

REPORT OF CONFERENCE COMMITTEE

MR. SPEAKER AND MADAM PRESIDENT:

We, the undersigned conferees, have had under consideration the amendments to the following entitled BILL:

H. B. No. 881: Medicaid; revise eligibility and services provisions.

We, therefore, respectfully submit the following report and recommendation:

1. That the Senate recede from its Amendment No. 1.
2. That the House and Senate adopt the following amendment:

Amend by striking all after the enacting clause and inserting in lieu thereof the following:

44 SECTION 1. Section 43-13-115, Mississippi Code of 1972, as
45 amended by House Bill No. 1238, 2001 Regular Session, is amended
46 as follows:

47 43-13-115. Recipients of medical assistance shall be the
48 following persons only:

49 (1) Who are qualified for public assistance grants
50 under provisions of Title IV-A and E of the federal Social
51 Security Act, as amended, as determined by the State Department of
52 Human Services, including those statutorily deemed to be IV-A and
53 low-income families and children under Section 1931 of the Social
54 Security Act as determined by the State Department of Human
55 Services and certified to the Division of Medicaid, but not
56 optional groups except as specifically covered in this section.
57 For the purposes of this paragraph (1) and paragraphs (8), (17)
58 and (18) of this section, any reference to Title IV-A or to Part A
59 of Title IV of the federal Social Security Act, as amended, or the

60 state plan under Title IV-A or Part A of Title IV, shall be
61 considered as a reference to Title IV-A of the federal Social
62 Security Act, as amended, and the state plan under Title IV-A,
63 including the income and resource standards and methodologies
64 under Title IV-A and the state plan, as they existed on July 16,
65 1996.

66 (2) Those qualified for Supplemental Security Income
67 (SSI) benefits under Title XVI of the federal Social Security Act,
68 as amended. The eligibility of individuals covered in this
69 paragraph shall be determined by the Social Security
70 Administration and certified to the Division of Medicaid.

71 (3) [Deleted]

72 (4) [Deleted]

73 (5) A child born on or after October 1, 1984, to a
74 woman eligible for and receiving medical assistance under the
75 state plan on the date of the child's birth shall be deemed to
76 have applied for medical assistance and to have been found
77 eligible for such assistance under such plan on the date of such
78 birth and will remain eligible for such assistance for a period of
79 one (1) year so long as the child is a member of the woman's
80 household and the woman remains eligible for such assistance or
81 would be eligible for assistance if pregnant. The eligibility of
82 individuals covered in this paragraph shall be determined by the
83 State Department of Human Services and certified to the Division
84 of Medicaid.

85 (6) Children certified by the State Department of Human
86 Services to the Division of Medicaid of whom the state and county
87 human services agency has custody and financial responsibility,
88 and children who are in adoptions subsidized in full or part by
89 the Department of Human Services, including special needs children
90 in non-Title IV-E adoption assistance, who are approvable under

91 Title XIX of the Medicaid program.

92 (7) (a) Persons certified by the Division of Medicaid
93 who are patients in a medical facility (nursing home, hospital,
94 tuberculosis sanatorium or institution for treatment of mental
95 diseases), and who, except for the fact that they are patients in
96 such medical facility, would qualify for grants under Title IV,
97 supplementary security income benefits under Title XVI or state
98 supplements, and those aged, blind and disabled persons who would
99 not be eligible for supplemental security income benefits under
100 Title XVI or state supplements if they were not institutionalized
101 in a medical facility but whose income is below the maximum
102 standard set by the Division of Medicaid, which standard shall not
103 exceed that prescribed by federal regulation;

104 (b) Individuals who have elected to receive
105 hospice care benefits and who are eligible using the same criteria
106 and special income limits as those in institutions as described in
107 subparagraph (a) of this paragraph (7).

108 (8) Children under eighteen (18) years of age and
109 pregnant women (including those in intact families) who meet the
110 AFDC financial standards of the state plan approved under Title
111 IV-A of the federal Social Security Act, as amended. The
112 eligibility of children covered under this paragraph shall be
113 determined by the State Department of Human Services and certified
114 to the Division of Medicaid.

115 (9) Individuals who are:

116 (a) Children born after September 30, 1983, who
117 have not attained the age of nineteen (19), with family income
118 that does not exceed one hundred percent (100%) of the nonfarm
119 official poverty line;

120 (b) Pregnant women, infants and children who have
121 not attained the age of six (6), with family income that does not

122 exceed one hundred thirty-three percent (133%) of the federal
123 poverty level; and

124 (c) Pregnant women and infants who have not
125 attained the age of one (1), with family income that does not
126 exceed one hundred eighty-five percent (185%) of the federal
127 poverty level.

128 The eligibility of individuals covered in (a), (b) and (c) of
129 this paragraph shall be determined by the Department of Human
130 Services.

131 (10) Certain disabled children age eighteen (18) or
132 under who are living at home, who would be eligible, if in a
133 medical institution, for SSI or a state supplemental payment under
134 Title XVI of the federal Social Security Act, as amended, and
135 therefore for Medicaid under the plan, and for whom the state has
136 made a determination as required under Section 1902(e)(3)(b) of
137 the federal Social Security Act, as amended. The eligibility of
138 individuals under this paragraph shall be determined by the
139 Division of Medicaid.

140 (11) Individuals who are sixty-five (65) years of age
141 or older or are disabled as determined under Section 1614(a)(3) of
142 the federal Social Security Act, as amended, and * * * whose
143 income does not exceed one hundred thirty-five percent (135%) of
144 the nonfarm official poverty line as defined by the Office of
145 Management and Budget and revised annually, and whose resources do
146 not exceed those established by the Division of Medicaid.

147 The eligibility of individuals covered under this paragraph
148 shall be determined by the Division of Medicaid, and such
149 individuals determined eligible shall receive the same Medicaid
150 services as other categorical eligible individuals.

151 (12) Individuals who are qualified Medicare
152 beneficiaries (QMB) entitled to Part A Medicare as defined under

153 Section 301, Public Law 100-360, known as the Medicare
154 Catastrophic Coverage Act of 1988, and whose income does not
155 exceed one hundred percent (100%) of the nonfarm official poverty
156 line as defined by the Office of Management and Budget and revised
157 annually.

158 The eligibility of individuals covered under this paragraph
159 shall be determined by the Division of Medicaid, and such
160 individuals determined eligible shall receive Medicare
161 cost-sharing expenses only as more fully defined by the Medicare
162 Catastrophic Coverage Act of 1988 and the Balanced Budget Act of
163 1997.

164 (13) (a) Individuals who are entitled to Medicare Part
165 A as defined in Section 4501 of the Omnibus Budget Reconciliation
166 Act of 1990, and whose income does not exceed one hundred twenty
167 percent (120%) of the nonfarm official poverty line as defined by
168 the Office of Management and Budget and revised annually._
169 Eligibility for Medicaid benefits is limited to full payment of
170 Medicare Part B premiums.

171 (b) Individuals entitled to Part A of Medicare,
172 with income above one hundred twenty percent (120%), but less than
173 one hundred thirty-five percent (135%) of the federal poverty
174 level, and not otherwise eligible for Medicaid. Eligibility for
175 Medicaid benefits is limited to full payment of Medicare Part B
176 premiums. The number of eligible individuals is limited by the
177 availability of the federal capped allocation at one hundred
178 percent (100%) of federal matching funds, as more fully defined in
179 the Balanced Budget Act of 1997.

180 (c) Individuals entitled to Part A of Medicare,
181 with income of at least one hundred thirty-five percent (135%),
182 but not exceeding one hundred seventy-five percent (175%) of the
183 federal poverty level, and not otherwise eligible for Medicaid.

184 Eligibility for Medicaid benefits is limited to partial payment of
185 Medicare Part B premiums. The number of eligible individuals is
186 limited by the availability of the federal capped allocation of
187 one hundred percent (100%) federal matching funds, as more fully
188 defined in the Balanced Budget Act of 1997.

189 The eligibility of individuals covered under this paragraph
190 shall be determined by the Division of Medicaid.

191 (14) [Deleted]

192 (15) Disabled workers who are eligible to enroll in
193 Part A Medicare as required by Public Law 101-239, known as the
194 Omnibus Budget Reconciliation Act of 1989, and whose income does
195 not exceed two hundred percent (200%) of the federal poverty level
196 as determined in accordance with the Supplemental Security Income
197 (SSI) program. The eligibility of individuals covered under this
198 paragraph shall be determined by the Division of Medicaid and such
199 individuals shall be entitled to buy-in coverage of Medicare Part
200 A premiums only under the provisions of this paragraph (15).

201 (16) In accordance with the terms and conditions of
202 approved Title XIX waiver from the United States Department of
203 Health and Human Services, persons provided home- and
204 community-based services who are physically disabled and certified
205 by the Division of Medicaid as eligible due to applying the income
206 and deeming requirements as if they were institutionalized.

207 (17) In accordance with the terms of the federal
208 Personal Responsibility and Work Opportunity Reconciliation Act of
209 1996 (Public Law 104-193), persons who become ineligible for
210 assistance under Title IV-A of the federal Social Security Act, as
211 amended, because of increased income from or hours of employment
212 of the caretaker relative or because of the expiration of the
213 applicable earned income disregards, who were eligible for
214 Medicaid for at least three (3) of the six (6) months preceding

215 the month in which such ineligibility begins, shall be eligible
216 for Medicaid assistance for up to twenty-four (24) months;
217 however, Medicaid assistance for more than twelve (12) months may
218 be provided only if a federal waiver is obtained to provide such
219 assistance for more than twelve (12) months and federal and state
220 funds are available to provide such assistance.

221 (18) Persons who become ineligible for assistance under
222 Title IV-A of the federal Social Security Act, as amended, as a
223 result, in whole or in part, of the collection or increased
224 collection of child or spousal support under Title IV-D of the
225 federal Social Security Act, as amended, who were eligible for
226 Medicaid for at least three (3) of the six (6) months immediately
227 preceding the month in which such ineligibility begins, shall be
228 eligible for Medicaid for an additional four (4) months beginning
229 with the month in which such ineligibility begins.

230 (19) Disabled workers, whose incomes are above the
231 Medicaid eligibility limits, but below two hundred fifty percent
232 (250%) of the federal poverty level, shall be allowed to purchase
233 Medicaid coverage on a sliding fee scale developed by the Division
234 of Medicaid.

235 (20) Medicaid eligible children under age eighteen (18)
236 shall remain eligible for Medicaid benefits until the end of a
237 period of twelve (12) months following an eligibility
238 determination, or until such time that the individual exceeds age
239 eighteen (18).

240 (21) Women of childbearing age whose family income does
241 not exceed one hundred eighty-five percent (185%) of the federal
242 poverty level. The eligibility of individuals covered under this
243 paragraph (21) shall be determined by the Division of Medicaid,
244 and those individuals determined eligible shall only receive
245 family planning services covered under Section 43-13-117(13) and

246 not any other services covered under Medicaid. However, any
247 individual eligible under this paragraph (21) who is also eligible
248 under any other provision of this section shall receive the
249 benefits to which he or she is entitled under that other
250 provision, in addition to family planning services covered under
251 Section 43-13-117(13).

252 The Division of Medicaid shall apply to the United States
253 Secretary of Health and Human Services for a federal waiver of the
254 applicable provisions of Title XIX of the federal Social Security
255 Act, as amended, and any other applicable provisions of federal
256 law as necessary to allow for the implementation of this paragraph
257 (21). The provisions of this paragraph (21) shall be implemented
258 from and after the date that the Division of Medicaid receives the
259 federal waiver.

260 (22) Persons who are workers with a potentially severe
261 disability, as determined by the division, shall be allowed to
262 purchase Medicaid coverage. The term "worker with a potentially
263 severe disability" means a person who is at least sixteen (16)
264 years of age but under sixty-five (65) years of age, who has a
265 physical or mental impairment that is reasonably expected to cause
266 the person to become blind or disabled as defined under Section
267 1614(a) of the federal Social Security Act, as amended, if the
268 person does not receive items and services provided under
269 Medicaid.

270 The eligibility of persons under this paragraph (22) shall be
271 conducted as a demonstration project that is consistent with
272 Section 204 of the Ticket to Work and Work Incentives Improvement
273 Act of 1999, Public Law 106-170, for a certain number of persons
274 as specified by the division. The eligibility of individuals
275 covered under this paragraph (22) shall be determined by the
276 Division of Medicaid.

277 The Division of Medicaid shall apply to the United States
278 Secretary of Health and Human Services for a federal waiver of the
279 applicable provisions of Title XIX of the federal Social Security
280 Act, as amended, and any other applicable provisions of federal
281 law as necessary to allow for the implementation of this paragraph
282 (22). The provisions of this paragraph (22) shall be implemented
283 from and after the date that the Division of Medicaid receives the
284 federal waiver.

285 (23) Children certified by the Mississippi Department
286 of Human Services for whom the state and county human services
287 agency has custody and financial responsibility who are in foster
288 care on their eighteenth birthday as reported by the Mississippi
289 Department of Human Services shall be certified Medicaid eligible
290 by the Division of Medicaid until their twenty-first birthday.

291 (24) Individuals who have not attained age sixty-five
292 (65), are not otherwise covered by creditable coverage as defined
293 in the Public Health Services Act, and have been screened for
294 breast and cervical cancer under the Centers for Disease Control
295 and Prevention Breast and Cervical Cancer Early Detection Program
296 established under Title XV of the Public Health Service Act in
297 accordance with the requirements of that act and who need
298 treatment for breast or cervical cancer. Eligibility of
299 individuals under this paragraph (24) shall be determined by the
300 Division of Medicaid.

301 (25) Individuals who would be eligible for services in
302 a nursing home but who live in a noninstitutional setting, whose
303 income does not exceed the amount prescribed by federal regulation
304 for nursing home care, and who regularly expend more than fifty
305 percent (50%) of their monthly income on prescription drugs and
306 over-the-counter drugs.

307 The eligibility of individuals covered under this paragraph

308 (25) shall be determined by the Division of Medicaid. The
309 individuals determined eligible shall be eligible only for
310 prescription drugs and over-the-counter drugs covered under
311 Section 43-13-117(9) and not for any other services covered under
312 Section 43-13-117.

313 The Division of Medicaid shall apply to the United States
314 Secretary of Health and Human Services for a federal waiver of the
315 applicable provisions of Title XIX of the federal Social Security
316 Act, as amended, and any other applicable provisions of federal
317 law as necessary to allow for the implementation of this paragraph
318 (25). The provisions of this paragraph (25) shall be implemented
319 from and after the date that the Division of Medicaid receives the
320 federal waiver.

321 SECTION 2. Section 43-13-117, Mississippi Code of 1972, as
322 amended by House Bill No. 1000, Senate Bill No. 2424 and Senate
323 Bill No. 2754, 2001 Regular Session, is amended as follows:

324 43-13-117. Medical assistance as authorized by this article
325 shall include payment of part or all of the costs, at the
326 discretion of the division or its successor, with approval of the
327 Governor, of the following types of care and services rendered to
328 eligible applicants who shall have been determined to be eligible
329 for such care and services, within the limits of state
330 appropriations and federal matching funds:

331 (1) Inpatient hospital services.

332 (a) The division shall allow thirty (30) days of
333 inpatient hospital care annually for all Medicaid recipients.____
334 Precertification of inpatient days must be obtained as required by
335 the division. The division shall be authorized to allow unlimited
336 days in disproportionate hospitals as defined by the division for
337 eligible infants under the age of six (6) years.

338 (b) From and after July 1, 1994, the Executive

339 Director of the Division of Medicaid shall amend the Mississippi
340 Title XIX Inpatient Hospital Reimbursement Plan to remove the
341 occupancy rate penalty from the calculation of the Medicaid
342 Capital Cost Component utilized to determine total hospital costs
343 allocated to the Medicaid program.

344 (c) Hospitals will receive an additional payment
345 for the implantable programmable baclofen drug pump used to treat
346 spasticity which is implanted on an inpatient basis. The payment
347 pursuant to written invoice will be in addition to the facility's
348 per diem reimbursement and will represent a reduction of costs on
349 the facility's annual cost report, and shall not exceed Ten
350 Thousand Dollars (\$10,000.00) per year per recipient. This
351 paragraph (c) shall stand repealed on July 1, 2005.

352 (2) Outpatient hospital services. Provided that where
353 the same services are reimbursed as clinic services, the division
354 may revise the rate or methodology of outpatient reimbursement to
355 maintain consistency, efficiency, economy and quality of care.
356 The division shall develop a Medicaid-specific cost-to-charge
357 ratio calculation from data provided by hospitals to determine an
358 allowable rate payment for outpatient hospital services, and shall
359 submit a report thereon to the Medical Advisory Committee on or
360 before December 1, 1999. The committee shall make a
361 recommendation on the specific cost-to-charge reimbursement method
362 for outpatient hospital services to the 2000 Regular Session of
363 the Legislature.

364 (3) Laboratory and x-ray services.

365 (4) Nursing facility services.

366 (a) The division shall make full payment to
367 nursing facilities for each day, not exceeding fifty-two (52) days
368 per year, that a patient is absent from the facility on home
369 leave. Payment may be made for the following home leave days in

370 addition to the fifty-two-day limitation: Christmas, the day
371 before Christmas, the day after Christmas, Thanksgiving, the day
372 before Thanksgiving and the day after Thanksgiving. * * *

373 (b) From and after July 1, 1997, the division
374 shall implement the integrated case-mix payment and quality
375 monitoring system, which includes the fair rental system for
376 property costs and in which recapture of depreciation is
377 eliminated. The division may reduce the payment for hospital
378 leave and therapeutic home leave days to the lower of the case-mix
379 category as computed for the resident on leave using the
380 assessment being utilized for payment at that point in time, or a
381 case-mix score of 1.000 for nursing facilities, and shall compute
382 case-mix scores of residents so that only services provided at the
383 nursing facility are considered in calculating a facility's per
384 diem. * * *

385 * * *

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

389 (d) When a facility of a category that does not
390 require a certificate of need for construction and that could not
391 be eligible for Medicaid reimbursement is constructed to nursing
392 facility specifications for licensure and certification, and the
393 facility is subsequently converted to a nursing facility pursuant
394 to a certificate of need that authorizes conversion only and the
395 applicant for the certificate of need was assessed an application
396 review fee based on capital expenditures incurred in constructing
397 the facility, the division shall allow reimbursement for capital
398 expenditures necessary for construction of the facility that were
399 incurred within the twenty-four (24) consecutive calendar months
400 immediately preceding the date that the certificate of need

401 authorizing such conversion was issued, to the same extent that
402 reimbursement would be allowed for construction of a new nursing
403 facility pursuant to a certificate of need that authorizes such
404 construction. The reimbursement authorized in this subparagraph
405 (d) may be made only to facilities the construction of which was
406 completed after June 30, 1989. Before the division shall be
407 authorized to make the reimbursement authorized in this
408 subparagraph (d), the division first must have received approval
409 from the Health Care Financing Administration of the United States
410 Department of Health and Human Services of the change in the state
411 Medicaid plan providing for such reimbursement.

412 (e) The division shall develop and implement, not
413 later than January 1, 2001, a case-mix payment add-on determined
414 by time studies and other valid statistical data which will
415 reimburse a nursing facility for the additional cost of caring for
416 a resident who has a diagnosis of Alzheimer's or other related
417 dementia and exhibits symptoms that require special care. Any
418 such case-mix add-on payment shall be supported by a determination
419 of additional cost. The division shall also develop and implement
420 as part of the fair rental reimbursement system for nursing
421 facility beds, an Alzheimer's resident bed depreciation enhanced
422 reimbursement system which will provide an incentive to encourage
423 nursing facilities to convert or construct beds for residents with
424 Alzheimer's or other related dementia.

425 (f) The Division of Medicaid shall develop and
426 implement a referral process for long-term care alternatives for
427 Medicaid beneficiaries and applicants. No Medicaid beneficiary
428 shall be admitted to a Medicaid-certified nursing facility unless
429 a licensed physician certifies that nursing facility care is
430 appropriate for that person on a standardized form to be prepared
431 and provided to nursing facilities by the Division of Medicaid.

432 The physician shall forward a copy of that certification to the
433 Division of Medicaid within twenty-four (24) hours after it is
434 signed by the physician. Any physician who fails to forward the
435 certification to the Division of Medicaid within the time period
436 specified in this paragraph shall be ineligible for Medicaid
437 reimbursement for any physician's services performed for the
438 applicant. The Division of Medicaid shall determine, through an
439 assessment of the applicant conducted within two (2) business days
440 after receipt of the physician's certification, whether the
441 applicant also could live appropriately and cost-effectively at
442 home or in some other community-based setting if home- or
443 community-based services were available to the applicant. The
444 time limitation prescribed in this paragraph shall be waived in
445 cases of emergency. If the Division of Medicaid determines that a
446 home- or other community-based setting is appropriate and
447 cost-effective, the division shall:

448 (i) Advise the applicant or the applicant's
449 legal representative that a home- or other community-based setting
450 is appropriate;

451 (ii) Provide a proposed care plan and inform
452 the applicant or the applicant's legal representative regarding
453 the degree to which the services in the care plan are available in
454 a home- or in other community-based setting rather than nursing
455 facility care; and

456 (iii) Explain that such plan and services are
457 available only if the applicant or the applicant's legal
458 representative chooses a home- or community-based alternative to
459 nursing facility care, and that the applicant is free to choose
460 nursing facility care.

461 The Division of Medicaid may provide the services described
462 in this paragraph (f) directly or through contract with case

463 managers from the local Area Agencies on Aging, and shall
464 coordinate long-term care alternatives to avoid duplication with
465 hospital discharge planning procedures.

466 Placement in a nursing facility may not be denied by the
467 division if home- or community-based services that would be more
468 appropriate than nursing facility care are not actually available,
469 or if the applicant chooses not to receive the appropriate home-
470 or community-based services.

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

475 The division shall make full payment for long-term care
476 alternative services.

477 The division shall apply for necessary federal waivers to
478 assure that additional services providing alternatives to nursing
479 facility care are made available to applicants for nursing
480 facility care.

481 (5) Periodic screening and diagnostic services for
482 individuals under age twenty-one (21) years as are needed to
483 identify physical and mental defects and to provide health care
484 treatment and other measures designed to correct or ameliorate
485 defects and physical and mental illness and conditions discovered
486 by the screening services regardless of whether these services are
487 included in the state plan. The division may include in its
488 periodic screening and diagnostic program those discretionary
489 services authorized under the federal regulations adopted to
490 implement Title XIX of the federal Social Security Act, as
491 amended. The division, in obtaining physical therapy services,
492 occupational therapy services, and services for individuals with
493 speech, hearing and language disorders, may enter into a

494 cooperative agreement with the State Department of Education for
495 the provision of such services to handicapped students by public
496 school districts using state funds which are provided from the
497 appropriation to the Department of Education to obtain federal
498 matching funds through the division. The division, in obtaining
499 medical and psychological evaluations for children in the custody
500 of the State Department of Human Services may enter into a
501 cooperative agreement with the State Department of Human Services
502 for the provision of such services using state funds which are
503 provided from the appropriation to the Department of Human
504 Services to obtain federal matching funds through the division.

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

509 (6) Physician's services. The division shall allow
510 twelve (12) physician visits annually. All fees for physicians'
511 services that are covered only by Medicaid shall be reimbursed at
512 ninety percent (90%) of the rate established on January 1, 1999,
513 and as adjusted each January thereafter, under Medicare (Title
514 XVIII of the Social Security Act, as amended), and which shall in
515 no event be less than seventy percent (70%) of the rate
516 established on January 1, 1994. All fees for physicians' services
517 that are covered by both Medicare and Medicaid shall be reimbursed
518 at ten percent (10%) of the adjusted Medicare payment established
519 on January 1, 1999, and as adjusted each January thereafter, under
520 Medicare (Title XVIII of the Social Security Act, as amended), and
521 which shall in no event be less than seventy percent (70%) of the
522 adjusted Medicare payment established on January 1, 1994.

523 (7) (a) Home health services for eligible persons, not
524 to exceed in cost the prevailing cost of nursing facility

525 services, not to exceed sixty (60) visits per year. All home
526 health visits must be precertified as required by the division.

527 (b) Repealed.

528 (8) Emergency medical transportation services. On
529 January 1, 1994, emergency medical transportation services shall
530 be reimbursed at seventy percent (70%) of the rate established
531 under Medicare (Title XVIII of the Social Security Act, as
532 amended). "Emergency medical transportation services" shall mean,
533 but shall not be limited to, the following services by a properly
534 permitted ambulance operated by a properly licensed provider in
535 accordance with the Emergency Medical Services Act of 1974
536 (Section 41-59-1 et seq.): (i) basic life support, (ii) advanced
537 life support, (iii) mileage, (iv) oxygen, (v) intravenous fluids,
538 (vi) disposable supplies, (vii) similar services.

539 (9) Legend and other drugs as may be determined by the
540 division. The division may implement a program of prior approval
541 for drugs to the extent permitted by law. Payment by the division
542 for covered multiple source drugs shall be limited to the lower of
543 the upper limits established and published by the Health Care
544 Financing Administration (HCFA) plus a dispensing fee of Four
545 Dollars and Ninety-one Cents (\$4.91), or the estimated acquisition
546 cost (EAC) as determined by the division plus a dispensing fee of
547 Four Dollars and Ninety-one Cents (\$4.91), or the providers' usual
548 and customary charge to the general public. The division shall
549 allow ten (10) prescriptions per month for noninstitutionalized
550 Medicaid recipients. * * *

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

556 Payment for nonlegend or over-the-counter drugs covered on
557 the division's formulary shall be reimbursed at the lower of the
558 division's estimated shelf price or the providers' usual and
559 customary charge to the general public. No dispensing fee shall
560 be paid.

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

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

574 (10) Dental care that is an adjunct to treatment of an
575 acute medical or surgical condition; services of oral surgeons and
576 dentists in connection with surgery related to the jaw or any
577 structure contiguous to the jaw or the reduction of any fracture
578 of the jaw or any facial bone; and emergency dental extractions
579 and treatment related thereto. On July 1, 1999, all fees for
580 dental care and surgery under authority of this paragraph (10)
581 shall be increased to one hundred sixty percent (160%) of the
582 amount of the reimbursement rate that was in effect on June 30,
583 1999. It is the intent of the Legislature to encourage more
584 dentists to participate in the Medicaid program.

585 (11) Eyeglasses necessitated by reason of eye surgery,
586 and as prescribed by a physician skilled in diseases of the eye or

587 an optometrist, whichever the patient may select, or one (1) pair
588 every three (3) years as prescribed by a physician or an
589 optometrist, whichever the patient may select.

590 (12) Intermediate care facility services.

591 (a) The division shall make full payment to all
592 intermediate care facilities for the mentally retarded for each
593 day, not exceeding eighty-four (84) days per year, that a patient
594 is absent from the facility on home leave. Payment may be made
595 for the following home leave days in addition to the
596 eighty-four-day limitation: Christmas, the day before Christmas,
597 the day after Christmas, Thanksgiving, the day before Thanksgiving
598 and the day after Thanksgiving. * * *

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

602 * * *

603 (13) Family planning services, including drugs,
604 supplies and devices, when such services are under the supervision
605 of a physician.

606 (14) Clinic services. Such diagnostic, preventive,
607 therapeutic, rehabilitative or palliative services furnished to an
608 outpatient by or under the supervision of a physician or dentist
609 in a facility which is not a part of a hospital but which is
610 organized and operated to provide medical care to outpatients.
611 Clinic services shall include any services reimbursed as
612 outpatient hospital services which may be rendered in such a
613 facility, including those that become so after July 1, 1991. On
614 July 1, 1999, all fees for physicians' services reimbursed under
615 authority of this paragraph (14) shall be reimbursed at ninety
616 percent (90%) of the rate established on January 1, 1999, and as
617 adjusted each January thereafter, under Medicare (Title XVIII of

618 the Social Security Act, as amended), and which shall in no event
619 be less than seventy percent (70%) of the rate established on
620 January 1, 1994. All fees for physicians' services that are
621 covered by both Medicare and Medicaid shall be reimbursed at ten
622 percent (10%) of the adjusted Medicare payment established on
623 January 1, 1999, and as adjusted each January thereafter, under
624 Medicare (Title XVIII of the Social Security Act, as amended), and
625 which shall in no event be less than seventy percent (70%) of the
626 adjusted Medicare payment established on January 1, 1994. On July
627 1, 1999, all fees for dentists' services reimbursed under
628 authority of this paragraph (14) shall be increased to one hundred
629 sixty percent (160%) of the amount of the reimbursement rate that
630 was in effect on June 30, 1999.

631 (15) Home- and community-based services, as provided
632 under Title XIX of the federal Social Security Act, as amended,
633 under waivers, subject to the availability of funds specifically
634 appropriated therefor by the Legislature. Payment for such
635 services shall be limited to individuals who would be eligible for
636 and would otherwise require the level of care provided in a
637 nursing facility. The home- and community-based services
638 authorized under this paragraph shall be expanded over a five-year
639 period beginning July 1, 1999. The division shall certify case
640 management agencies to provide case management services and
641 provide for home- and community-based services for eligible
642 individuals under this paragraph. The home- and community-based
643 services under this paragraph and the activities performed by
644 certified case management agencies under this paragraph shall be
645 funded using state funds that are provided from the appropriation
646 to the Division of Medicaid and used to match federal funds.

647 (16) Mental health services. Approved therapeutic and
648 case management services provided by (a) an approved regional

649 mental health/retardation center established under Sections
650 41-19-31 through 41-19-39, or by another community mental health
651 service provider meeting the requirements of the Department of
652 Mental Health to be an approved mental health/retardation center
653 if determined necessary by the Department of Mental Health, using
654 state funds which are provided from the appropriation to the State
655 Department of Mental Health and used to match federal funds under
656 a cooperative agreement between the division and the department,
657 or (b) a facility which is certified by the State Department of
658 Mental Health to provide therapeutic and case management services,
659 to be reimbursed on a fee for service basis. Any such services
660 provided by a facility described in paragraph (b) must have the
661 prior approval of the division to be reimbursable under this
662 section. After June 30, 1997, mental health services provided by
663 regional mental health/retardation centers established under
664 Sections 41-19-31 through 41-19-39, or by hospitals as defined in
665 Section 41-9-3(a) and/or their subsidiaries and divisions, or by
666 psychiatric residential treatment facilities as defined in Section
667 43-11-1, or by another community mental health service provider
668 meeting the requirements of the Department of Mental Health to be
669 an approved mental health/retardation center if determined
670 necessary by the Department of Mental Health, shall not be
671 included in or provided under any capitated managed care pilot
672 program provided for under paragraph (24) of this section. * * *

673 (17) Durable medical equipment services and medical
674 supplies. Precertification of durable medical equipment and
675 medical supplies must be obtained as required by the division.

676 The Division of Medicaid may require durable medical equipment
677 providers to obtain a surety bond in the amount and to the
678 specifications as established by the Balanced Budget Act of 1997.

679 (18) (a) Notwithstanding any other provision of this

680 section to the contrary, the division shall make additional
681 reimbursement to hospitals which serve a disproportionate share of
682 low-income patients and which meet the federal requirements for
683 such payments as provided in Section 1923 of the federal Social
684 Security Act and any applicable regulations. However, from and
685 after January 1, 2000, no public hospital shall participate in the
686 Medicaid disproportionate share program unless the public hospital
687 participates in an intergovernmental transfer program as provided
688 in Section 1903 of the federal Social Security Act and any
689 applicable regulations. Administration and support for
690 participating hospitals shall be provided by the Mississippi
691 Hospital Association.

692 (b) The division shall establish a Medicare Upper
693 Payment Limits Program as defined in Section 1902 (a) (30) of the
694 federal Social Security Act and any applicable federal
695 regulations. The division shall assess each hospital for the sole
696 purpose of financing the state portion of the Medicare Upper
697 Payment Limits Program. This assessment shall be based on
698 Medicaid utilization, or other appropriate method consistent with
699 federal regulations, and will remain in effect as long as the
700 state participates in the Medicare Upper Payment Limits Program.
701 The division shall make additional reimbursement to hospitals for
702 the Medicare Upper Payment Limits as defined in Section 1902 (a)
703 (30) of the federal Social Security Act and any applicable federal
704 regulations. This paragraph (b) shall stand repealed from and
705 after July 1, 2005.

706 (c) The division shall contract with the
707 Mississippi Hospital Association to provide administrative support
708 for the operation of the disproportionate share hospital program
709 and the Medicare Upper Payment Limits Program. This paragraph (c)
710 shall stand repealed from and after July 1, 2005.

711 (19) (a) Perinatal risk management services. The
712 division shall promulgate regulations to be effective from and
713 after October 1, 1988, to establish a comprehensive perinatal
714 system for risk assessment of all pregnant and infant Medicaid
715 recipients and for management, education and follow-up for those
716 who are determined to be at risk. Services to be performed
717 include case management, nutrition assessment/counseling,
718 psychosocial assessment/counseling and health education. The
719 division shall set reimbursement rates for providers in
720 conjunction with the State Department of Health.

721 (b) Early intervention system services. The
722 division shall cooperate with the State Department of Health,
723 acting as lead agency, in the development and implementation of a
724 statewide system of delivery of early intervention services,
725 pursuant to Part H of the Individuals with Disabilities Education
726 Act (IDEA). The State Department of Health shall certify annually
727 in writing to the director of the division the dollar amount of
728 state early intervention funds available which shall be utilized
729 as a certified match for Medicaid matching funds. Those funds
730 then shall be used to provide expanded targeted case management
731 services for Medicaid eligible children with special needs who are
732 eligible for the state's early intervention system.
733 Qualifications for persons providing service coordination shall be
734 determined by the State Department of Health and the Division of
735 Medicaid.

736 (20) Home- and community-based services for physically
737 disabled approved services as allowed by a waiver from the United
738 States Department of Health and Human Services for home- and
739 community-based services for physically disabled people using
740 state funds which are provided from the appropriation to the State
741 Department of Rehabilitation Services and used to match federal

742 funds under a cooperative agreement between the division and the
743 department, provided that funds for these services are
744 specifically appropriated to the Department of Rehabilitation
745 Services.

746 (21) Nurse practitioner services. Services furnished
747 by a registered nurse who is licensed and certified by the
748 Mississippi Board of Nursing as a nurse practitioner including,
749 but not limited to, nurse anesthetists, nurse midwives, family
750 nurse practitioners, family planning nurse practitioners,
751 pediatric nurse practitioners, obstetrics-gynecology nurse
752 practitioners and neonatal nurse practitioners, under regulations
753 adopted by the division. Reimbursement for such services shall
754 not exceed ninety percent (90%) of the reimbursement rate for
755 comparable services rendered by a physician.

756 (22) Ambulatory services delivered in federally
757 qualified health centers and in clinics of the local health
758 departments of the State Department of Health for individuals
759 eligible for medical assistance under this article based on
760 reasonable costs as determined by the division.

761 (23) Inpatient psychiatric services. Inpatient
762 psychiatric services to be determined by the division for
763 recipients under age twenty-one (21) which are provided under the
764 direction of a physician in an inpatient program in a licensed
765 acute care psychiatric facility or in a licensed psychiatric
766 residential treatment facility, before the recipient reaches age
767 twenty-one (21) or, if the recipient was receiving the services
768 immediately before he reached age twenty-one (21), before the
769 earlier of the date he no longer requires the services or the date
770 he reaches age twenty-two (22), as provided by federal
771 regulations. Precertification of inpatient days and residential
772 treatment days must be obtained as required by the division.

773 * * *

774 (24) Managed care services in a program to be developed
775 by the division by a public or private provider. If managed care
776 services are provided by the division to Medicaid recipients, and
777 those managed care services are operated, managed and controlled
778 by and under the authority of the division, the division shall be
779 responsible for educating the Medicaid recipients who are
780 participants in the managed care program regarding the manner in
781 which the participants should seek health care under the program.

782 Notwithstanding any other provision in this article to the
783 contrary, the division shall establish rates of reimbursement to
784 providers rendering care and services authorized under this
785 paragraph (24), and may revise such rates of reimbursement without
786 amendment to this section by the Legislature for the purpose of
787 achieving effective and accessible health services, and for
788 responsible containment of costs.

789 (25) Birthing center services.

790 (26) Hospice care. As used in this paragraph, the term
791 "hospice care" means a coordinated program of active professional
792 medical attention within the home and outpatient and inpatient
793 care which treats the terminally ill patient and family as a unit,
794 employing a medically directed interdisciplinary team. The
795 program provides relief of severe pain or other physical symptoms
796 and supportive care to meet the special needs arising out of
797 physical, psychological, spiritual, social and economic stresses
798 which are experienced during the final stages of illness and
799 during dying and bereavement and meets the Medicare requirements
800 for participation as a hospice as provided in federal regulations.

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

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

808 (29) The Division of Medicaid may apply for a waiver
809 from the Department of Health and Human Services for home- and
810 community-based services for developmentally disabled people using
811 state funds which are provided from the appropriation to the State
812 Department of Mental Health and used to match federal funds under
813 a cooperative agreement between the division and the department,
814 provided that funds for these services are specifically
815 appropriated to the Department of Mental Health.

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

818 (31) Targeted case management services for children
819 with special needs, under waivers from the United States
820 Department of Health and Human Services, using state funds that
821 are provided from the appropriation to the Mississippi Department
822 of Human Services and used to match federal funds under a
823 cooperative agreement between the division and the department.

824 (32) Care and services provided in Christian Science
825 Sanatoria operated by or listed and certified by The First Church
826 of Christ Scientist, Boston, Massachusetts, rendered in connection
827 with treatment by prayer or spiritual means to the extent that
828 such services are subject to reimbursement under Section 1903 of
829 the Social Security Act.

830 (33) Podiatrist services.

831 (34) The division shall make application to the United
832 States Health Care Financing Administration for a waiver to
833 develop a program of services to personal care and assisted living
834 homes in Mississippi. This waiver shall be completed by December

835 1, 1999.

836 (35) Services and activities authorized in Sections
837 43-27-101 and 43-27-103, using state funds that are provided from
838 the appropriation to the State Department of Human Services and
839 used to match federal funds under a cooperative agreement between
840 the division and the department.

841 (36) Nonemergency transportation services for
842 Medicaid-eligible persons, to be provided by the Division of
843 Medicaid. The division may contract with additional entities to
844 administer nonemergency transportation services as it deems
845 necessary. All providers shall have a valid driver's license,
846 vehicle inspection sticker, valid vehicle license tags and a
847 standard liability insurance policy covering the vehicle.

848 (37) * * *

849 (38) Chiropractic services: a chiropractor's manual
850 manipulation of the spine to correct a subluxation, if x-ray
851 demonstrates that a subluxation exists and if the subluxation has
852 resulted in a neuromusculoskeletal condition for which
853 manipulation is appropriate treatment. Reimbursement for
854 chiropractic services shall not exceed Seven Hundred Dollars
855 (\$700.00) per year per recipient.

856 (39) Dually eligible Medicare/Medicaid beneficiaries.
857 The division shall pay the Medicare deductible and ten percent
858 (10%) coinsurance amounts for services available under Medicare
859 for the duration and scope of services otherwise available under
860 the Medicaid program.

861 (40) * * *

862 (41) Services provided by the State Department of
863 Rehabilitation Services for the care and rehabilitation of persons
864 with spinal cord injuries or traumatic brain injuries, as allowed
865 under waivers from the United States Department of Health and

866 Human Services, using up to seventy-five percent (75%) of the
867 funds that are appropriated to the Department of Rehabilitation
868 Services from the Spinal Cord and Head Injury Trust Fund
869 established under Section 37-33-261 and used to match federal
870 funds under a cooperative agreement between the division and the
871 department.

872 (42) Notwithstanding any other provision in this
873 article to the contrary, the division is hereby authorized to
874 develop a population health management program for women and
875 children health services through the age of two (2). This program
876 is primarily for obstetrical care associated with low birth weight
877 and pre-term babies. In order to effect cost savings, the
878 division may develop a revised payment methodology which may
879 include at-risk capitated payments.

880 (43) The division shall provide reimbursement,
881 according to a payment schedule developed by the division, for
882 smoking cessation medications for pregnant women during their
883 pregnancy and other Medicaid-eligible women who are of
884 child-bearing age.

885 (44) Nursing facility services for the severely
886 disabled.

887 (a) Severe disabilities include, but are not
888 limited to, spinal cord injuries, closed head injuries and
889 ventilator dependent patients.

890 (b) Those services must be provided in a long-term
891 care nursing facility dedicated to the care and treatment of
892 persons with severe disabilities, and shall be reimbursed as a
893 separate category of nursing facilities.

894 (45) Physician assistant services. Services furnished
895 by a physician assistant who is licensed by the State Board of
896 Medical Licensure and is practicing with physician supervision

897 under regulations adopted by the board, under regulations adopted
898 by the division. Reimbursement for those services shall not
899 exceed ninety percent (90%) of the reimbursement rate for
900 comparable services rendered by a physician.

901 (46) The division shall make application to the federal
902 Health Care Financing Administration for a waiver to develop and
903 provide services for children with serious emotional disturbances
904 as defined in Section 43-14-1(1), which may include home- and
905 community-based services, case management services or managed care
906 services through mental health providers certified by the
907 Department of Mental Health. The division may implement and
908 provide services under this waived program only if funds for
909 these services are specifically appropriated for this purpose by
910 the Legislature, or if funds are voluntarily provided by affected
911 agencies.

912 Notwithstanding any provision of this article, except as
913 authorized in the following paragraph and in Section 43-13-139,
914 neither (a) the limitations on quantity or frequency of use of or
915 the fees or charges for any of the care or services available to
916 recipients under this section, nor (b) the payments or rates of
917 reimbursement to providers rendering care or services authorized
918 under this section to recipients, may be increased, decreased or
919 otherwise changed from the levels in effect on July 1, 1999,
920 unless such is authorized by an amendment to this section by the
921 Legislature. However, the restriction in this paragraph shall not
922 prevent the division from changing the payments or rates of
923 reimbursement to providers without an amendment to this section
924 whenever such changes are required by federal law or regulation,
925 or whenever such changes are necessary to correct administrative
926 errors or omissions in calculating such payments or rates of
927 reimbursement.

928 Notwithstanding any provision of this article, no new groups
929 or categories of recipients and new types of care and services may
930 be added without enabling legislation from the Mississippi
931 Legislature, except that the division may authorize such changes
932 without enabling legislation when such addition of recipients or
933 services is ordered by a court of proper authority. The director
934 shall keep the Governor advised on a timely basis of the funds
935 available for expenditure and the projected expenditures. In the
936 event current or projected expenditures can be reasonably
937 anticipated to exceed the amounts appropriated for any fiscal
938 year, the Governor, after consultation with the director, shall
939 discontinue any or all of the payment of the types of care and
940 services as provided herein which are deemed to be optional
941 services under Title XIX of the federal Social Security Act, as
942 amended, for any period necessary to not exceed appropriated
943 funds, and when necessary shall institute any other cost
944 containment measures on any program or programs authorized under
945 the article to the extent allowed under the federal law governing
946 such program or programs, it being the intent of the Legislature
947 that expenditures during any fiscal year shall not exceed the
948 amounts appropriated for such fiscal year.

949 Notwithstanding any other provision of this article, it shall
950 be the duty of each nursing facility, intermediate care facility
951 for the mentally retarded, psychiatric residential treatment
952 facility, and nursing facility for the severely disabled that is
953 participating in the medical assistance program to keep and
954 maintain books, documents, and other records as prescribed by the
955 Division of Medicaid in substantiation of its cost reports for a
956 period of three (3) years after the date of submission to the
957 Division of Medicaid of an original cost report, or three (3)
958 years after the date of submission to the Division of Medicaid of

959 an amended cost report.

960 SECTION 3. Section 43-13-121, Mississippi Code of 1972, is
961 amended as follows:

962 43-13-121. (1) The division is authorized and empowered to
963 administer a program of medical assistance under the provisions of
964 this article, and to do the following:

965 (a) Adopt and promulgate reasonable rules, regulations
966 and standards, with approval of the Governor, and in accordance
967 with the Administrative Procedures Law, Section 25-43-1 et seq.:

968 (i) Establishing methods and procedures as may be
969 necessary for the proper and efficient administration of this
970 article;

971 (ii) Providing medical assistance to all qualified
972 recipients under the provisions of this article as the division
973 may determine and within the limits of appropriated funds;

974 (iii) Establishing reasonable fees, charges and
975 rates for medical services and drugs; and in doing so shall fix
976 all such fees, charges and rates at the minimum levels absolutely
977 necessary to provide the medical assistance authorized by this
978 article, and shall not change any such fees, charges or rates
979 except as may be authorized in Section 43-13-117;

980 (iv) Providing for fair and impartial hearings;

981 (v) Providing safeguards for preserving the
982 confidentiality of records; and

983 (vi) For detecting and processing fraudulent
984 practices and abuses of the program;

985 (b) Receive and expend state, federal and other funds
986 in accordance with court judgments or settlements and agreements
987 between the State of Mississippi and the federal government, the
988 rules and regulations promulgated by the division, with the
989 approval of the Governor, and within the limitations and

990 restrictions of this article and within the limits of funds
991 available for such purpose;

992 (c) Subject to the limits imposed by this article, to
993 submit a plan for medical assistance to the federal Department of
994 Health and Human Services for approval pursuant to the provisions
995 of the Social Security Act, to act for the state in making
996 negotiations relative to the submission and approval of such plan,
997 to make such arrangements, not inconsistent with the law, as may
998 be required by or pursuant to federal law to obtain and retain
999 such approval and to secure for the state the benefits of the
1000 provisions of such law;

1001 No agreements, specifically including the general plan for
1002 the operation of the Medicaid program in this state, shall be made
1003 by and between the division and the Department of Health and Human
1004 Services unless the Attorney General of the State of Mississippi
1005 has reviewed the agreements, specifically including the
1006 operational plan, and has certified in writing to the Governor and
1007 to the director of the division that the agreements, including the
1008 plan of operation, have been drawn strictly in accordance with the
1009 terms and requirements of this article;

1010 (d) Pursuant to the purposes and intent of this article
1011 and in compliance with its provisions, provide for aged persons
1012 otherwise eligible for the benefits provided under Title XVIII of
1013 the federal Social Security Act by expenditure of funds available
1014 for such purposes;

1015 (e) To make reports to the federal Department of Health
1016 and Human Services as from time to time may be required by such
1017 federal department and to the Mississippi Legislature as
1018 hereinafter provided;

1019 (f) Define and determine the scope, duration and amount
1020 of medical assistance which may be provided in accordance with

1021 this article and establish priorities therefor in conformity with
1022 this article;

1023 (g) Cooperate and contract with other state agencies
1024 for the purpose of coordinating medical assistance rendered under
1025 this article and eliminating duplication and inefficiency in the
1026 program;

1027 (h) Adopt and use an official seal of the division;

1028 (i) Sue in its own name on behalf of the State of
1029 Mississippi and employ legal counsel on a contingency basis with
1030 the approval of the Attorney General;

1031 (j) To recover any and all payments incorrectly made by
1032 the division or by the Medicaid Commission to a recipient or
1033 provider from the recipient or provider receiving the payments;

1034 (k) To recover any and all payments by the division or
1035 by the Medicaid Commission fraudulently obtained by a recipient or
1036 provider. Additionally, if recovery of any payments fraudulently
1037 obtained by a recipient or provider is made in any court, then,
1038 upon motion of the Governor, the judge of the court may award
1039 twice the payments recovered as damages;

1040 (l) Have full, complete and plenary power and authority
1041 to conduct such investigations as it may deem necessary and
1042 requisite of alleged or suspected violations or abuses of the
1043 provisions of this article or of the regulations adopted hereunder
1044 including, but not limited to, fraudulent or unlawful act or deed
1045 by applicants for medical assistance or other benefits, or
1046 payments made to any person, firm or corporation under the terms,
1047 conditions and authority of this article, to suspend or disqualify
1048 any provider of services, applicant or recipient for gross abuse,
1049 fraudulent or unlawful acts for such periods, including
1050 permanently, and under such conditions as the division may deem
1051 proper and just, including the imposition of a legal rate of

1052 interest on the amount improperly or incorrectly paid. Recipients
1053 who are found to have misused or abused medical assistance
1054 benefits may be locked into one (1) physician and/or one (1)
1055 pharmacy of the recipient's choice for a reasonable amount of time
1056 in order to educate and promote appropriate use of medical
1057 services, in accordance with federal regulations. Should an
1058 administrative hearing become necessary, the division shall be
1059 authorized, should the provider not succeed in his defense, in
1060 taxing the costs of the administrative hearing, including the
1061 costs of the court reporter or stenographer and transcript, to the
1062 provider. The convictions of a recipient or a provider in a state
1063 or federal court for abuse, fraudulent or unlawful acts under this
1064 chapter shall constitute an automatic disqualification of the
1065 recipient or automatic disqualification of the provider from
1066 participation under the Medicaid program.

1067 A conviction, for the purposes of this chapter, shall include
1068 a judgment entered on a plea of nolo contendere or a
1069 nonadjudicated guilty plea and shall have the same force as a
1070 judgment entered pursuant to a guilty plea or a conviction
1071 following trial. A certified copy of the judgment of the court of
1072 competent jurisdiction of such conviction shall constitute prima
1073 facie evidence of such conviction for disqualification purposes;

1074 (m) Establish and provide such methods of
1075 administration as may be necessary for the proper and efficient
1076 operation of the program, fully utilizing computer equipment as
1077 may be necessary to oversee and control all current expenditures
1078 for purposes of this article, and to closely monitor and supervise
1079 all recipient payments and vendors rendering such services
1080 hereunder; * * *

1081 (n) To cooperate and contract with the federal
1082 government for the purpose of providing medical assistance to

1083 Vietnamese and Cambodian refugees, pursuant to the provisions of
1084 Public Law 94-23 and Public Law 94-24, including any amendments
1085 thereto, only to the extent that such assistance and the
1086 administrative cost related thereto are one hundred percent (100%)
1087 reimbursable by the federal government. For the purposes of
1088 Section 43-13-117, persons receiving medical assistance pursuant
1089 to Public Law 94-23 and Public Law 94-24, including any amendments
1090 thereto, shall not be considered a new group or category of
1091 recipient; and

1092 (o) The division shall impose penalties upon Medicaid
1093 only, Title XIX participating long-term care facilities found to
1094 be in noncompliance with division and certification standards in
1095 accordance with federal and state regulations, including interest
1096 at the same rate calculated by the Department of Health and Human
1097 Services and/or the Health Care Financing Administration under
1098 federal regulations.

1099 (2) The division also shall exercise such additional powers
1100 and perform such other duties as may be conferred upon the
1101 division by act of the Legislature hereafter.

1102 (3) The division, and the State Department of Health as the
1103 agency for licensure of health care facilities and certification
1104 and inspection for the Medicaid and/or Medicare programs, shall
1105 contract for or otherwise provide for the consolidation of on-site
1106 inspections of health care facilities which are necessitated by
1107 the respective programs and functions of the division and the
1108 department.

1109 (4) The division and its hearing officers shall have power
1110 to preserve and enforce order during hearings; to issue subpoenas
1111 for, to administer oaths to and to compel the attendance and
1112 testimony of witnesses, or the production of books, papers,
1113 documents and other evidence, or the taking of depositions before

1114 any designated individual competent to administer oaths; to
1115 examine witnesses; and to do all things conformable to law which
1116 may be necessary to enable them effectively to discharge the
1117 duties of their office. In compelling the attendance and
1118 testimony of witnesses, or the production of books, papers,
1119 documents and other evidence, or the taking of depositions, as
1120 authorized by this section, the division or its hearing officers
1121 may designate an individual employed by the division or some other
1122 suitable person to execute and return such process, whose action
1123 in executing and returning such process shall be as lawful as if
1124 done by the sheriff or some other proper officer authorized to
1125 execute and return process in the county where the witness may
1126 reside. In carrying out the investigatory powers under the
1127 provisions of this article, the director or other designated
1128 person or persons shall be authorized to examine, obtain, copy or
1129 reproduce the books, papers, documents, medical charts,
1130 prescriptions and other records relating to medical care and
1131 services furnished by the provider to a recipient or designated
1132 recipients of Medicaid services under investigation. In the
1133 absence of the voluntary submission of the books, papers,
1134 documents, medical charts, prescriptions and other records, the
1135 Governor, the director, or other designated person shall be
1136 authorized to issue and serve subpoenas instantly upon such
1137 provider, his agent, servant or employee for the production of the
1138 books, papers, documents, medical charts, prescriptions or other
1139 records during an audit or investigation of the provider. If any
1140 provider or his agent, servant or employee should refuse to
1141 produce the records after being duly subpoenaed, the director
1142 shall be authorized to certify such facts and institute contempt
1143 proceedings in the manner, time, and place as authorized by law
1144 for administrative proceedings. As an additional remedy, the

1145 division shall be authorized to recover all amounts paid to the
1146 provider covering the period of the audit or investigation,
1147 inclusive of a legal rate of interest and a reasonable attorney's
1148 fee and costs of court if suit becomes necessary. Division staff
1149 shall have immediate access to the provider's physical location,
1150 facilities, records, documents, books, and any other records
1151 relating to medical care and services rendered to recipients
1152 during regular business hours.

1153 (5) If any person in proceedings before the division
1154 disobeys or resists any lawful order or process, or misbehaves
1155 during a hearing or so near the place thereof as to obstruct the
1156 same, or neglects to produce, after having been ordered to do so,
1157 any pertinent book, paper or document, or refuses to appear after
1158 having been subpoenaed, or upon appearing refuses to take the oath
1159 as a witness, or after having taken the oath refuses to be
1160 examined according to law, the director shall certify the facts to
1161 any court having jurisdiction in the place in which it is sitting,
1162 and the court shall thereupon, in a summary manner, hear the
1163 evidence as to the acts complained of, and if the evidence so
1164 warrants, punish such person in the same manner and to the same
1165 extent as for a contempt committed before the court, or commit
1166 such person upon the same condition as if the doing of the
1167 forbidden act had occurred with reference to the process of, or in
1168 the presence of, the court.

1169 (6) In suspending or terminating any provider from
1170 participation in the Medicaid program, the division shall preclude
1171 such provider from submitting claims for payment, either
1172 personally or through any clinic, group, corporation or other
1173 association to the division or its fiscal agents for any services
1174 or supplies provided under the Medicaid program except for those
1175 services or supplies provided prior to the suspension or

1176 termination. No clinic, group, corporation or other association
1177 which is a provider of services shall submit claims for payment to
1178 the division or its fiscal agents for any services or supplies
1179 provided by a person within such organization who has been
1180 suspended or terminated from participation in the Medicaid program
1181 except for those services or supplies provided prior to the
1182 suspension or termination. When this provision is violated by a
1183 provider of services which is a clinic, group, corporation or
1184 other association, the division may suspend or terminate such
1185 organization from participation. Suspension may be applied by the
1186 division to all known affiliates of a provider, provided that each
1187 decision to include an affiliate is made on a case-by-case basis
1188 after giving due regard to all relevant facts and circumstances.
1189 The violation, failure, or inadequacy of performance may be
1190 imputed to a person with whom the provider is affiliated where
1191 such conduct was accomplished with the course of his official duty
1192 or was effectuated by him with the knowledge or approval of such
1193 person.

1194 (7) If the division ascertains that a provider has been
1195 convicted of a felony under federal or state law for an offense
1196 which the division determines is detrimental to the best interests
1197 of the program or of Medicaid recipients, the division may refuse
1198 to enter into an agreement with such provider, or may terminate or
1199 refuse to renew an existing agreement.

1200 SECTION 4. This act shall take effect and be in force from
1201 and after July 1, 2001.

**Further, amend by striking the title in its entirety and
inserting in lieu thereof the following:**

1 AN ACT RELATING TO THE MISSISSIPPI MEDICAID LAW; TO AMEND
2 SECTION 43-13-115, MISSISSIPPI CODE OF 1972, AS AMENDED BY HOUSE
3 BILL NO. 1238, 2001 REGULAR SESSION, TO CLARIFY AND INCLUDE

4 CERTAIN CATEGORIES OF INDIVIDUALS ELIGIBLE FOR MEDICAID
5 ASSISTANCE; TO AMEND SECTION 43-13-117, MISSISSIPPI CODE OF 1972,
6 AS AMENDED BY HOUSE BILL NO. 1000, SENATE BILL NO. 2424 AND SENATE
7 BILL NO. 2754, 2001 REGULAR SESSION, TO REQUIRE PRECERTIFICATION
8 OF INPATIENT DAYS FOR MEDICAID REIMBURSEMENT; TO CLARIFY THE
9 AUTHORITY FOR MEDICAID REIMBURSEMENT TO HOSPITALS FOR AN
10 IMPLANTABLE PROGRAMMABLE PUMP; TO DELETE THE REQUIREMENT OF A
11 WRITTEN AUTHORIZATION FROM A PHYSICIAN FOR HOME LEAVE DAYS; TO
12 DELETE CERTAIN LIMITATIONS ON REIMBURSEMENT FOR MANAGEMENT FEES
13 AND HOME OFFICE COSTS FOR NURSING FACILITIES, INTERMEDIATE CARE
14 FACILITIES AND PSYCHIATRIC RESIDENTIAL TREATMENT FACILITIES; TO
15 PROVIDE FOR THE NUMBER OF PHYSICIAN VISITS ALLOWED ANNUALLY FOR
16 MEDICAID REIMBURSEMENT; TO REQUIRE PRECERTIFICATION OF HOME HEALTH
17 VISITS FOR MEDICAID REIMBURSEMENT; TO INCREASE THE AUTHORIZED DRUG
18 PRESCRIPTIONS PER MONTH FOR NONINSTITUTIONALIZED MEDICAID
19 RECIPIENTS AND TO DELETE THE REQUIREMENT FOR PREAPPROVAL; TO
20 DELETE THE AUTHORITY FOR THE DIVISION OF MEDICAID TO CONTRACT WITH
21 A CERTAIN FACILITY TO PROVIDE RESIDENTIAL MENTAL HEALTH SERVICES
22 FOR CERTAIN CHILDREN; TO REQUIRE PRECERTIFICATION OF DURABLE
23 MEDICAL EQUIPMENT AND MEDICAL SUPPLIES FOR REIMBURSEMENT; TO
24 DELETE THE PER DIEM LIMITATION ON REIMBURSEMENT FOR INPATIENT
25 PSYCHIATRIC SERVICES; TO REQUIRE PRECERTIFICATION OF INPATIENT
26 PSYCHIATRIC DAYS AND PSYCHIATRIC RESIDENTIAL TREATMENT DAYS FOR
27 REIMBURSEMENT; TO DELETE THE AUTHORITY FOR A PILOT PROGRAM FOR
28 TARGETED CASE MANAGEMENT SERVICES FOR CERTAIN INDIVIDUALS; TO
29 DELETE THE AUTHORITY FOR A WAIVER FOR PRESCRIPTION DRUG BENEFITS;
30 TO PROVIDE THAT PHYSICIAN ASSISTANT SERVICES WILL BE REIMBURSABLE
31 UNDER MEDICAID; AND TO DIRECT THE DIVISION OF MEDICAID TO APPLY
32 FOR FEDERAL WAIVERS TO PROVIDE SERVICES FOR CHILDREN WITH SERIOUS
33 EMOTIONAL DISTURBANCES; TO REQUIRE CERTAIN LONG-TERM CARE
34 FACILITIES TO MAINTAIN RECORDS AS PRESCRIBED BY THE DIVISION OF
35 MEDICAID IN SUBSTANTIATION OF THEIR COST REPORTS FOR THREE YEARS
36 AFTER SUBMISSION; TO AMEND SECTION 43-13-121, MISSISSIPPI CODE OF
37 1972, TO PROVIDE THAT RECIPIENTS FOUND TO HAVE MISUSED BENEFITS
38 MAY BE RESTRICTED TO ONE PHYSICIAN AND/OR PHARMACY FOR
39 REIMBURSEMENT PURPOSES; TO AUTHORIZE THE DIVISION OF MEDICAID TO
40 IMPOSE PENALTIES UPON PARTICPATING LONG-TERM CARE FACILITIES FOUND
41 TO BE IN NONCOMPLIANCE WITH DIVISION AND CERTIFICATION STANDARDS;
42 AND FOR RELATED PURPOSES.

CONFEREES FOR THE HOUSE

CONFEREES FOR THE SENATE

Bobby Moody

Robert G. Huggins

Bobby B. Howell

Billy Thames

D. Stephen Holland

Jack Gordon