

By: Representatives Frierson, Mims, Arnold,  
Barker, Bennett, Bounds, Brown, Currie,  
Gipson, Holland, Mettetal, Myers, Read,  
Shows, Turner, Watson, Sykes

To: Appropriations

HOUSE BILL NO. 1650  
(As Sent to Governor)

1 AN ACT MAKING AN APPROPRIATION TO THE GOVERNOR'S  
2 OFFICE-DIVISION OF MEDICAID FOR THE PURPOSE OF PROVIDING MEDICAL  
3 ASSISTANCE UNDER THE MISSISSIPPI MEDICAID LAW AND DEFRAYING THE  
4 EXPENSES OF THE ADMINISTRATION OF THAT LAW FOR THE FISCAL YEAR  
5 2017.

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

7 **SECTION 1.** The following sum, or so much thereof as may be  
8 necessary, is appropriated out of any money in the State General  
9 Fund not otherwise appropriated, to the Governor's  
10 Office - Division of Medicaid for the purpose of providing medical  
11 assistance under the Mississippi Medicaid Law and defraying the  
12 expenses of the administration of such law, as provided in Section  
13 43-13-101 et seq., Mississippi Code of 1972, for the fiscal year  
14 beginning July 1, 2016, and ending June 30, 2017.....  
15 .....\$ 860,671,713.00.

16 **SECTION 2.** The following sum, or so much thereof as may be  
17 necessary, is appropriated out of any money in the State Treasury  
18 to the credit of the Medical Care Fund created by Section  
19 43-13-143, Mississippi Code of 1972, for the purpose of providing



20 medical assistance under the Mississippi Medicaid Law for the  
21 fiscal year beginning July 1, 2016, and ending June 30, 2017.....  
22 .....\$ 408,319,013.00.

23 **SECTION 3.** The following sum, or so much thereof as may be  
24 necessary, is appropriated out of any money in any special fund in  
25 the State Treasury to the credit of the Governor's  
26 Office - Division of Medicaid which is comprised of special source  
27 funds collected by or otherwise available to the commission, for  
28 the purpose of providing medical assistance under the Mississippi  
29 Medicaid Law and defraying the expenses of the administration of  
30 such law, for the fiscal year beginning July 1, 2016, and ending  
31 June 30, 2017.....\$ 4,699,563,142.00.

32 Prior period recovery of funds may be maintained and expended  
33 by the division when the recovery is received or finalized. Any  
34 recoveries due to audits or third party recoveries may be used to  
35 offset the cost of such audits and third party recoveries and as  
36 such, the division may escalate Contractual Services as needed for  
37 these purposes.

38 **SECTION 4.** The following sum, or so much thereof as may be  
39 necessary, is appropriated out of any money in the State Treasury  
40 to the credit of the Health Care Expendable Fund, for the purpose  
41 of defraying the expenses of the Governor's Office - Division of  
42 Medicaid for the fiscal year beginning July 1, 2016, and ending  
43 June 30, 2017.....\$ 87,306,985.00.

44 The above funds shall be allocated as follows:



45	CHIP Program at 200% level of poverty.....\$	2,879,024.00
46	Eyeglasses for adults.....\$	699,191.00
47	Home and Community Waiver Program.....\$	1,972,132.00
48	Disabled worker buy-in to the Medicaid	
49	program.....\$	754,715.00
50	Dental fee increase.....\$	904,837.00
51	Medical Program Matching Funds.....\$	80,097,086.00

52 It is the intention of the Legislature that funds may be  
53 shifted among the above allocated line items where needed in the  
54 discretion of the Executive Director of the Division of Medicaid.

55 **SECTION 5.** The following sum, or so much thereof as may be  
56 necessary, is appropriated out of any money in the State Treasury  
57 to the credit of the Capital Expense Fund, as created in Section  
58 27-103-303, Mississippi Code of 1972, and allocated in a manner as  
59 determined by the Treasurer's Office for the purpose of defraying  
60 the expenses of the Governor's Office - Division of Medicaid for  
61 the fiscal year beginning July 1, 2016, and ending June 30, 2017..  
62 .....\$670,516.00.

63 **SECTION 6.** Of the funds appropriated under the provisions of  
64 this act, the following positions are authorized:

65 AUTHORIZED POSITIONS:

66	Permanent:	Full Time.....	1,028
67		Part Time.....	2
68	Time-Limited:	Full Time.....	37
69		Part Time.....	0



70 With the funds herein appropriated, it shall be the agency's  
71 responsibility to make certain that funds required to be  
72 appropriated for "Personal Services" for Fiscal Year 2018 do not  
73 exceed Fiscal Year 2017 funds appropriated for that purpose,  
74 unless programs or positions are added to the agency's Fiscal Year  
75 2017 budget by the Mississippi Legislature. Based on data  
76 provided by the Legislative Budget Office, the State Personnel  
77 Board shall determine and publish the projected annual cost to  
78 fully fund all appropriated positions in compliance with the  
79 provisions of this act. It shall be the responsibility of the  
80 agency head to ensure that no single personnel action increases  
81 this projected annual cost and/or the Fiscal Year 2017  
82 appropriations for "Personal Services" when annualized, with the  
83 exception of escalated funds and the award of benchmarks. If, at  
84 the time the agency takes any action to change "Personal  
85 Services," the State Personnel Board determines that the agency  
86 has taken an action which would cause the agency to exceed this  
87 projected annual cost or the Fiscal Year 2017 "Personal Services"  
88 appropriated level, when annualized, then only those actions which  
89 reduce the projected annual cost and/or the appropriation  
90 requirement will be processed by the State Personnel Board until  
91 such time as the requirements of this provision are met.

92 Any transfers or escalations shall be made in accordance with  
93 the terms, conditions and procedures established by law or  
94 allowable under the terms set forth within this act. The State



95 Personnel Board shall not escalate positions without written  
96 approval from the Department of Finance and Administration. The  
97 Department of Finance and Administration shall not provide written  
98 approval to escalate any funds for salaries and/or positions  
99 without proof of availability of new or additional funds above the  
100 appropriated level.

101 No general funds authorized to be expended herein shall be  
102 used to replace federal funds and/or other special funds which are  
103 being used for salaries authorized under the provisions of this  
104 act and which are withdrawn and no longer available.

105 None of the funds herein appropriated shall be used in  
106 violation of Internal Revenue Service's Publication 15-A relating  
107 to the reporting of income paid to contract employees, as  
108 interpreted by the Office of the State Auditor.

109 **SECTION 7.** It is the intention of the Legislature that the  
110 Governor's Office - Division of Medicaid shall maintain complete  
111 accounting and personnel records related to the expenditure of all  
112 funds appropriated under this act and that such records shall be  
113 in the same format and level of detail as maintained for Fiscal  
114 Year 2016. It is further the intention of the Legislature that  
115 the agency's budget request for Fiscal Year 2018 shall be  
116 submitted to the Joint Legislative Budget Committee in a format  
117 and level of detail comparable to the format and level of detail  
118 provided during the Fiscal Year 2017 budget request process with  
119 the Children's Health Insurance Program (CHIP) being separated



120 from the Medical Services Program and submitted as a separate  
121 program. In addition, the performance measures reported for the  
122 Medical Services Program shall include an unduplicated case count  
123 of individuals served by eligibility status, and the number and  
124 the costs of emergency room visits.

125 **SECTION 8.** In compliance with the "Mississippi Performance  
126 Budget and Strategic Planning Act of 1994," it is the intent of  
127 the Legislature that the funds provided herein shall be utilized  
128 in the most efficient and effective manner possible to achieve the  
129 intended mission of this agency. Based on the funding authorized,  
130 this agency shall make every effort to attain the targeted  
131 performance measures provided below:

	FY2017
<u>Performance Measures</u>	<u>Target</u>
134 Administrative Services	
135 Administration as a Percent of	
136 Total Budget (%)	3.66
137 Third Party Funds Recovered (\$)	30,855,121.00
138 Clean Claims Percent - 30 Days	
139 from Receipt (%)	99.00
140 Clean Claims Percent - 90 Days	
141 from Receipt (%)	100.00
142 Providers Submitting Electronic	
143 Claims (Number of)	22,350.00
144 Third Party Liability Costs	



145	Avoided (\$)	1,386,109.00
146	Percentage of Applications Processed Within	
147	Standard of Promptness - Medicaid (%)	90.00
148	Turnover Rate of Employees (%)	11.00
149	Medical Services	
150	Recipients Enrolled (Persons)	731,855
151	Percent Change in Number of Recipients	
152	Enrolled from Prior Year (%)	1.20
153	Elderly & Disabled - Persons Served	
154	Emergency Room Visits (\$)	62,898,058.00
155	Emergency Room Visits (Number of)	372,996
156	Child Physical Exams	316,890
157	Adult Physical Exams	1,733
158	Number of Fraud & Abuse Cases	
159	Investigated	175
160	Kidney Dialysis (Number of Trips)	493,552
161	MSCAN Diabetic Members Aged 17-75	
162	Receiving HBA1c Test (%)	82.10
163	MSCAN Members with Persistent	
164	Asthma are Appropriately	
165	Prescribed Medication (%)	75.66
166	Number of Medicaid Providers	35,000
167	Percent Change in Number of Providers from	
168	Prior Year (%)	2.00
169	Rate of EPSDT Well Child Screening	75.00



170	Medicaid Beneficiaries Assigned to a	
171	PCP (Primary Care Physician)	585,000
172	Percent of Medicaid Beneficiaries Assigned	
173	to a PCP (Primary Care Physician) (%)	70.00
174	Number of Medicaid Beneficiaries Assigned	
175	to a Managed Care Company	585,000
176	Percent Change in Number of Beneficiaries	
177	Assigned to a Managed Care Company (%)	5.00
178	Child's Health Ins Prg (chip)	
179	CHIP Enrollees (Number of)	49,983
180	Percentage of Applications Processed Within	
181	Standard of Promptness - CHIP (%)	90.00
182	Home & Com Based Waiver Prg	
183	Elderly & Disabled - Persons Served	20,000
184	Elderly & Disabled - Funded Slots	17,800
185	Elderly & Disabled - Total Auth Slots	28,000
186	(E&D) Change in Persons on Waiting List (%)	3.00
187	Assisted Living - Persons Served	630
188	Assisted Living - Funded Slots	628
189	Assisted Living - Total Auth Slots	1,000
190	(AL) Change in Persons on Waiting List (%)	20.00
191	Independent Living - Persons Served	2,850
192	Independent Living - Funded Slots	2,850
193	Independent Living - Total Auth Slots	5,500
194	(IL) Change in Persons on Waiting List (%)	5.00





195	Traumatic Brain Inj - Persons Served	900
196	Traumatic Brain Inj - Funded Slots	900
197	Traumatic Brain Inj - Total Auth Slots	2,700
198	(TBI) Change in Persons on Waiting List (%)	76.00
199	Intellectual Disab - Persons Served	2,700
200	Intellectual Disab - Funded Slots	2,200
201	Intellectual Disab - Total Auth Slots	2,900
202	(ID) Change in Persons on Waiting List (%)	10.00

203 A reporting of the degree to which the performance targets  
204 set above have been or are being achieved shall be provided in the  
205 agency's budget request submitted to the Joint Legislative Budget  
206 Committee for Fiscal Year 2018.

207 **SECTION 9.** It is the intention of the Legislature that  
208 whenever two (2) or more bids are received by this agency for the  
209 purchase of commodities or equipment, and whenever all things  
210 stated in such received bids are equal with respect to price,  
211 quality and service, the Mississippi Industries for the Blind  
212 shall be given preference. A similar preference shall be given to  
213 the Mississippi Industries for the Blind whenever purchases are  
214 made without competitive bids.

215 **SECTION 10.** Of the funds appropriated herein, an amount not  
216 to exceed Two Hundred Fifty Thousand Dollars (\$250,000.00) is  
217 provided to implement an Adult Foster Care program for Medicaid  
218 recipients as authorized by Section 43-13-117, Mississippi Code of  
219 1972.



220           **SECTION 11.** The division shall provide statistical and  
221 financial reports on a monthly basis to the Legislative Budget  
222 Office. These reports shall include, but are not limited to, an  
223 accounting of all funds spent and participant statistics medical  
224 program, the CHIP program, the Dialysis Transportation program,  
225 and each of the Home- and Community-Based Waiver programs, and an  
226 accounting of all funds spent in the administrative program.

227           The Division of Medicaid shall perform its cash flow  
228 projections on a predetermined monthly schedule and make this and  
229 any other information requested available, upon request, to the  
230 Chair of the Senate Public Health and Welfare Committee, the House  
231 Public Health and Human Services Committee, the House Medicaid  
232 Committee, the House and Senate Appropriations Committees as well  
233 as the Legislative Budget Office.

234           **SECTION 12.** Of the funds appropriated in this act, the  
235 Division of Medicaid shall pay the maximum per diem rate allowed  
236 by federal law or regulation to providers of adult day services  
237 for each day of service provided to an eligible beneficiary. In  
238 order to receive this per diem rate of reimbursement, providers of  
239 adult day services shall participate in the Elderly and Disabled  
240 Waiver Program for Home- and Community-Based Services.

241           **SECTION 13.** In the division's Fiscal Year 2018 budget  
242 submission, all Medicaid 1915 (C) Home- and Community-Based  
243 Waivers shall be presented as a budget program separate from the  
244 Medical Services Program.



245           **SECTION 14.** The Division shall transfer One Million Dollars  
246 (\$1,000,000.00) of State Support Funds to the Department of  
247 Rehabilitation Services for the support of the Independent Living  
248 Home- and Community-Based Waiver program and shall transfer One  
249 Million Dollars (\$1,000,000.00) of State Support Funds to the  
250 Department of Human Services to support the Home Delivered Meals  
251 program.

252           **SECTION 15.** Of the funds appropriated under the provisions  
253 of this act, Two Million Seven Hundred Fifty Thousand Dollars  
254 (\$2,750,000.00) are provided for the purpose of funding a  
255 temporary program to provide nonemergency transportation to  
256 locations for necessary dialysis services for end-stage renal  
257 disease patients who are sixty-five (65) years of age or older or  
258 are disabled as determined under Section 1614(a)(3) of the federal  
259 Social Security Act, as amended, whose income did not exceed one  
260 hundred thirty-five percent (135%) of the nonfarm official poverty  
261 level as defined by the Office of Management and Budget and whose  
262 eligibility was covered under the former category of eligibility  
263 known as Poverty Level Aged and Disabled (PLADS). One Hundred  
264 Eighty-two Thousand Five Hundred Thirty-five Dollars (\$182,535.00)  
265 of the amount provided in this section, as originally authorized  
266 in HB 865 of the 2009 Regular Session, shall come from Treasury  
267 Fund 3322.

268           **SECTION 16.** Of the funds appropriated in Sections 1 and 3,  
269 Three Hundred Ninety-eight Thousand Five Hundred Fifty Dollars



270 (\$398,550.00) General Funds and One Million One Hundred One  
271 Thousand Four Hundred Fifty Dollars (\$1,101,450.00) Special Funds  
272 are provided for five (5) slots in the Assisted Living Waiver  
273 program for persons with Traumatic Brain Injury and in need of  
274 Cognitive Rehabilitation. The Division shall develop eligibility  
275 criteria for these additional slots.

276 **SECTION 17.** It is the intention of the Legislature that the  
277 funds appropriated in this act to the Governor's Office - Division  
278 of Medicaid for the Mississippi Coordinated Access Network  
279 (MS-CAN) program be used in the most efficient and effective  
280 manner possible to achieve the intended mission of the division.  
281 The division and the coordinated care organizations with which the  
282 division has contracted to conduct the MS-CAN program shall  
283 establish baselines for the health-related outcome measurement for  
284 each of the following health focus areas for presentation at the  
285 Joint Legislative Budget Committee hearings for fiscal year 2017,  
286 which will be used as the baseline levels for establishing targets  
287 for improvements in quality of care performance measures for the  
288 MS-CAN program in fiscal year 2017 and later fiscal years:

289 <u>Health Focus Area</u>	<u>Measurement</u>
290 Blood sugar well controlled in 291 people with diabetes	Percentage of members with HbA1c results less than or 292 equal to 8.0%
293 Asthma-related emergency room 294 (ER) visits	Percentage reduction in asthma-related ER visits



295 Congestive heart failure (CHF) Percentage decrease in  
296 CHF-Related hospital  
297 readmissions  
298 Obesity Percentage of persons age  
299 eighteen and older classified  
300 as having a documented Body  
301 Mass Index (BMI) of 30.0 or  
302 more regardless of sex

303 In addition, for comparison purposes, these same baselines  
304 for the health-related outcome measurements shall be established  
305 for similar Medicaid recipients who are not enrolled in the MS-CAN  
306 program.

307 **SECTION 18.** Of the funds appropriated herein, an amount not  
308 to exceed Three Hundred Thousand Dollars (\$300,000.00) is provided  
309 for payments to certain eligible obstetricians and gynecologists  
310 for the provision of certain primary care services, as defined by  
311 the division, at up to one hundred percent (100%) of the Medicare  
312 Physician fee schedule.

313 **SECTION 19.** Of the funds appropriated in Section 1, a sum  
314 not to exceed Two Hundred and Fifty Thousand Dollars (\$250,000.00)  
315 is provided for the Division of Medicaid to expend funds for an  
316 outside consultant to perform an operational and performance  
317 assessment in order to evaluate and recommend changes to the  
318 structure, process and resources of the Governor's Office,  
319 Division of Medicaid, in light of the shift from fee-for-service,



320 expansion of the Mississippi Coordinated Access Network program  
321 and the implementation of the Mississippi Hospital Assess Payment  
322 program. The consultant hired using these funds shall be chosen  
323 by the Department of Finance and Administration using a  
324 competitive process, and shall be a firm with a positive national  
325 reputation and experience with Mississippi's Medicaid program, but  
326 shall not currently hold a contract with the Division of Medicaid.  
327 The consultant hired shall deliver a report addressing these and  
328 such additional issues as the Department of Finance and  
329 Administration may determine appropriate, and shall submit a  
330 report of its findings and recommendations not later than November  
331 1, 2016. The Department of Finance and Administration shall  
332 coordinate with the Division of Medicaid so as to supplement this  
333 appropriated amount with Federal Medical Assistance Percentage for  
334 Administrative Services.

335       **SECTION 20.** Of the funds appropriated herein, Five Hundred  
336 Thousand Dollars (\$500,000.00) shall be allocated to the Delta  
337 Health Alliance for a Patient Centered Medical Model Home in  
338 Leland, Mississippi.

339       **SECTION 21.** No funds appropriated by this act may be  
340 expended until the Division of Medicaid provides for the  
341 reimbursement of long acting reversible contraceptives (LARCs)  
342 insertion at the time of delivery, outside of the current Medicaid  
343 All Patient Refined-Diagnosis Related Group Version (APR-DRG)  
344 payment methodology, to Medicaid Enrolled hospital providers, and



345 the Division of Medicaid considers the coverage of LARC insertion  
346 at the time of delivery to be an add-on benefit, paid according to  
347 a payment schedule developed by the Division, that is not included  
348 in the APR-DRG reimbursement process.

349       **SECTION 22.** Of the funds appropriated in Sections 1, 2, 3  
350 and 4, funds are provided for Phase One (1) and Phase Two (2) of  
351 the Mississippi Delta Medicaid Population Health Demonstration  
352 Project.

353       **SECTION 23.** The money herein appropriated shall be paid by  
354 the State Treasurer out of any money in the State Treasury to the  
355 credit of the proper fund or funds as set forth in this act, upon  
356 warrants issued by the State Fiscal Officer; and the State Fiscal  
357 Officer shall issue his warrants upon requisitions signed by the  
358 proper person, officer or officers, in the manner provided by law.

359       **SECTION 24.** This act shall take effect and be in force from  
360 and after July 1, 2016.

