

By: Senator(s) Dearing

To: Public Health and  
Welfare; Appropriations

SENATE BILL NO. 2731

1 AN ACT TO AMEND SECTION 43-13-117, MISSISSIPPI CODE OF 1972,  
2 TO PROVIDE THAT PERIODIC SCREENING AND DIAGNOSTIC TREATMENT  
3 (EPSDT) SERVICES PROVIDED BY A LICENSED PROFESSIONAL COUNSELOR  
4 (LPC) SHALL BE REIMBURSABLE UNDER THE MEDICAID PROGRAM; AND FOR  
5 RELATED PURPOSES.

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

7 SECTION 1. Section 43-13-117, Mississippi Code of 1972, is  
8 amended as follows:

9 43-13-117. Medical assistance as authorized by this article  
10 shall include payment of part or all of the costs, at the  
11 discretion of the division or its successor, with approval of the  
12 Governor, of the following types of care and services rendered to  
13 eligible applicants who shall have been determined to be eligible  
14 for such care and services, within the limits of state  
15 appropriations and federal matching funds:

16 (1) Inpatient hospital services.

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

22 (b) From and after July 1, 1994, the Executive  
23 Director of the Division of Medicaid shall amend the Mississippi  
24 Title XIX Inpatient Hospital Reimbursement Plan to remove the  
25 occupancy rate penalty from the calculation of the Medicaid  
26 Capital Cost Component utilized to determine total hospital costs  
27 allocated to the Medicaid program.

28                   (c) Hospitals will receive an additional payment  
29 for the implantable programmable pump implanted in an inpatient  
30 basis. The payment pursuant to written invoice will be in  
31 addition to the facility's per diem reimbursement and will  
32 represent a reduction of costs on the facility's annual cost  
33 report, and shall not exceed Ten Thousand Dollars (\$10,000.00) per  
34 year per recipient. This paragraph (c) shall stand repealed on  
35 July 1, 2001.

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

48                   (3) Laboratory and x-ray services.

49                   (4) Nursing facility services.

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

61 leave. Such authorization must be filed with the division before  
62 it will be effective and the authorization shall be effective for  
63 three (3) months from the date it is received by the division,  
64 unless it is revoked earlier by the physician because of a change  
65 in the condition of the patient.

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

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

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

88 A maximum of up to seven percent (7%) shall be allowed where  
89 a full spectrum of centralized managerial services, administrative  
90 services, professional services and consultant services are  
91 provided.

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

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

118 (e) The division shall develop and implement, not  
119 later than January 1, 2001, a case-mix payment add-on determined  
120 by time studies and other valid statistical data which will  
121 reimburse a nursing facility for the additional cost of caring for  
122 a resident who has a diagnosis of Alzheimer's or other related  
123 dementia and exhibits symptoms that require special care. Any  
124 such case-mix add-on payment shall be supported by a determination

125 of additional cost. The division shall also develop and implement  
126 as part of the fair rental reimbursement system for nursing  
127 facility beds, an Alzheimer's resident bed depreciation enhanced  
128 reimbursement system which will provide an incentive to encourage  
129 nursing facilities to convert or construct beds for residents with  
130 Alzheimer's or other related dementia.

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

154 (i) Advise the applicant or the applicant's  
155 legal representative that a home- or other community-based setting  
156 is appropriate;

157                   (ii) Provide a proposed care plan and inform  
158 the applicant or the applicant's legal representative regarding  
159 the degree to which the services in the care plan are available in  
160 a home- or in other community-based setting rather than nursing  
161 facility care; and

162                   (iii) Explain that such plan and services are  
163 available only if the applicant or the applicant's legal  
164 representative chooses a home- or community-based alternative to  
165 nursing facility care, and that the applicant is free to choose  
166 nursing facility care.

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

172           Placement in a nursing facility may not be denied by the  
173 division if home- or community-based services that would be more  
174 appropriate than nursing facility care are not actually available,  
175 or if the applicant chooses not to receive the appropriate home-  
176 or community-based services.

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

181           The division shall make full payment for long-term care  
182 alternative services.

183           The division shall apply for necessary federal waivers to  
184 assure that additional services providing alternatives to nursing  
185 facility care are made available to applicants for nursing  
186 facility care.

187           (5) Periodic screening and diagnostic services for  
188 individuals under age twenty-one (21) years as are needed to  
189 identify physical and mental defects and to provide health care

190 treatment and other measures designed to correct or ameliorate  
191 defects and physical and mental illness and conditions discovered  
192 by the screening services regardless of whether these services are  
193 included in the state plan. The division shall reimburse periodic  
194 screening and diagnostic treatment (EPSDT) services provided by a  
195 duly licensed professional counselor (LPC). The division may  
196 include in its periodic screening and diagnostic program those  
197 discretionary services authorized under the federal regulations  
198 adopted to implement Title XIX of the federal Social Security Act,  
199 as amended. The division, in obtaining physical therapy services,  
200 occupational therapy services, and services for individuals with  
201 speech, hearing and language disorders, may enter into a  
202 cooperative agreement with the State Department of Education for  
203 the provision of such services to handicapped students by public  
204 school districts using state funds which are provided from the  
205 appropriation to the Department of Education to obtain federal  
206 matching funds through the division. The division, in obtaining  
207 medical and psychological evaluations for children in the custody  
208 of the State Department of Human Services may enter into a  
209 cooperative agreement with the State Department of Human Services  
210 for the provision of such services using state funds which are  
211 provided from the appropriation to the Department of Human  
212 Services to obtain federal matching funds through the division.

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

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

223 established on January 1, 1994. All fees for physicians' services  
224 that are covered by both Medicare and Medicaid shall be reimbursed  
225 at ten percent (10%) of the adjusted Medicare payment established  
226 on January 1, 1999, and as adjusted each January thereafter, under  
227 Medicare (Title XVIII of the Social Security Act, as amended), and  
228 which shall in no event be less than seven percent (7%) of the  
229 adjusted Medicare payment established on January 1, 1994.

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

233 (b) Repealed.

234 (8) Emergency medical transportation services. On  
235 January 1, 1994, emergency medical transportation services shall  
236 be reimbursed at seventy percent (70%) of the rate established  
237 under Medicare (Title XVIII of the Social Security Act, as  
238 amended). "Emergency medical transportation services" shall mean,  
239 but shall not be limited to, the following services by a properly  
240 permitted ambulance operated by a properly licensed provider in  
241 accordance with the Emergency Medical Services Act of 1974  
242 (Section 41-59-1 et seq.): (i) basic life support, (ii) advanced  
243 life support, (iii) mileage, (iv) oxygen, (v) intravenous fluids,  
244 (vi) disposable supplies, (vii) similar services.

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



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

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

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

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

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

282 (10) Dental care that is an adjunct to treatment of an  
283 acute medical or surgical condition; services of oral surgeons and  
284 dentists in connection with surgery related to the jaw or any  
285 structure contiguous to the jaw or the reduction of any fracture  
286 of the jaw or any facial bone; and emergency dental extractions  
287 and treatment related thereto. On July 1, 1999, all fees for  
288 dental care and surgery under authority of this paragraph (10)

289 shall be increased to one hundred sixty percent (160%) of the  
290 amount of the reimbursement rate that was in effect on June 30,  
291 1999. It is the intent of the Legislature to encourage more  
292 dentists to participate in the Medicaid program.

293 (11) Eyeglasses necessitated by reason of eye surgery,  
294 and as prescribed by a physician skilled in diseases of the eye or  
295 an optometrist, whichever the patient may select, or one (1) pair  
296 every three (3) years as prescribed by a physician or an  
297 optometrist, whichever the patient may select.

298 (12) Intermediate care facility services.

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

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

319 (c) The division is authorized to limit allowable  
320 management fees and home office costs to either three percent  
321 (3%), five percent (5%) or seven percent (7%) of other allowable

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

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

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

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

334 (13) Family planning services, including drugs,  
335 supplies and devices, when such services are under the supervision  
336 of a physician.

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

355 Medicare (Title XVIII of the Social Security Act, as amended), and  
356 which shall in no event be less than seven percent (7%) of the  
357 adjusted Medicare payment established on January 1, 1994. On July  
358 1, 1999, all fees for dentists' services reimbursed under  
359 authority of this paragraph (14) shall be increased to one hundred  
360 sixty percent (160%) of the amount of the reimbursement rate that  
361 was in effect on June 30, 1999.

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

378 (16) Mental health services. Approved therapeutic and  
379 case management services provided by (a) an approved regional  
380 mental health/retardation center established under Sections  
381 41-19-31 through 41-19-39, or by another community mental health  
382 service provider meeting the requirements of the Department of  
383 Mental Health to be an approved mental health/retardation center  
384 if determined necessary by the Department of Mental Health, using  
385 state funds which are provided from the appropriation to the State  
386 Department of Mental Health and used to match federal funds under  
387 a cooperative agreement between the division and the department,

388 or (b) a facility which is certified by the State Department of  
389 Mental Health to provide therapeutic and case management services,  
390 to be reimbursed on a fee for service basis. Any such services  
391 provided by a facility described in paragraph (b) must have the  
392 prior approval of the division to be reimbursable under this  
393 section. After June 30, 1997, mental health services provided by  
394 regional mental health/retardation centers established under  
395 Sections 41-19-31 through 41-19-39, or by hospitals as defined in  
396 Section 41-9-3(a) and/or their subsidiaries and divisions, or by  
397 psychiatric residential treatment facilities as defined in Section  
398 43-11-1, or by another community mental health service provider  
399 meeting the requirements of the Department of Mental Health to be  
400 an approved mental health/retardation center if determined  
401 necessary by the Department of Mental Health, shall not be  
402 included in or provided under any capitated managed care pilot  
403 program provided for under paragraph (24) of this section. From  
404 and after July 1, 2000, the division is authorized to contract  
405 with a 134-bed specialty hospital located on Highway 39 North in  
406 Lauderdale County for the use of not more than sixty (60) beds at  
407 the facility to provide mental health services for children and  
408 adolescents and for crisis intervention services for emotionally  
409 disturbed children with behavioral problems, with priority to be  
410 given to children in the custody of the Department of Human  
411 Services who are, or otherwise will be, receiving such services  
412 out-of-state.

413 (17) Durable medical equipment services and medical  
414 supplies. The Division of Medicaid may require durable medical  
415 equipment providers to obtain a surety bond in the amount and to  
416 the specifications as established by the Balanced Budget Act of  
417 1997.

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

421 low-income patients and which meet the federal requirements for  
422 such payments as provided in Section 1923 of the federal Social  
423 Security Act and any applicable regulations. However, from and  
424 after January 1, 2000, no public hospital shall participate in the  
425 Medicaid disproportionate share program unless the public hospital  
426 participates in an intergovernmental transfer program as provided  
427 in Section 1903 of the federal Social Security Act and any  
428 applicable regulations. Administration and support for  
429 participating hospitals shall be provided by the Mississippi  
430 Hospital Association.

431 (19) (a) Perinatal risk management services. The  
432 division shall promulgate regulations to be effective from and  
433 after October 1, 1988, to establish a comprehensive perinatal  
434 system for risk assessment of all pregnant and infant Medicaid  
435 recipients and for management, education and follow-up for those  
436 who are determined to be at risk. Services to be performed  
437 include case management, nutrition assessment/counseling,  
438 psychosocial assessment/counseling and health education. The  
439 division shall set reimbursement rates for providers in  
440 conjunction with the State Department of Health.

441 (b) Early intervention system services. The  
442 division shall cooperate with the State Department of Health,  
443 acting as lead agency, in the development and implementation of a  
444 statewide system of delivery of early intervention services,  
445 pursuant to Part H of the Individuals with Disabilities Education  
446 Act (IDEA). The State Department of Health shall certify annually  
447 in writing to the director of the division the dollar amount of  
448 state early intervention funds available which shall be utilized  
449 as a certified match for Medicaid matching funds. Those funds  
450 then shall be used to provide expanded targeted case management  
451 services for Medicaid eligible children with special needs who are  
452 eligible for the state's early intervention system.

453 Qualifications for persons providing service coordination shall be

454 determined by the State Department of Health and the Division of  
455 Medicaid.

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

466 (21) Nurse practitioner services. Services furnished  
467 by a registered nurse who is licensed and certified by the  
468 Mississippi Board of Nursing as a nurse practitioner including,  
469 but not limited to, nurse anesthetists, nurse midwives, family  
470 nurse practitioners, family planning nurse practitioners,  
471 pediatric nurse practitioners, obstetrics-gynecology nurse  
472 practitioners and neonatal nurse practitioners, under regulations  
473 adopted by the division. Reimbursement for such services shall  
474 not exceed ninety percent (90%) of the reimbursement rate for  
475 comparable services rendered by a physician.

476 (22) Ambulatory services delivered in federally  
477 qualified health centers and in clinics of the local health  
478 departments of the State Department of Health for individuals  
479 eligible for medical assistance under this article based on  
480 reasonable costs as determined by the division.

481 (23) Inpatient psychiatric services. Inpatient  
482 psychiatric services to be determined by the division for  
483 recipients under age twenty-one (21) which are provided under the  
484 direction of a physician in an inpatient program in a licensed  
485 acute care psychiatric facility or in a licensed psychiatric  
486 residential treatment facility, before the recipient reaches age

487 twenty-one (21) or, if the recipient was receiving the services  
488 immediately before he reached age twenty-one (21), before the  
489 earlier of the date he no longer requires the services or the date  
490 he reaches age twenty-two (22), as provided by federal  
491 regulations. Recipients shall be allowed forty-five (45) days per  
492 year of psychiatric services provided in acute care psychiatric  
493 facilities, and shall be allowed unlimited days of psychiatric  
494 services provided in licensed psychiatric residential treatment  
495 facilities. The division is authorized to limit allowable  
496 management fees and home office costs to either three percent  
497 (3%), five percent (5%) or seven percent (7%) of other allowable  
498 costs, including allowable therapy costs and property costs, based  
499 on the types of management services provided, as follows:

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

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

506 A maximum of up to seven percent (7%) shall be allowed where  
507 a full spectrum of centralized managerial services, administrative  
508 services, professional services and consultant services are  
509 provided.

510 (24) Managed care services in a program to be developed  
511 by the division by a public or private provider. If managed care  
512 services are provided by the division to Medicaid recipients, and  
513 those managed care services are operated, managed and controlled  
514 by and under the authority of the division, the division shall be  
515 responsible for educating the Medicaid recipients who are  
516 participants in the managed care program regarding the manner in  
517 which the participants should seek health care under the program.  
518 Notwithstanding any other provision in this article to the  
519 contrary, the division shall establish rates of reimbursement to



520 providers rendering care and services authorized under this  
521 paragraph (24), and may revise such rates of reimbursement without  
522 amendment to this section by the Legislature for the purpose of  
523 achieving effective and accessible health services, and for  
524 responsible containment of costs.

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  
538 is 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  
545 from 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  
553 persons under twenty-one (21) years of age.

554           (31) Targeted case management services for children  
555 with special needs, under waivers from the United States  
556 Department of Health and Human Services, using state funds that  
557 are provided from the appropriation to the Mississippi Department  
558 of Human Services and used to match federal funds under a  
559 cooperative 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  
585 with chronic diseases, with expanded eligibility to cover services  
586 to 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.  
599 The division shall pay the Medicare deductible and ten percent  
600 (10%) coinsurance amounts for services available under Medicare  
601 for the duration and scope of services otherwise available under  
602 the Medicaid program.

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

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

617           (42) Notwithstanding any other provision in this  
618 article to the contrary, the division is hereby authorized to  
619 develop a population health management program for women and  
620 children health services through the age of two (2). This program  
621 is primarily for obstetrical care associated with low birth weight  
622 and pre-term babies. In order to effect cost savings, the  
623 division may develop a revised payment methodology which may  
624 include at-risk capitated payments.

625           (43) The division shall provide reimbursement,  
626 according to a payment schedule developed by the division, for  
627 smoking cessation medications for pregnant women during their  
628 pregnancy and other Medicaid-eligible women who are of  
629 child-bearing age.

630           Notwithstanding any provision of this article, except as  
631 authorized in the following paragraph and in Section 43-13-139,  
632 neither (a) the limitations on quantity or frequency of use of or  
633 the fees or charges for any of the care or services available to  
634 recipients under this section, nor (b) the payments or rates of  
635 reimbursement to providers rendering care or services authorized  
636 under this section to recipients, may be increased, decreased or  
637 otherwise changed from the levels in effect on July 1, 1999,  
638 unless such is authorized by an amendment to this section by the  
639 Legislature. However, the restriction in this paragraph shall not  
640 prevent the division from changing the payments or rates of  
641 reimbursement to providers without an amendment to this section  
642 whenever such changes are required by federal law or regulation,  
643 or whenever such changes are necessary to correct administrative  
644 errors or omissions in calculating such payments or rates of  
645 reimbursement.

646           Notwithstanding any provision of this article, no new groups  
647 or categories of recipients and new types of care and services may  
648 be added without enabling legislation from the Mississippi  
649 Legislature, except that the division may authorize such changes

650 without enabling legislation when such addition of recipients or  
651 services is ordered by a court of proper authority. The director  
652 shall keep the Governor advised on a timely basis of the funds  
653 available for expenditure and the projected expenditures. In the  
654 event current or projected expenditures can be reasonably  
655 anticipated to exceed the amounts appropriated for any fiscal  
656 year, the Governor, after consultation with the director, shall  
657 discontinue any or all of the payment of the types of care and  
658 services as provided herein which are deemed to be optional  
659 services under Title XIX of the federal Social Security Act, as  
660 amended, for any period necessary to not exceed appropriated  
661 funds, and when necessary shall institute any other cost  
662 containment measures on any program or programs authorized under  
663 the article to the extent allowed under the federal law governing  
664 such program or programs, it being the intent of the Legislature  
665 that expenditures during any fiscal year shall not exceed the  
666 amounts appropriated for such fiscal year.

667 SECTION 2. This act shall take effect and be in force from  
668 and after July 1, 2001.