Section 43-13-139,  
618 neither (a) the limitations on quantity or frequency of use of or  
619 the fees or charges for any of the care or services available to  
620 recipients under this section, nor (b) the payments or rates of  
621 reimbursement to providers rendering care or services authorized  
622 under this section to recipients, may be increased, decreased or  
623 otherwise changed from the levels in effect on July 1, 1999,  
624 unless such is authorized by an amendment to this section by the  
625 Legislature. However, the restriction in this paragraph shall not  
626 prevent the division from changing the payments or rates of

627 reimbursement to providers without an amendment to this section  
628 whenever such changes are required by federal law or regulation,  
629 or whenever such changes are necessary to correct administrative  
630 errors or omissions in calculating such payments or rates of  
631 reimbursement.

632         Notwithstanding any provision of this article, no new groups  
633 or categories of recipients and new types of care and services may  
634 be added without enabling legislation from the Mississippi  
635 Legislature, except that the division may authorize such changes  
636 without enabling legislation when such addition of recipients or  
637 services is ordered by a court of proper authority. The director  
638 shall keep the Governor advised on a timely basis of the funds  
639 available for expenditure and the projected expenditures. In the  
640 event current or projected expenditures can be reasonably  
641 anticipated to exceed the amounts appropriated for any fiscal  
642 year, the Governor, after consultation with the director, shall  
643 discontinue any or all of the payment of the types of care and  
644 services as provided herein which are deemed to be optional  
645 services under Title XIX of the federal Social Security Act, as  
646 amended, for any period necessary to not exceed appropriated  
647 funds, and when necessary shall institute any other cost  
648 containment measures on any program or programs authorized under  
649 the article to the extent allowed under the federal law governing  
650 such program or programs, it being the intent of the Legislature  
651 that expenditures during any fiscal year shall not exceed the  
652 amounts appropriated for such fiscal year.

653         SECTION 2. This act shall take effect and be in force from  
654 and after its passage.