

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

To: Appropriations

HOUSE BILL NO. 1510
(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 2018.

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, 2017, and ending June 30, 2018.....
15\$ 852,991,413.00.

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, 2017, and ending June 30, 2018.....
22\$ 407,143,686.00.

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, 2017, and ending
31 June 30, 2018.....\$ 4,690,140,012.00.

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, 2017, and ending
43 June 30, 2018.....\$ 64,736,791.00.

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.....\$	57,526,892.00

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.** Of the funds appropriated under the provisions of
56 this act, the following positions are authorized:

57 AUTHORIZED POSITIONS:

58	Permanent:	Full Time.....	1,027
59		Part Time.....	2
60	Time-Limited:	Full Time.....	37
61		Part Time.....	0

62 With the funds herein appropriated, it shall be the agency's
63 responsibility to make certain that funds required to be
64 appropriated for "Personal Services" for Fiscal Year 2019 do not
65 exceed Fiscal Year 2018 funds appropriated for that purpose,
66 unless programs or positions are added to the agency's Fiscal Year
67 2018 budget by the Mississippi Legislature. Based on data
68 provided by the Legislative Budget Office, the State Personnel
69 Board shall determine and publish the projected annual cost to



70 fully fund all appropriated positions in compliance with the
71 provisions of this act. It shall be the responsibility of the
72 agency head to ensure that no single personnel action increases
73 this projected annual cost and/or the Fiscal Year 2018
74 appropriations for "Personal Services" when annualized, with the
75 exception of escalated funds and the award of benchmarks. If, at
76 the time the agency takes any action to change "Personal
77 Services," the State Personnel Board determines that the agency
78 has taken an action which would cause the agency to exceed this
79 projected annual cost or the Fiscal Year 2018 "Personal Services"
80 appropriated level, when annualized, then only those actions which
81 reduce the projected annual cost and/or the appropriation
82 requirement will be processed by the State Personnel Board until
83 such time as the requirements of this provision are met.

84 Any transfers or escalations shall be made in accordance with
85 the terms, conditions and procedures established by law or
86 allowable under the terms set forth within this act. The State
87 Personnel Board shall not escalate positions without written
88 approval from the Department of Finance and Administration. The
89 Department of Finance and Administration shall not provide written
90 approval to escalate any funds for salaries and/or positions
91 without proof of availability of new or additional funds above the
92 appropriated level.

93 No general funds authorized to be expended herein shall be
94 used to replace federal funds and/or other special funds which are



being used for salaries authorized under the provisions of this act and which are withdrawn and no longer available.

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

SECTION 6. It is the intention of the Legislature that the Governor's Office - Division of Medicaid shall maintain complete accounting and personnel records related to the expenditure of all funds appropriated under this act and that such records shall be in the same format and level of detail as maintained for Fiscal Year 2017. It is further the intention of the Legislature that the agency's budget request for Fiscal Year 2019 shall be submitted to the Joint Legislative Budget Committee in a format and level of detail comparable to the format and level of detail provided during the Fiscal Year 2018 budget request process with the Children's Health Insurance Program (CHIP) being separated from the Medical Services Program and submitted as a separate program. In addition, the performance measures reported for the Medical Services Program shall include an unduplicated case count of individuals served by eligibility status, and the number and the costs of emergency room visits.

SECTION 7. In compliance with the "Mississippi Performance Budget and Strategic Planning Act of 1994," it is the intent of the Legislature that the funds provided herein shall be utilized



in the most efficient and effective manner possible to achieve the intended mission of this agency. Based on the funding authorized, this agency shall make every effort to attain the targeted performance measures provided below:

	FY2018
<u>Performance Measures</u>	<u>Target</u>
Administrative Services	
Administration as a Percent of	
Total Budget (%)	3.50
Third Party Funds Recovered (\$)	21,598,584.00
Clean Claims Percent - 30 Days	
from Receipt (%)	99.00
Clean Claims Percent - 90 Days	
from Receipt (%)	100.00
Providers Submitting Electronic	
Claims (Number of)	32,400
Third Party Liability Costs	
Avoided (\$)	1,108,888.00
Percentage of Applications Processed Within	
Standard of Promptness - Medicaid (%)	90.00
Turnover Rate of Employees (%)	11.00
Medical Services	
Recipients Enrolled (Persons)	728,400
Percent Change in Number of Recipients	
Enrolled from Prior Year (%)	0.00



145	Elderly & Disabled - Persons Served	
146	Emergency Room Visits (\$)	118,415,973.00
147	Emergency Room Visits (Number of)	520,809
148	Child Physical Exams	316,890
149	Adult Physical Exams	2,015
150	Number of Fraud & Abuse Cases	
151	Investigated	200
152	Kidney Dialysis (Number of Trips)	493,552
153	MSCAN Diabetic Members Aged 17-75	
154	Receiving HBA1c Test (%)	86.23
155	MSCAN Members with Persistent	
156	Asthma are Appropriately	
157	Prescribed Medication (%)	79.16
158	Number of Medicaid Providers	37,000
159	Percent Change in Number of Providers from	
160	Prior Year (%)	3.00
161	Rate of EPSDT Well Child Screening	75.00
162	Medicaid Beneficiaries Assigned to a	
163	PCP (Primary Care Physician)	510,000
164	Percent of Medicaid Beneficiaries Assigned	
165	to a PCP (Primary Care Physician) (%)	70.00
166	Number of Medicaid Beneficiaries Assigned	
167	to a Managed Care Company	510,000
168	Percent Change in Number of Benificiaries	
169	Assigned to a Managed Care Company (%)	1.00



170	Child's Health Ins Prg (chip)	
171	CHIP Enrollees (Number of)	51,600
172	Percentage of Applications Processed Within	
173	Standard of Promptness - CHIP (%)	90.00
174	Home & Com Based Waiver Prg	
175	Elderly & Disabled - Persons Served	20,000
176	Elderly & Disabled - Funded Slots	17,800
177	Elderly & Disabled - Total Auth Slots	21,500
178	(E&D) Change in Persons on Waiting List (%)	-10.00
179	Assisted Living - Persons Served	640
180	Assisted Living - Funded Slots	628
181	Assisted Living - Total Auth Slots	1,000
182	(AL) Change in Persons on Waiting List (%)	20.00
183	Independent Living - Persons Served	2,950
184	Independent Living - Funded Slots	2,850
185	Independent Living - Total Auth Slots	6,000
186	(IL) Change in Persons on Waiting List (%)	10.00
187	Traumatic Brain Inj - Persons Served	950
188	Traumatic Brain Inj - Funded Slots	950
189	Traumatic Brain Inj - Total Auth Slots	3,000
190	(TBI) Change in Persons on Waiting List (%)	75.00
191	Intellectual Disab - Persons Served	2,700
192	Intellectual Disab - Funded Slots	2,200
193	Intellectual Disab - Total Auth Slots	2,900
194	(ID) Change in Persons on Waiting List (%)	10.00



195 A reporting of the degree to which the performance targets
196 set above have been or are being achieved shall be provided in the
197 agency's budget request submitted to the Joint Legislative Budget
198 Committee for Fiscal Year 2019.

199 **SECTION 8.** It is the intention of the Legislature that
200 whenever two (2) or more bids are received by this agency for the
201 purchase of commodities or equipment, and whenever all things
202 stated in such received bids are equal with respect to price,
203 quality and service, the Mississippi Industries for the Blind
204 shall be given preference. A similar preference shall be given to
205 the Mississippi Industries for the Blind whenever purchases are
206 made without competitive bids.

207 **SECTION 9.** Of the funds appropriated herein, an amount not
208 to exceed Two Hundred Fifty Thousand Dollars (\$250,000.00) is
209 provided to implement an Adult Foster Care program for Medicaid
210 recipients as authorized by Section 43-13-117, Mississippi Code of
211 1972.

212 **SECTION 10.** The division shall provide statistical and
213 financial reports on a monthly basis to the Legislative Budget
214 Office. These reports shall include, but are not limited to, an
215 accounting of all funds spent and participant statistics medical
216 program, the CHIP program, the Dialysis Transportation program,
217 and each of the Home and Community Based Waiver programs, and an
218 accounting of all funds spent in the administrative program and
219 any other information requested by the Legislative Budget Office.



The Division of Medicaid shall implement the improvements to this report as outlined in Finding Number 25 of the February 21, 2017, Navigant report, titled Mississippi Operational and Performance Assessment of the Governor's Office, Division of Medicaid (DOM).

The Division of Medicaid shall perform its cash flow projections on a predetermined monthly schedule and make this and any other information requested available, upon request, to the Chair of the Senate Public Health and Welfare Committee, the House Public Health and Human Services Committee, the House Medicaid Committee, the House and Senate Appropriations Committees as well as the Legislative Budget Office. A summary of this cash flow projection shall also be presented in the report referenced in the above paragraph.

SECTION 11. Of the funds appropriated in this act, the Division of Medicaid shall pay the maximum per diem rate allowed by federal law or regulation to providers of adult day services for each day of service provided to an eligible beneficiary. In order to receive this per diem rate of reimbursement, providers of adult day services shall participate in the Elderly and Disabled Waiver Program for Home and Community Based Services.

SECTION 12. In the division's Fiscal Year 2019 budget submission, all Medicaid 1915 (C) Home and Community Based Waivers shall be presented as a budget program separate from the Medical Services Program.



244 **SECTION 13.** The Division shall transfer One Million Dollars
245 (\$1,000,000.00) of State Support Funds to the Department of
246 Rehabilitation Services for the support of the Independent Living
247 Home and Community Based Waiver program and shall transfer One
248 Million Dollars (\$1,000,000.00) of State Support Funds to the
249 Department of Human Services to support the Home Delivered Meals
250 program.

251 **SECTION 14.** Of the funds appropriated under the provisions
252 of this act, Two Million Seven Hundred Fifty Thousand Dollars
253 (\$2,750,000.00) are provided for the purpose of funding a
254 temporary program to provide nonemergency transportation to
255 locations for necessary dialysis services for end-stage renal
256 disease patients who are sixty-five (65) years of age or older or
257 are disabled as determined under Section 1614(a)(3) of the federal
258 Social Security Act, as amended, whose income did not exceed one
259 hundred thirty-five percent (135%) of the nonfarm official poverty
260 level as defined by the Office of Management and Budget and whose
261 eligibility was covered under the former category of eligibility
262 known as Poverty Level Aged and Disabled (PLADS). One Hundred
263 Eighty-two Thousand Five Hundred Thirty-five Dollars (\$182,535.00)
264 of the amount provided in this section, as originally authorized
265 in HB 865 of the 2009 Regular Session, shall come from Treasury
266 Fund 3322.

267 **SECTION 15.** Of the funds appropriated in Sections 1 and 3,
268 Three Hundred Ninety-eight Thousand Five Hundred Fifty Dollars



269 (\$398,550.00) General Funds and One Million One Hundred One
270 Thousand Four Hundred Fifty Dollars (\$1,101,450.00) Special Funds
271 are provided for five (5) slots in the Assisted Living Waiver
272 program for persons with Traumatic Brain Injury and in need of
273 Cognitive Rehabilitation. The Division shall develop eligibility
274 criteria for these additional slots.

275 **SECTION 16.** It is the intention of the Legislature that the
276 funds appropriated in this act to the Governor's Office - Division
277 of Medicaid for the Mississippi Coordinated Access Network
278 (MS-CAN) program be used in the most efficient and effective
279 manner possible to achieve the intended mission of the division.
280 The division and the coordinated care organizations with which the
281 division has contracted to conduct the MS-CAN program shall
282 establish baselines for the health-related outcome measurement for
283 each of the following health focus areas for presentation at the
284 Joint Legislative Budget Committee hearings for Fiscal Year 2018,
285 which will be used as the baseline levels for establishing targets
286 for improvements in quality of care performance measures for the
287 MS-CAN program in Fiscal Year 2018 and later fiscal years:

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



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

302 In addition, for comparison purposes, these same baselines
303 for the health-related outcome measurements shall be established
304 for similar Medicaid recipients who are not enrolled in the MS-CAN
305 program. It is the further intention of the Legislature that, for
306 the Fiscal Year 2018, the Division of Medicaid shall not restrict
307 HIV antiretroviral medications.

308 **SECTION 17.** Of the funds appropriated herein, an amount not
309 to exceed Three Hundred Thousand Dollars (\$300,000.00) is provided
310 for payments to certain eligible obstetricians and gynecologists
311 for the provision of certain primary care services, as defined by
312 the division, at up to one hundred percent (100%) of the Medicare
313 Physician fee schedule.

314 **SECTION 18.** Of the funds appropriated herein, Five Hundred
315 Thousand Dollars (\$500,000.00) shall be allocated to the Delta
316 Health Alliance for a Patient Centered Medical Model Home in
317 Leland, Mississippi.



318 **SECTION 19.** No funds appropriated by this act may be
319 expended until the Division of Medicaid provides for the
320 reimbursement of long acting reversible contraceptives (LARCs)
321 insertion at the time of delivery, outside of the current Medicaid
322 All Patient Refined-Diagnosis Related Group Version (APR-DRG)
323 payment methodology, to Medicaid Enrolled hospital providers, and
324 the Division of Medicaid considers the coverage of LARC insertion
325 at the time of delivery to be an add-on benefit, paid according to
326 a payment schedule developed by the Division, that is not included
327 in the APR-DRG reimbursement process.

328 **SECTION 20.** Of the funds appropriated in Sections 1, 2, 3
329 and 4, funds are provided for Phase One (1) and Phase Two (2) of
330 the Mississippi Delta Medicaid Population Health Demonstration
331 Project.

332 **SECTION 21.** Of the funds appropriated in Section 1, a sum not
333 to exceed Two Hundred Fifty Thousand Dollars (\$250,000.00) is
334 provided for the Division of Medicaid to expend funds for a
335 consultant to perform an assessment of the cost-effectiveness of
336 the Mississippi CAN program and shall submit a report of its
337 findings and recommendations to the House and Senate
338 Appropriations Committees as well as the Legislative Budget Office
339 no later than November 1, 2017. The Division of Medicaid may
340 supplement this appropriated amount with federal matching funds
341 for Administrative Services.



342 **SECTION 22.** The Division of Medicaid shall comply with the
343 Governor's letter of March 9, 2017, regarding a five percent (5%)
344 spending reduction on certain contracts that expire in FY 2017 and
345 FY 2018. On any other contract the Division shall work to
346 implement the Governor's letter of March 9, 2017. The Division
347 shall report the results of these efforts and any other
348 information requested by November 1, 2017, to the House and Senate
349 Appropriations Committees as well as the Legislative Budget
350 Office.

351 **SECTION 23.** It is the intention of the Legislature that the
352 Governor's Office, Division of Medicaid and the Department of
353 Human Services shall work together to implement HB 1090 of the
354 2017 Regular Session, known as the "Medicaid and Human Services
355 Transparency and Fraud Prevention Act".

356 **SECTION 24.** Of the funds appropriated under the provisions
357 of Section 2, the amount of One Million Twenty-nine Thousand Six
358 Hundred Seventeen Dollars (\$1,029,617.00) shall be derived out of
359 any money in the State Treasury to the credit of the Budget
360 Contingency Fund, as created in Section 27-103-301, Mississippi
361 Code of 1972, and allocated in a manner as determined by the
362 Treasurer's Office, and shall be made available for program
363 services.

364 **SECTION 25.** The money herein appropriated shall be paid by
365 the State Treasurer out of any money in the State Treasury to the
366 credit of the proper fund or funds as set forth in this act, upon



367 warrants issued by the State Fiscal Officer; and the State Fiscal
368 Officer shall issue his warrants upon requisitions signed by the
369 proper person, officer or officers, in the manner provided by law.

370 **SECTION 26.** This act shall take effect and be in force from
371 and after July 1, 2017.

