

By: Senator(s) Blackwell

To: Medicaid

SENATE BILL NO. 2340

1 AN ACT TO AMEND SECTION 43-13-117, MISSISSIPPI CODE OF 1972,
 2 TO REQUIRE THE DIVISION OF MEDICAID TO ESTABLISH A MEDICARE UPPER
 3 PAYMENT LIMITS PROGRAM OR ANOTHER ALLOWABLE DELIVERY SYSTEM
 4 AUTHORIZED BY FEDERAL LAW FOR EMERGENCY AMBULANCE TRANSPORTATION
 5 PROVIDERS; TO PROVIDE FOR THE FORMULA THAT THE DIVISION SHALL USE
 6 FOR CALCULATING AMBULANCE SERVICE ACCESS PAYMENT AMOUNTS; TO ALLOW
 7 ALL AMBULANCE SERVICE PROVIDERS TO BE ELIGIBLE FOR AMBULANCE
 8 SERVICE ACCESS PAYMENTS EACH STATE FISCAL YEAR; TO REQUIRE
 9 PAYMENTS BE MADE NO LESS THAN ON A QUARTERLY BASIS; TO PROVIDE
 10 THAT AN AMBULANCE SERVICE ACCESS PAYMENT SHALL NOT BE USED TO
 11 OFFSET ANY OTHER PAYMENT BY THE DIVISION FOR EMERGENCY OR
 12 NONEMERGENCY SERVICES TO MEDICAID BENEFICIARIES; AND FOR RELATED
 13 PURPOSES.

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

15 **SECTION 1.** Section 43-13-117, Mississippi Code of 1972, is
 16 amended as follows:

17 43-13-117. (A) Medicaid as authorized by this article shall
 18 include payment of part or all of the costs, at the discretion of
 19 the division, with approval of the Governor and the Centers for
 20 Medicare and Medicaid Services, of the following types of care and
 21 services rendered to eligible applicants who have been determined
 22 to be eligible for that care and services, within the limits of
 23 state appropriations and federal matching funds:



24 (1) Inpatient hospital services.

25 (a) The division is authorized to implement an All
26 Patient Refined Diagnosis Related Groups (APR-DRG) reimbursement
27 methodology for inpatient hospital services.

28 (b) No service benefits or reimbursement
29 limitations in this subsection (A)(1) shall apply to payments
30 under an APR-DRG or Ambulatory Payment Classification (APC) model
31 or a managed care program or similar model described in subsection
32 (H) of this section unless specifically authorized by the
33 division.

34 (2) Outpatient hospital services.

35 (a) Emergency services.

36 (b) Other outpatient hospital services. The
37 division shall allow benefits for other medically necessary
38 outpatient hospital services (such as chemotherapy, radiation,
39 surgery and therapy), including outpatient services in a clinic or
40 other facility that is not located inside the hospital, but that
41 has been designated as an outpatient facility by the hospital, and
42 that was in operation or under construction on July 1, 2009,
43 provided that the costs and charges associated with the operation
44 of the hospital clinic are included in the hospital's cost report.
45 In addition, the Medicare thirty-five-mile rule will apply to
46 those hospital clinics not located inside the hospital that are
47 constructed after July 1, 2009. Where the same services are
48 reimbursed as clinic services, the division may revise the rate or



49 methodology of outpatient reimbursement to maintain consistency,
50 efficiency, economy and quality of care.

51 (c) The division is authorized to implement an
52 Ambulatory Payment Classification (APC) methodology for outpatient
53 hospital services. The division shall give rural hospitals that
54 have fifty (50) or fewer licensed beds the option to not be
55 reimbursed for outpatient hospital services using the APC
56 methodology, but reimbursement for outpatient hospital services
57 provided by those hospitals shall be based on one hundred one
58 percent (101%) of the rate established under Medicare for
59 outpatient hospital services. Those hospitals choosing to not be
60 reimbursed under the APC methodology shall remain under cost-based
61 reimbursement for a two-year period.

62 (d) No service benefits or reimbursement
63 limitations in this subsection (A)(2) shall apply to payments
64 under an APR-DRG or APC model or a managed care program or similar
65 model described in subsection (H) of this section unless
66 specifically authorized by the division.

67 (3) Laboratory and x-ray services.

68 (4) Nursing facility services.

69 (a) The division shall make full payment to
70 nursing facilities for each day, not exceeding forty-two (42) days
71 per year, that a patient is absent from the facility on home
72 leave. Payment may be made for the following home leave days in
73 addition to the forty-two-day limitation: Christmas, the day



74 before Christmas, the day after Christmas, Thanksgiving, the day
75 before Thanksgiving and the day after Thanksgiving.

76 (b) From and after July 1, 1997, the division
77 shall implement the integrated case-mix payment and quality
78 monitoring system, which includes the fair rental system for
79 property costs and in which recapture of depreciation is
80 eliminated. The division may reduce the payment for hospital
81 leave and therapeutic home leave days to the lower of the case-mix
82 category as computed for the resident on leave using the
83 assessment being utilized for payment at that point in time, or a
84 case-mix score of 1.000 for nursing facilities, and shall compute
85 case-mix scores of residents so that only services provided at the
86 nursing facility are considered in calculating a facility's per
87 diem.

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

91 (d) On or after January 1, 2015, the division
92 shall update the case-mix payment system resource utilization
93 grouper and classifications and fair rental reimbursement system.
94 The division shall develop and implement a payment add-on to
95 reimburse nursing facilities for ventilator-dependent resident
96 services.

97 (e) The division shall develop and implement, not
98 later than January 1, 2001, a case-mix payment add-on determined



99 by time studies and other valid statistical data that will
100 reimburse a nursing facility for the additional cost of caring for
101 a resident who has a diagnosis of Alzheimer's or other related
102 dementia and exhibits symptoms that require special care. Any
103 such case-mix add-on payment shall be supported by a determination
104 of additional cost. The division shall also develop and implement
105 as part of the fair rental reimbursement system for nursing
106 facility beds, an Alzheimer's resident bed depreciation enhanced
107 reimbursement system that will provide an incentive to encourage
108 nursing facilities to convert or construct beds for residents with
109 Alzheimer's or other related dementia.

110 (f) The division shall develop and implement an
111 assessment process for long-term care services. The division may
112 provide the assessment and related functions directly or through
113 contract with the area agencies on aging.

114 The division shall apply for necessary federal waivers to
115 assure that additional services providing alternatives to nursing
116 facility care are made available to applicants for nursing
117 facility care.

118 (5) Periodic screening and diagnostic services for
119 individuals under age twenty-one (21) years as are needed to
120 identify physical and mental defects and to provide health care
121 treatment and other measures designed to correct or ameliorate
122 defects and physical and mental illness and conditions discovered
123 by the screening services, regardless of whether these services



124 are included in the state plan. The division may include in its
125 periodic screening and diagnostic program those discretionary
126 services authorized under the federal regulations adopted to
127 implement Title XIX of the federal Social Security Act, as
128 amended. The division, in obtaining physical therapy services,
129 occupational therapy services, and services for individuals with
130 speech, hearing and language disorders, may enter into a
131 cooperative agreement with the State Department of Education for
132 the provision of those services to handicapped students by public
133 school districts using state funds that are provided from the
134 appropriation to the Department of Education to obtain federal
135 matching funds through the division. The division, in obtaining
136 medical and mental health assessments, treatment, care and
137 services for children who are in, or at risk of being put in, the
138 custody of the Mississippi Department of Human Services may enter
139 into a cooperative agreement with the Mississippi Department of
140 Human Services for the provision of those services using state
141 funds that are provided from the appropriation to the Department
142 of Human Services to obtain federal matching funds through the
143 division.

144 (6) Physician services. Fees for physician's services
145 that are covered only by Medicaid shall be reimbursed at ninety
146 percent (90%) of the rate established on January 1, 2018, and as
147 may be adjusted each July thereafter, under Medicare. The
148 division may provide for a reimbursement rate for physician's



149 services of up to one hundred percent (100%) of the rate
150 established under Medicare for physician's services that are
151 provided after the normal working hours of the physician, as
152 determined in accordance with regulations of the division. The
153 division may reimburse eligible providers, as determined by the
154 division, for certain primary care services at one hundred percent
155 (100%) of the rate established under Medicare. The division shall
156 reimburse obstetricians and gynecologists for certain primary care
157 services as defined by the division at one hundred percent (100%)
158 of the rate established under Medicare.

159 (7) (a) Home health services for eligible persons, not
160 to exceed in cost the prevailing cost of nursing facility
161 services. All home health visits must be precertified as required
162 by the division. In addition to physicians, certified registered
163 nurse practitioners, physician assistants and clinical nurse
164 specialists are authorized to prescribe or order home health
165 services and plans of care, sign home health plans of care,
166 certify and recertify eligibility for home health services and
167 conduct the required initial face-to-face visit with the recipient
168 of the services.

169 (b) [Repealed]

170 (8) Emergency medical transportation services as
171 determined by the division.

172 (9) Prescription drugs and other covered drugs and
173 services as determined by the division.



174 The division shall establish a mandatory preferred drug list.
175 Drugs not on the mandatory preferred drug list shall be made
176 available by utilizing prior authorization procedures established
177 by the division.

178 The division may seek to establish relationships with other
179 states in order to lower acquisition costs of prescription drugs
180 to include single-source and innovator multiple-source drugs or
181 generic drugs. In addition, if allowed by federal law or
182 regulation, the division may seek to establish relationships with
183 and negotiate with other countries to facilitate the acquisition
184 of prescription drugs to include single-source and innovator
185 multiple-source drugs or generic drugs, if that will lower the
186 acquisition costs of those prescription drugs.

187 The division may allow for a combination of prescriptions for
188 single-source and innovator multiple-source drugs and generic
189 drugs to meet the needs of the beneficiaries.

190 The executive director may approve specific maintenance drugs
191 for beneficiaries with certain medical conditions, which may be
192 prescribed and dispensed in three-month supply increments.

193 Drugs prescribed for a resident of a psychiatric residential
194 treatment facility must be provided in true unit doses when
195 available. The division may require that drugs not covered by
196 Medicare Part D for a resident of a long-term care facility be
197 provided in true unit doses when available. Those drugs that were
198 originally billed to the division but are not used by a resident



199 in any of those facilities shall be returned to the billing
200 pharmacy for credit to the division, in accordance with the
201 guidelines of the State Board of Pharmacy and any requirements of
202 federal law and regulation. Drugs shall be dispensed to a
203 recipient and only one (1) dispensing fee per month may be
204 charged. The division shall develop a methodology for reimbursing
205 for restocked drugs, which shall include a restock fee as
206 determined by the division not exceeding Seven Dollars and
207 Eighty-two Cents (\$7.82).

208 Except for those specific maintenance drugs approved by the
209 executive director, the division shall not reimburse for any
210 portion of a prescription that exceeds a thirty-one-day supply of
211 the drug based on the daily dosage.

212 The division is authorized to develop and implement a program
213 of payment for additional pharmacist services as determined by the
214 division.

215 All claims for drugs for dually eligible Medicare/Medicaid
216 beneficiaries that are paid for by Medicare must be submitted to
217 Medicare for payment before they may be processed by the
218 division's online payment system.

219 The division shall develop a pharmacy policy in which drugs
220 in tamper-resistant packaging that are prescribed for a resident
221 of a nursing facility but are not dispensed to the resident shall
222 be returned to the pharmacy and not billed to Medicaid, in
223 accordance with guidelines of the State Board of Pharmacy.



224 The division shall develop and implement a method or methods
225 by which the division will provide on a regular basis to Medicaid
226 providers who are authorized to prescribe drugs, information about
227 the costs to the Medicaid program of single-source drugs and
228 innovator multiple-source drugs, and information about other drugs
229 that may be prescribed as alternatives to those single-source
230 drugs and innovator multiple-source drugs and the costs to the
231 Medicaid program of those alternative drugs.

232 Notwithstanding any law or regulation, information obtained
233 or maintained by the division regarding the prescription drug
234 program, including trade secrets and manufacturer or labeler
235 pricing, is confidential and not subject to disclosure except to
236 other state agencies.

237 The dispensing fee for each new or refill prescription,
238 including nonlegend or over-the-counter drugs covered by the
239 division, shall be not less than Three Dollars and Ninety-one
240 Cents (\$3.91), as determined by the division.

241 The division shall not reimburse for single-source or
242 innovator multiple-source drugs if there are equally effective
243 generic equivalents available and if the generic equivalents are
244 the least expensive.

245 It is the intent of the Legislature that the pharmacists
246 providers be reimbursed for the reasonable costs of filling and
247 dispensing prescriptions for Medicaid beneficiaries.



248 The division shall allow certain drugs, including
249 physician-administered drugs, and implantable drug system devices,
250 and medical supplies, with limited distribution or limited access
251 for beneficiaries and administered in an appropriate clinical
252 setting, to be reimbursed as either a medical claim or pharmacy
253 claim, as determined by the division.

254 It is the intent of the Legislature that the division and any
255 managed care entity described in subsection (H) of this section
256 encourage the use of Alpha-Hydroxyprogesterone Caproate (17P) to
257 prevent recurrent preterm birth.

258 (10) Dental and orthodontic services to be determined
259 by the division.

260 The division shall increase the amount of the reimbursement
261 rate for diagnostic and preventative dental services for each of
262 the fiscal years 2022, 2023 and 2024 by five percent (5%) above
263 the amount of the reimbursement rate for the previous fiscal year.
264 It is the intent of the Legislature that the reimbursement rate
265 revision for preventative dental services will be an incentive to
266 increase the number of dentists who actively provide Medicaid
267 services. This dental services reimbursement rate revision shall
268 be known as the "James Russell Dumas Medicaid Dental Services
269 Incentive Program."

270 The Medical Care Advisory Committee, assisted by the Division
271 of Medicaid, shall annually determine the effect of this incentive
272 by evaluating the number of dentists who are Medicaid providers,



273 the number who and the degree to which they are actively billing
274 Medicaid, the geographic trends of where dentists are offering
275 what types of Medicaid services and other statistics pertinent to
276 the goals of this legislative intent. This data shall annually be
277 presented to the Chair of the Senate Medicaid Committee and the
278 Chair of the House Medicaid Committee.

279 The division shall include dental services as a necessary
280 component of overall health services provided to children who are
281 eligible for services.

282 (11) Eyeglasses for all Medicaid beneficiaries who have
283 (a) had surgery on the eyeball or ocular muscle that results in a
284 vision change for which eyeglasses or a change in eyeglasses is
285 medically indicated within six (6) months of the surgery and is in
286 accordance with policies established by the division, or (b) one
287 (1) pair every five (5) years and in accordance with policies
288 established by the division. In either instance, the eyeglasses
289 must be prescribed by a physician skilled in diseases of the eye
290 or an optometrist, whichever the beneficiary may select.

291 (12) Intermediate care facility services.

292 (a) The division shall make full payment to all
293 intermediate care facilities for individuals with intellectual
294 disabilities for each day, not exceeding sixty-three (63) days per
295 year, that a patient is absent from the facility on home leave.
296 Payment may be made for the following home leave days in addition
297 to the sixty-three-day limitation: Christmas, the day before



298 Christmas, the day after Christmas, Thanksgiving, the day before
299 Thanksgiving and the day after Thanksgiving.

300 (b) All state-owned intermediate care facilities
301 for individuals with intellectual disabilities shall be reimbursed
302 on a full reasonable cost basis.

303 (c) Effective January 1, 2015, the division shall
304 update the fair rental reimbursement system for intermediate care
305 facilities for individuals with intellectual disabilities.

306 (13) Family planning services, including drugs,
307 supplies and devices, when those services are under the
308 supervision of a physician or nurse practitioner.

309 (14) Clinic services. Preventive, diagnostic,
310 therapeutic, rehabilitative or palliative services that are
311 furnished by a facility that is not part of a hospital but is
312 organized and operated to provide medical care to outpatients.
313 Clinic services include, but are not limited to:

314 (a) Services provided by ambulatory surgical
315 centers (ACSS) as defined in Section 41-75-1(a); and

316 (b) Dialysis center services.

317 (15) Home- and community-based services for the elderly
318 and disabled, as provided under Title XIX of the federal Social
319 Security Act, as amended, under waivers, subject to the
320 availability of funds specifically appropriated for that purpose
321 by the Legislature.



322 (16) Mental health services. Certain services provided
323 by a psychiatrist shall be reimbursed at up to one hundred percent
324 (100%) of the Medicare rate. Approved therapeutic and case
325 management services (a) provided by an approved regional mental
326 health/intellectual disability center established under Sections
327 41-19-31 through 41-19-39, or by another community mental health
328 service provider meeting the requirements of the Department of
329 Mental Health to be an approved mental health/intellectual
330 disability center if determined necessary by the Department of
331 Mental Health, using state funds that are provided in the
332 appropriation to the division to match federal funds, or (b)
333 provided by a facility that is certified by the State Department
334 of Mental Health to provide therapeutic and case management
335 services, to be reimbursed on a fee for service basis, or (c)
336 provided in the community by a facility or program operated by the
337 Department of Mental Health. Any such services provided by a
338 facility described in subparagraph (b) must have the prior
339 approval of the division to be reimbursable under this section.

340 (17) Durable medical equipment services and medical
341 supplies. Precertification of durable medical equipment and
342 medical supplies must be obtained as required by the division.
343 The Division of Medicaid may require durable medical equipment
344 providers to obtain a surety bond in the amount and to the
345 specifications as established by the Balanced Budget Act of 1997.



346 (18) (a) Notwithstanding any other provision of this
347 section to the contrary, as provided in the Medicaid state plan
348 amendment or amendments as defined in Section 43-13-145(10), the
349 division shall make additional reimbursement to hospitals that
350 serve a disproportionate share of low-income patients and that
351 meet the federal requirements for those payments as provided in
352 Section 1923 of the federal Social Security Act and any applicable
353 regulations. It is the intent of the Legislature that the
354 division shall draw down all available federal funds allotted to
355 the state for disproportionate share hospitals. However, from and
356 after January 1, 1999, public hospitals participating in the
357 Medicaid disproportionate share program may be required to
358 participate in an intergovernmental transfer program as provided
359 in Section 1903 of the federal Social Security Act and any
360 applicable regulations.

361 (b) (i) 1. The division may establish a Medicare
362 Upper Payment Limits Program, as defined in Section 1902(a)(30) of
363 the federal Social Security Act and any applicable federal
364 regulations, or an allowable delivery system or provider payment
365 initiative authorized under 42 CFR 438.6(c), for hospitals,
366 nursing facilities, physicians employed or contracted by
367 hospitals, and emergency ambulance transportation providers.

368 2. The division shall establish a
369 Medicare Upper Payment Limits Program, as defined in Section
370 1902(a)(30) of the federal Social Security Act and any applicable



371 federal regulations, or an allowable delivery system or provider
372 payment initiative authorized under 42 CFR 438.6(c), for emergency
373 ambulance transportation providers in accordance with this
374 subsection (A) (18) (b).

375 (ii) The division shall assess each hospital,
376 nursing facility, and emergency ambulance transportation provider
377 for the sole purpose of financing the state portion of the
378 Medicare Upper Payment Limits Program or other program(s)
379 authorized under this subsection (A) (18) (b). The hospital
380 assessment shall be as provided in Section 43-13-145(4) (a), and
381 the nursing facility and the emergency ambulance transportation
382 assessments, if established, shall be based on Medicaid
383 utilization or other appropriate method, as determined by the
384 division, consistent with federal regulations. The assessments
385 will remain in effect as long as the state participates in the
386 Medicare Upper Payment Limits Program or other program(s)
387 authorized under this subsection (A) (18) (b). In addition to the
388 hospital assessment provided in Section 43-13-145(4) (a), hospitals
389 with physicians participating in the Medicare Upper Payment Limits
390 Program or other program(s) authorized under this subsection
391 (A) (18) (b) shall be required to participate in an
392 intergovernmental transfer or assessment, as determined by the
393 division, for the purpose of financing the state portion of the
394 physician UPL payments or other payment(s) authorized under this
395 subsection (A) (18) (b).



396 (iii) Subject to approval by the Centers for
397 Medicare and Medicaid Services (CMS) and the provisions of this
398 subsection (A) (18) (b), the division shall make additional
399 reimbursement to hospitals, nursing facilities, and emergency
400 ambulance transportation providers for the Medicare Upper Payment
401 Limits Program or other program(s) authorized under this
402 subsection (A) (18) (b), and, if the program is established for
403 physicians, shall make additional reimbursement for physicians, as
404 defined in Section 1902(a) (30) of the federal Social Security Act
405 and any applicable federal regulations, provided the assessment in
406 this subsection (A) (18) (b) is in effect.

407 (iv) Notwithstanding any other provision of
408 this article to the contrary, effective upon implementation of the
409 Mississippi Hospital Access Program (MHAP) provided in
410 subparagraph (c) (i) below, the hospital portion of the inpatient
411 Upper Payment Limits Program shall transition into and be replaced
412 by the MHAP program. However, the division is authorized to
413 develop and implement an alternative fee-for-service Upper Payment
414 Limits model in accordance with federal laws and regulations if
415 necessary to preserve supplemental funding. Further, the
416 division, in consultation with the hospital industry shall develop
417 alternative models for distribution of medical claims and
418 supplemental payments for inpatient and outpatient hospital
419 services, and such models may include, but shall not be limited to
420 the following: increasing rates for inpatient and outpatient



421 services; creating a low-income utilization pool of funds to
422 reimburse hospitals for the costs of uncompensated care, charity
423 care and bad debts as permitted and approved pursuant to federal
424 regulations and the Centers for Medicare and Medicaid Services;
425 supplemental payments based upon Medicaid utilization, quality,
426 service lines and/or costs of providing such services to Medicaid
427 beneficiaries and to uninsured patients. The goals of such
428 payment models shall be to ensure access to inpatient and
429 outpatient care and to maximize any federal funds that are
430 available to reimburse hospitals for services provided. Any such
431 documents required to achieve the goals described in this
432 paragraph shall be submitted to the Centers for Medicare and
433 Medicaid Services, with a proposed effective date of July 1, 2019,
434 to the extent possible, but in no event shall the effective date
435 of such payment models be later than July 1, 2020. The Chairmen
436 of the Senate and House Medicaid Committees shall be provided a
437 copy of the proposed payment model(s) prior to submission.
438 Effective July 1, 2018, and until such time as any payment
439 model(s) as described above become effective, the division, in
440 consultation with the hospital industry, is authorized to
441 implement a transitional program for inpatient and outpatient
442 payments and/or supplemental payments (including, but not limited
443 to, MHAP and directed payments), to redistribute available
444 supplemental funds among hospital providers, provided that when
445 compared to a hospital's prior year supplemental payments,



446 supplemental payments made pursuant to any such transitional
447 program shall not result in a decrease of more than five percent
448 (5%) and shall not increase by more than the amount needed to
449 maximize the distribution of the available funds.

450 (v) 1. To preserve and improve access to
451 ambulance transportation provider services for medical
452 transportation services rendered on or after July 1, 2022, the
453 division shall make ambulance service access payments as set forth
454 in this subsection (A) (18) (b).

455 2. The division shall calculate the
456 ambulance service access payment amount as the balance of the
457 portion of the Medical Care Fund related to ambulance
458 transportation service provider assessments plus any federal
459 matching funds earned on the balance, up to, but not to exceed,
460 the upper payment limit gap for all ambulance service providers.

461 3. a. Except for ambulance services
462 exempt from the assessment provided in item (ii) of this
463 subparagraph (b), all ambulance transportation service providers
464 shall be eligible for ambulance service access payments each state
465 fiscal year as set forth in this subsection.

466 b. In addition to any other funds
467 paid to ambulance transportation service providers for emergency
468 medical services provided to Medicaid beneficiaries, each eligible
469 ambulance transportation service provider shall receive ambulance
470 service access payments each state fiscal year equal to the



471 ambulance transportation service provider's proportionate share of
472 the total upper payment limit gap for all providers of medical
473 transportation services. Ambulance service access payments shall
474 be made no less than on a quarterly basis.

475 4. An ambulance service access payment
476 shall not be used to offset any other payment by the division for
477 emergency or nonemergency services to Medicaid beneficiaries.

478 (c) (i) Not later than December 1, 2015, the
479 division shall, subject to approval by the Centers for Medicare
480 and Medicaid Services (CMS), establish, implement and operate a
481 Mississippi Hospital Access Program (MHAP) for the purpose of
482 protecting patient access to hospital care through hospital
483 inpatient reimbursement programs provided in this section designed
484 to maintain total hospital reimbursement for inpatient services
485 rendered by in-state hospitals and the out-of-state hospital that
486 is authorized by federal law to submit intergovernmental transfers
487 (IGTs) to the State of Mississippi and is classified as Level I
488 trauma center located in a county contiguous to the state line at
489 the maximum levels permissible under applicable federal statutes
490 and regulations, at which time the current inpatient Medicare
491 Upper Payment Limits (UPL) Program for hospital inpatient services
492 shall transition to the MHAP.

493 (ii) Subject to approval by the Centers for
494 Medicare and Medicaid Services (CMS), the MHAP shall provide
495 increased inpatient capitation (PMPM) payments to managed care



496 entities contracting with the division pursuant to subsection (H)
497 of this section to support availability of hospital services or
498 such other payments permissible under federal law necessary to
499 accomplish the intent of this subsection.

500 (iii) The intent of this subparagraph (c) is
501 that effective for all inpatient hospital Medicaid services during
502 state fiscal year 2016, and so long as this provision shall remain
503 in effect hereafter, the division shall to the fullest extent
504 feasible replace the additional reimbursement for hospital
505 inpatient services under the inpatient Medicare Upper Payment
506 Limits (UPL) Program with additional reimbursement under the MHAP
507 and other payment programs for inpatient and/or outpatient
508 payments which may be developed under the authority of this
509 paragraph.

510 (iv) The division shall assess each hospital
511 as provided in Section 43-13-145(4) (a) for the purpose of
512 financing the state portion of the MHAP, supplemental payments and
513 such other purposes as specified in Section 43-13-145. The
514 assessment will remain in effect as long as the MHAP and
515 supplemental payments are in effect.

516 (19) (a) Perinatal risk management services. The
517 division shall promulgate regulations to be effective from and
518 after October 1, 1988, to establish a comprehensive perinatal
519 system for risk assessment of all pregnant and infant Medicaid
520 recipients and for management, education and follow-up for those



521 who are determined to be at risk. Services to be performed
522 include case management, nutrition assessment/counseling,
523 psychosocial assessment/counseling and health education. The
524 division shall contract with the State Department of Health to
525 provide services within this paragraph (Perinatal High Risk
526 Management/Infant Services System (PHRM/ISS)). The State
527 Department of Health shall be reimbursed on a full reasonable cost
528 basis for services provided under this subparagraph (a).

529 (b) Early intervention system services. The
530 division shall cooperate with the State Department of Health,
531 acting as lead agency, in the development and implementation of a
532 statewide system of delivery of early intervention services, under
533 Part C of the Individuals with Disabilities Education Act (IDEA).
534 The State Department of Health shall certify annually in writing
535 to the executive director of the division the dollar amount of
536 state early intervention funds available that will be utilized as
537 a certified match for Medicaid matching funds. Those funds then
538 shall be used to provide expanded targeted case management
539 services for Medicaid eligible children with special needs who are
540 eligible for the state's early intervention system.

541 Qualifications for persons providing service coordination shall be
542 determined by the State Department of Health and the Division of
543 Medicaid.

544 (20) Home- and community-based services for physically
545 disabled approved services as allowed by a waiver from the United



546 States Department of Health and Human Services for home- and
547 community-based services for physically disabled people using
548 state funds that are provided from the appropriation to the State
549 Department of Rehabilitation Services and used to match federal
550 funds under a cooperative agreement between the division and the
551 department, provided that funds for these services are
552 specifically appropriated to the Department of Rehabilitation
553 Services.

554 (21) Nurse practitioner services. Services furnished
555 by a registered nurse who is licensed and certified by the
556 Mississippi Board of Nursing as a nurse practitioner, including,
557 but not limited to, nurse anesthetists, nurse midwives, family
558 nurse practitioners, family planning nurse practitioners,
559 pediatric nurse practitioners, obstetrics-gynecology nurse
560 practitioners and neonatal nurse practitioners, under regulations
561 adopted by the division. Reimbursement for those services shall
562 not exceed ninety percent (90%) of the reimbursement rate for
563 comparable services rendered by a physician. The division may
564 provide for a reimbursement rate for nurse practitioner services
565 of up to one hundred percent (100%) of the reimbursement rate for
566 comparable services rendered by a physician for nurse practitioner
567 services that are provided after the normal working hours of the
568 nurse practitioner, as determined in accordance with regulations
569 of the division.



570 (22) Ambulatory services delivered in federally
571 qualified health centers, rural health centers and clinics of the
572 local health departments of the State Department of Health for
573 individuals eligible for Medicaid under this article based on
574 reasonable costs as determined by the division. Federally
575 qualified health centers shall be reimbursed by the Medicaid
576 prospective payment system as approved by the Centers for Medicare
577 and Medicaid Services. The division shall recognize federally
578 qualified health centers (FQHCs), rural health clinics (RHCs) and
579 community mental health centers (CMHCs) as both an originating and
580 distant site provider for the purposes of telehealth
581 reimbursement. The division is further authorized and directed to
582 reimburse FQHCs, RHCs and CMHCs for both distant site and
583 originating site services when such services are appropriately
584 provided by the same organization.

585 (23) Inpatient psychiatric services.

586 (a) Inpatient psychiatric services to be
587 determined by the division for recipients under age twenty-one
588 (21) that are provided under the direction of a physician in an
589 inpatient program in a licensed acute care psychiatric facility or
590 in a licensed psychiatric residential treatment facility, before
591 the recipient reaches age twenty-one (21) or, if the recipient was
592 receiving the services immediately before he or she reached age
593 twenty-one (21), before the earlier of the date he or she no
594 longer requires the services or the date he or she reaches age



595 twenty-two (22), as provided by federal regulations. From and
596 after January 1, 2015, the division shall update the fair rental
597 reimbursement system for psychiatric residential treatment
598 facilities. Precertification of inpatient days and residential
599 treatment days must be obtained as required by the division. From
600 and after July 1, 2009, all state-owned and state-operated
601 facilities that provide inpatient psychiatric services to persons
602 under age twenty-one (21) who are eligible for Medicaid
603 reimbursement shall be reimbursed for those services on a full
604 reasonable cost basis.

605 (b) The division may reimburse for services
606 provided by a licensed freestanding psychiatric hospital to
607 Medicaid recipients over the age of twenty-one (21) in a method
608 and manner consistent with the provisions of Section 43-13-117.5.

609 (24) [Deleted]

610 (25) [Deleted]

611 (26) Hospice care. As used in this paragraph, the term
612 "hospice care" means a coordinated program of active professional
613 medical attention within the home and outpatient and inpatient
614 care that treats the terminally ill patient and family as a unit,
615 employing a medically directed interdisciplinary team. The
616 program provides relief of severe pain or other physical symptoms
617 and supportive care to meet the special needs arising out of
618 physical, psychological, spiritual, social and economic stresses
619 that are experienced during the final stages of illness and during



620 dying and bereavement and meets the Medicare requirements for
621 participation as a hospice as provided in federal regulations.

622 (27) Group health plan premiums and cost-sharing if it
623 is cost-effective as defined by the United States Secretary of
624 Health and Human Services.

625 (28) Other health insurance premiums that are
626 cost-effective as defined by the United States Secretary of Health
627 and Human Services. Medicare eligible must have Medicare Part B
628 before other insurance premiums can be paid.

629 (29) The Division of Medicaid may apply for a waiver
630 from the United States Department of Health and Human Services for
631 home- and community-based services for developmentally disabled
632 people using state funds that are provided from the appropriation
633 to the State Department of Mental Health and/or funds transferred
634 to the department by a political subdivision or instrumentality of
635 the state and used to match federal funds under a cooperative
636 agreement between the division and the department, provided that
637 funds for these services are specifically appropriated to the
638 Department of Mental Health and/or transferred to the department
639 by a political subdivision or instrumentality of the state.

640 (30) Pediatric skilled nursing services as determined
641 by the division and in a manner consistent with regulations
642 promulgated by the Mississippi State Department of Health.

643 (31) Targeted case management services for children
644 with special needs, under waivers from the United States



645 Department of Health and Human Services, using state funds that
646 are provided from the appropriation to the Mississippi Department
647 of Human Services and used to match federal funds under a
648 cooperative agreement between the division and the department.

649 (32) Care and services provided in Christian Science
650 Sanatoria listed and certified by the Commission for Accreditation
651 of Christian Science Nursing Organizations/Facilities, Inc.,
652 rendered in connection with treatment by prayer or spiritual means
653 to the extent that those services are subject to reimbursement
654 under Section 1903 of the federal Social Security Act.

655 (33) Podiatrist services.

656 (34) Assisted living services as provided through
657 home- and community-based services under Title XIX of the federal
658 Social Security Act, as amended, subject to the availability of
659 funds specifically appropriated for that purpose by the
660 Legislature.

661 (35) Services and activities authorized in Sections
662 43-27-101 and 43-27-103, using state funds that are provided from
663 the appropriation to the Mississippi Department of Human Services
664 and used to match federal funds under a cooperative agreement
665 between the division and the department.

666 (36) Nonemergency transportation services for
667 Medicaid-eligible persons as determined by the division. The PEER
668 Committee shall conduct a performance evaluation of the
669 nonemergency transportation program to evaluate the administration



670 of the program and the providers of transportation services to
671 determine the most cost-effective ways of providing nonemergency
672 transportation services to the patients served under the program.
673 The performance evaluation shall be completed and provided to the
674 members of the Senate Medicaid Committee and the House Medicaid
675 Committee not later than January 1, 2019, and every two (2) years
676 thereafter.

677 (37) [Deleted]

678 (38) Chiropractic services. A chiropractor's manual
679 manipulation of the spine to correct a subluxation, if x-ray
680 demonstrates that a subluxation exists and if the subluxation has
681 resulted in a neuromusculoskeletal condition for which
682 manipulation is appropriate treatment, and related spinal x-rays
683 performed to document these conditions. Reimbursement for
684 chiropractic services shall not exceed Seven Hundred Dollars
685 (\$700.00) per year per beneficiary.

686 (39) Dually eligible Medicare/Medicaid beneficiaries.
687 The division shall pay the Medicare deductible and coinsurance
688 amounts for services available under Medicare, as determined by
689 the division. From and after July 1, 2009, the division shall
690 reimburse crossover claims for inpatient hospital services and
691 crossover claims covered under Medicare Part B in the same manner
692 that was in effect on January 1, 2008, unless specifically
693 authorized by the Legislature to change this method.

694 (40) [Deleted]



695 (41) Services provided by the State Department of
696 Rehabilitation Services for the care and rehabilitation of persons
697 with spinal cord injuries or traumatic brain injuries, as allowed
698 under waivers from the United States Department of Health and
699 Human Services, using up to seventy-five percent (75%) of the
700 funds that are appropriated to the Department of Rehabilitation
701 Services from the Spinal Cord and Head Injury Trust Fund
702 established under Section 37-33-261 and used to match federal
703 funds under a cooperative agreement between the division and the
704 department.

705 (42) [Deleted]

706 (43) The division shall provide reimbursement,
707 according to a payment schedule developed by the division, for
708 smoking cessation medications for pregnant women during their
709 pregnancy and other Medicaid-eligible women who are of
710 child-bearing age.

711 (44) Nursing facility services for the severely
712 disabled.

713 (a) Severe disabilities include, but are not
714 limited to, spinal cord injuries, closed-head injuries and
715 ventilator-dependent patients.

716 (b) Those services must be provided in a long-term
717 care nursing facility dedicated to the care and treatment of
718 persons with severe disabilities.



719 (45) Physician assistant services. Services furnished
720 by a physician assistant who is licensed by the State Board of
721 Medical Licensure and is practicing with physician supervision
722 under regulations adopted by the board, under regulations adopted
723 by the division. Reimbursement for those services shall not
724 exceed ninety percent (90%) of the reimbursement rate for
725 comparable services rendered by a physician. The division may
726 provide for a reimbursement rate for physician assistant services
727 of up to one hundred percent (100%) or the reimbursement rate for
728 comparable services rendered by a physician for physician
729 assistant services that are provided after the normal working
730 hours of the physician assistant, as determined in accordance with
731 regulations of the division.

732 (46) The division shall make application to the federal
733 Centers for Medicare and Medicaid Services (CMS) for a waiver to
734 develop and provide services for children with serious emotional
735 disturbances as defined in Section 43-14-1(1), which may include
736 home- and community-based services, case management services or
737 managed care services through mental health providers certified by
738 the Department of Mental Health. The division may implement and
739 provide services under this waived program only if funds for
740 these services are specifically appropriated for this purpose by
741 the Legislature, or if funds are voluntarily provided by affected
742 agencies.



743 (47) (a) The division may develop and implement
744 disease management programs for individuals with high-cost chronic
745 diseases and conditions, including the use of grants, waivers,
746 demonstrations or other projects as necessary.

747 (b) Participation in any disease management
748 program implemented under this paragraph (47) is optional with the
749 individual. An individual must affirmatively elect to participate
750 in the disease management program in order to participate, and may
751 elect to discontinue participation in the program at any time.

752 (48) Pediatric long-term acute care hospital services.

753 (a) Pediatric long-term acute care hospital
754 services means services provided to eligible persons under
755 twenty-one (21) years of age by a freestanding Medicare-certified
756 hospital that has an average length of inpatient stay greater than
757 twenty-five (25) days and that is primarily engaged in providing
758 chronic or long-term medical care to persons under twenty-one (21)
759 years of age.

760 (b) The services under this paragraph (48) shall
761 be reimbursed as a separate category of hospital services.

762 (49) The division may establish copayments and/or
763 coinsurance for any Medicaid services for which copayments and/or
764 coinsurance are allowable under federal law or regulation.

765 (50) Services provided by the State Department of
766 Rehabilitation Services for the care and rehabilitation of persons
767 who are deaf and blind, as allowed under waivers from the United



768 States Department of Health and Human Services to provide home-
769 and community-based services using state funds that are provided
770 from the appropriation to the State Department of Rehabilitation
771 Services or if funds are voluntarily provided by another agency.

772 (51) Upon determination of Medicaid eligibility and in
773 association with annual redetermination of Medicaid eligibility,
774 beneficiaries shall be encouraged to undertake a physical
775 examination that will establish a base-line level of health and
776 identification of a usual and customary source of care (a medical
777 home) to aid utilization of disease management tools. This
778 physical examination and utilization of these disease management
779 tools shall be consistent with current United States Preventive
780 Services Task Force or other recognized authority recommendations.

781 For persons who are determined ineligible for Medicaid, the
782 division will provide information and direction for accessing
783 medical care and services in the area of their residence.

784 (52) Notwithstanding any provisions of this article,
785 the division may pay enhanced reimbursement fees related to trauma
786 care, as determined by the division in conjunction with the State
787 Department of Health, using funds appropriated to the State
788 Department of Health for trauma care and services and used to
789 match federal funds under a cooperative agreement between the
790 division and the State Department of Health. The division, in
791 conjunction with the State Department of Health, may use grants,
792 waivers, demonstrations, enhanced reimbursements, Upper Payment



793 Limits Programs, supplemental payments, or other projects as
794 necessary in the development and implementation of this
795 reimbursement program.

796 (53) Targeted case management services for high-cost
797 beneficiaries may be developed by the division for all services
798 under this section.

799 (54) [Deleted]

800 (55) Therapy services. The plan of care for therapy
801 services may be developed to cover a period of treatment for up to
802 six (6) months, but in no event shall the plan of care exceed a
803 six-month period of treatment. The projected period of treatment
804 must be indicated on the initial plan of care and must be updated
805 with each subsequent revised plan of care. Based on medical
806 necessity, the division shall approve certification periods for
807 less than or up to six (6) months, but in no event shall the
808 certification period exceed the period of treatment indicated on
809 the plan of care. The appeal process for any reduction in therapy
810 services shall be consistent with the appeal process in federal
811 regulations.

812 (56) Prescribed pediatric extended care centers
813 services for medically dependent or technologically dependent
814 children with complex medical conditions that require continual
815 care as prescribed by the child's attending physician, as
816 determined by the division.



817 (57) No Medicaid benefit shall restrict coverage for
818 medically appropriate treatment prescribed by a physician and
819 agreed to by a fully informed individual, or if the individual
820 lacks legal capacity to consent by a person who has legal
821 authority to consent on his or her behalf, based on an
822 individual's diagnosis with a terminal condition. As used in this
823 paragraph (57), "terminal condition" means any aggressive
824 malignancy, chronic end-stage cardiovascular or cerebral vascular
825 disease, or any other disease, illness or condition which a
826 physician diagnoses as terminal.

827 (58) Treatment services for persons with opioid
828 dependency or other highly addictive substance use disorders. The
829 division is authorized to reimburse eligible providers for
830 treatment of opioid dependency and other highly addictive
831 substance use disorders, as determined by the division. Treatment
832 related to these conditions shall not count against any physician
833 visit limit imposed under this section.

834 (59) The division shall allow beneficiaries between the
835 ages of ten (10) and eighteen (18) years to receive vaccines
836 through a pharmacy venue. The division and the State Department
837 of Health shall coordinate and notify OB-GYN providers that the
838 Vaccines for Children program is available to providers free of
839 charge.

840 (B) [Deleted]



841 (C) The division may pay to those providers who participate
842 in and accept patient referrals from the division's emergency room
843 redirection program a percentage, as determined by the division,
844 of savings achieved according to the performance measures and
845 reduction of costs required of that program. Federally qualified
846 health centers may participate in the emergency room redirection
847 program, and the division may pay those centers a percentage of
848 any savings to the Medicaid program achieved by the centers'
849 accepting patient referrals through the program, as provided in
850 this subsection (C).

851 (D) (1) Notwithstanding any provision of this article,
852 except as authorized in subsection (E) of this section and in
853 Section 43-13-139, (a) the limitations on the quantity or
854 frequency of use of, or the fees or charges for, any of the care
855 or services available to recipients under this section; and (b)
856 the payments or rates of reimbursement to providers rendering care
857 or services authorized under this section to recipients shall not
858 be increased, decreased or otherwise changed from the levels in
859 effect on July 1, 2021, unless they are authorized by an amendment
860 to this section by the Legislature.

861 (2) When any of the changes described in paragraph (1)
862 of this subsection are authorized by an amendment to this section
863 by the Legislature that is effective after July 1, 2021, the
864 changes made in the later amendment shall not be further changed
865 from the levels in effect on the effective date of the later



866 amendment unless those changes are authorized by another amendment
867 to this section by the Legislature.

868 (E) Notwithstanding any provision of this article, no new
869 groups or categories of recipients and new types of care and
870 services may be added without enabling legislation from the
871 Mississippi Legislature, except that the division may authorize
872 those changes without enabling legislation when the addition of
873 recipients or services is ordered by a court of proper authority.

874 (F) The executive director shall keep the Governor advised
875 on a timely basis of the funds available for expenditure and the
876 projected expenditures. Notwithstanding any other provisions of
877 this article, if current or projected expenditures of the division
878 are reasonably anticipated to exceed the amount of funds
879 appropriated to the division for any fiscal year, the Governor,
880 after consultation with the executive director, shall take all
881 appropriate measures to reduce costs, which may include, but are
882 not limited to:

883 (1) Reducing or discontinuing any or all services that
884 are deemed to be optional under Title XIX of the Social Security
885 Act;

886 (2) Reducing reimbursement rates for any or all service
887 types;

888 (3) Imposing additional assessments on health care
889 providers; or



890 (4) Any additional cost-containment measures deemed
891 appropriate by the Governor.

892 To the extent allowed under federal law, any reduction to
893 services or reimbursement rates under this subsection (F) shall be
894 accompanied by a reduction, to the fullest allowable amount, to
895 the profit margin and administrative fee portions of capitated
896 payments to organizations described in paragraph (1) of subsection
897 (H).

898 Beginning in fiscal year 2010 and in fiscal years thereafter,
899 when Medicaid expenditures are projected to exceed funds available
900 for the fiscal year, the division shall submit the expected
901 shortfall information to the PEER Committee not later than
902 December 1 of the year in which the shortfall is projected to
903 occur. PEER shall review the computations of the division and
904 report its findings to the Legislative Budget Office not later
905 than January 7 in any year.

906 (G) Notwithstanding any other provision of this article, it
907 shall be the duty of each provider participating in the Medicaid
908 program to keep and maintain books, documents and other records as
909 prescribed by the Division of Medicaid in accordance with federal
910 laws and regulations.

911 (H) (1) Notwithstanding any other provision of this
912 article, the division is authorized to implement (a) a managed
913 care program, (b) a coordinated care program, (c) a coordinated
914 care organization program, (d) a health maintenance organization



915 program, (e) a patient-centered medical home program, (f) an
916 accountable care organization program, (g) provider-sponsored
917 health plan, or (h) any combination of the above programs. As a
918 condition for the approval of any program under this subsection
919 (H) (1), the division shall require that no managed care program,
920 coordinated care program, coordinated care organization program,
921 health maintenance organization program, or provider-sponsored
922 health plan may:

923 (a) Pay providers at a rate that is less than the
924 Medicaid All Patient Refined Diagnosis Related Groups (APR-DRG)
925 reimbursement rate;

926 (b) Override the medical decisions of hospital
927 physicians or staff regarding patients admitted to a hospital for
928 an emergency medical condition as defined by 42 US Code Section
929 1395dd. This restriction (b) does not prohibit the retrospective
930 review of the appropriateness of the determination that an
931 emergency medical condition exists by chart review or coding
932 algorithm, nor does it prohibit prior authorization for
933 nonemergency hospital admissions;

934 (c) Pay providers at a rate that is less than the
935 normal Medicaid reimbursement rate. It is the intent of the
936 Legislature that all managed care entities described in this
937 subsection (H), in collaboration with the division, develop and
938 implement innovative payment models that incentivize improvements
939 in health care quality, outcomes, or value, as determined by the



940 division. Participation in the provider network of any managed
941 care, coordinated care, provider-sponsored health plan, or similar
942 contractor shall not be conditioned on the provider's agreement to
943 accept such alternative payment models;

944 (d) Implement a prior authorization and
945 utilization review program for medical services, transportation
946 services and prescription drugs that is more stringent than the
947 prior authorization processes used by the division in its
948 administration of the Medicaid program. Not later than December
949 2, 2021, the contractors that are receiving capitated payments
950 under a managed care delivery system established under this
951 subsection (H) shall submit a report to the Chairmen of the House
952 and Senate Medicaid Committees on the status of the prior
953 authorization and utilization review program for medical services,
954 transportation services and prescription drugs that is required to
955 be implemented under this subparagraph (d);

956 (e) [Deleted]

957 (f) Implement a preferred drug list that is more
958 stringent than the mandatory preferred drug list established by
959 the division under subsection (A) (9) of this section;

960 (g) Implement a policy which denies beneficiaries
961 with hemophilia access to the federally funded hemophilia
962 treatment centers as part of the Medicaid Managed Care network of
963 providers.



964 Each health maintenance organization, coordinated care
965 organization, provider-sponsored health plan, or other
966 organization paid for services on a capitated basis by the
967 division under any managed care program or coordinated care
968 program implemented by the division under this section shall use a
969 clear set of level of care guidelines in the determination of
970 medical necessity and in all utilization management practices,
971 including the prior authorization process, concurrent reviews,
972 retrospective reviews and payments, that are consistent with
973 widely accepted professional standards of care. Organizations
974 participating in a managed care program or coordinated care
975 program implemented by the division may not use any additional
976 criteria that would result in denial of care that would be
977 determined appropriate and, therefore, medically necessary under
978 those levels of care guidelines.

979 (2) Notwithstanding any provision of this section, the
980 recipients eligible for enrollment into a Medicaid Managed Care
981 Program authorized under this subsection (H) may include only
982 those categories of recipients eligible for participation in the
983 Medicaid Managed Care Program as of January 1, 2021, the
984 Children's Health Insurance Program (CHIP), and the CMS-approved
985 Section 1115 demonstration waivers in operation as of January 1,
986 2021. No expansion of Medicaid Managed Care Program contracts may
987 be implemented by the division without enabling legislation from
988 the Mississippi Legislature.



989 (3) (a) Any contractors receiving capitated payments
990 under a managed care delivery system established in this section
991 shall provide to the Legislature and the division statistical data
992 to be shared with provider groups in order to improve patient
993 access, appropriate utilization, cost savings and health outcomes
994 not later than October 1 of each year. Additionally, each
995 contractor shall disclose to the Chairmen of the Senate and House
996 Medicaid Committees the administrative expenses costs for the
997 prior calendar year, and the number of full-equivalent employees
998 located in the State of Mississippi dedicated to the Medicaid and
999 CHIP lines of business as of June 30 of the current year.

1000 (b) The division and the contractors participating
1001 in the managed care program, a coordinated care program or a
1002 provider-sponsored health plan shall be subject to annual program
1003 reviews or audits performed by the Office of the State Auditor,
1004 the PEER Committee, the Department of Insurance and/or independent
1005 third parties.

1006 (c) Those reviews shall include, but not be
1007 limited to, at least two (2) of the following items:

1008 (i) The financial benefit to the State of
1009 Mississippi of the managed care program,

1010 (ii) The difference between the premiums paid
1011 to the managed care contractors and the payments made by those
1012 contractors to health care providers,



1013 (iii) Compliance with performance measures
1014 required under the contracts,
1015 (iv) Administrative expense allocation
1016 methodologies,
1017 (v) Whether nonprovider payments assigned as
1018 medical expenses are appropriate,
1019 (vi) Capitated arrangements with related
1020 party subcontractors,
1021 (vii) Reasonableness of corporate
1022 allocations,
1023 (viii) Value-added benefits and the extent to
1024 which they are used,
1025 (ix) The effectiveness of subcontractor
1026 oversight, including subcontractor review,
1027 (x) Whether health care outcomes have been
1028 improved, and
1029 (xi) The most common claim denial codes to
1030 determine the reasons for the denials.

1031 The audit reports shall be considered public documents and
1032 shall be posted in their entirety on the division's website.

1033 (4) All health maintenance organizations, coordinated
1034 care organizations, provider-sponsored health plans, or other
1035 organizations paid for services on a capitated basis by the
1036 division under any managed care program or coordinated care
1037 program implemented by the division under this section shall



1038 reimburse all providers in those organizations at rates no lower
1039 than those provided under this section for beneficiaries who are
1040 not participating in those programs.

1041 (5) No health maintenance organization, coordinated
1042 care organization, provider-sponsored health plan, or other
1043 organization paid for services on a capitated basis by the
1044 division under any managed care program or coordinated care
1045 program implemented by the division under this section shall
1046 require its providers or beneficiaries to use any pharmacy that
1047 ships, mails or delivers prescription drugs or legend drugs or
1048 devices.

1049 (6) (a) Not later than December 1, 2021, the
1050 contractors who are receiving capitated payments under a managed
1051 care delivery system established under this subsection (H) shall
1052 develop and implement a uniform credentialing process for
1053 providers. Under that uniform credentialing process, a provider
1054 who meets the criteria for credentialing will be credentialed with
1055 all of those contractors and no such provider will have to be
1056 separately credentialed by any individual contractor in order to
1057 receive reimbursement from the contractor. Not later than
1058 December 2, 2021, those contractors shall submit a report to the
1059 Chairmen of the House and Senate Medicaid Committees on the status
1060 of the uniform credentialing process for providers that is
1061 required under this subparagraph (a).



1062 (b) If those contractors have not implemented a
1063 uniform credentialing process as described in subparagraph (a) by
1064 December 1, 2021, the division shall develop and implement, not
1065 later than July 1, 2022, a single, consolidated credentialing
1066 process by which all providers will be credentialed. Under the
1067 division's single, consolidated credentialing process, no such
1068 contractor shall require its providers to be separately
1069 credentialed by the contractor in order to receive reimbursement
1070 from the contractor, but those contractors shall recognize the
1071 credentialing of the providers by the division's credentialing
1072 process.

1073 (c) The division shall require a uniform provider
1074 credentialing application that shall be used in the credentialing
1075 process that is established under subparagraph (a) or (b). If the
1076 contractor or division, as applicable, has not approved or denied
1077 the provider credentialing application within sixty (60) days of
1078 receipt of the completed application that includes all required
1079 information necessary for credentialing, then the contractor or
1080 division, upon receipt of a written request from the applicant and
1081 within five (5) business days of its receipt, shall issue a
1082 temporary provider credential/enrollment to the applicant if the
1083 applicant has a valid Mississippi professional or occupational
1084 license to provide the health care services to which the
1085 credential/enrollment would apply. The contractor or the division
1086 shall not issue a temporary credential/enrollment if the applicant



1087 has reported on the application a history of medical or other
1088 professional or occupational malpractice claims, a history of
1089 substance abuse or mental health issues, a criminal record, or a
1090 history of medical or other licensing board, state or federal
1091 disciplinary action, including any suspension from participation
1092 in a federal or state program. The temporary
1093 credential/enrollment shall be effective upon issuance and shall
1094 remain in effect until the provider's credentialing/enrollment
1095 application is approved or denied by the contractor or division.
1096 The contractor or division shall render a final decision regarding
1097 credentialing/enrollment of the provider within sixty (60) days
1098 from the date that the temporary provider credential/enrollment is
1099 issued to the applicant.

1100 (d) If the contractor or division does not render
1101 a final decision regarding credentialing/enrollment of the
1102 provider within the time required in subparagraph (c), the
1103 provider shall be deemed to be credentialed by and enrolled with
1104 all of the contractors and eligible to receive reimbursement from
1105 the contractors.

1106 (7) (a) Each contractor that is receiving capitated
1107 payments under a managed care delivery system established under
1108 this subsection (H) shall provide to each provider for whom the
1109 contractor has denied the coverage of a procedure that was ordered
1110 or requested by the provider for or on behalf of a patient, a
1111 letter that provides a detailed explanation of the reasons for the



1112 denial of coverage of the procedure and the name and the
1113 credentials of the person who denied the coverage. The letter
1114 shall be sent to the provider in electronic format.

1115 (b) After a contractor that is receiving capitated
1116 payments under a managed care delivery system established under
1117 this subsection (H) has denied coverage for a claim submitted by a
1118 provider, the contractor shall issue to the provider within sixty
1119 (60) days a final ruling of denial of the claim that allows the
1120 provider to have a state fair hearing and/or agency appeal with
1121 the division. If a contractor does not issue a final ruling of
1122 denial within sixty (60) days as required by this subparagraph
1123 (b), the provider's claim shall be deemed to be automatically
1124 approved and the contractor shall pay the amount of the claim to
1125 the provider.

1126 (c) After a contractor has issued a final ruling
1127 of denial of a claim submitted by a provider, the division shall
1128 conduct a state fair hearing and/or agency appeal on the matter of
1129 the disputed claim between the contractor and the provider within
1130 sixty (60) days, and shall render a decision on the matter within
1131 thirty (30) days after the date of the hearing and/or appeal.

1132 (8) It is the intention of the Legislature that the
1133 division evaluate the feasibility of using a single vendor to
1134 administer pharmacy benefits provided under a managed care
1135 delivery system established under this subsection (H). Providers



1136 of pharmacy benefits shall cooperate with the division in any
1137 transition to a carve-out of pharmacy benefits under managed care.

1138 (9) It is the intention of the Legislature that the
1139 division evaluate the feasibility of using a single vendor to
1140 administer dental benefits provided under a managed care delivery
1141 system established in this subsection (H). Providers of dental
1142 benefits shall cooperate with the division in any transition to a
1143 carve-out of dental benefits under managed care.

1144 (10) It is the intent of the Legislature that any
1145 contractor receiving capitated payments under a managed care
1146 delivery system established in this section shall implement
1147 innovative programs to improve the health and well-being of
1148 members diagnosed with prediabetes and diabetes.

1149 (11) It is the intent of the Legislature that any
1150 contractors receiving capitated payments under a managed care
1151 delivery system established under this subsection (H) shall work
1152 with providers of Medicaid services to improve the utilization of
1153 long-acting reversible contraceptives (LARCs). Not later than
1154 December 1, 2021, any contractors receiving capitated payments
1155 under a managed care delivery system established under this
1156 subsection (H) shall provide to the Chairmen of the House and
1157 Senate Medicaid Committees and House and Senate Public Health
1158 Committees a report of LARC utilization for State Fiscal Years
1159 2018 through 2020 as well as any programs, initiatives, or efforts
1160 made by the contractors and providers to increase LARC



1161 utilization. This report shall be updated annually to include
1162 information for subsequent state fiscal years.

1163 (12) The division is authorized to make not more than
1164 one (1) emergency extension of the contracts that are in effect on
1165 July 1, 2021, with contractors who are receiving capitated
1166 payments under a managed care delivery system established under
1167 this subsection (H), as provided in this paragraph (12). The
1168 maximum period of any such extension shall be one (1) year, and
1169 under any such extensions, the contractors shall be subject to all
1170 of the provisions of this subsection (H). The extended contracts
1171 shall be revised to incorporate any provisions of this subsection
1172 (H).

1173 (I) [Deleted]

1174 (J) There shall be no cuts in inpatient and outpatient
1175 hospital payments, or allowable days or volumes, as long as the
1176 hospital assessment provided in Section 43-13-145 is in effect.
1177 This subsection (J) shall not apply to decreases in payments that
1178 are a result of: reduced hospital admissions, audits or payments
1179 under the APR-DRG or APC models, or a managed care program or
1180 similar model described in subsection (H) of this section.

1181 (K) In the negotiation and execution of such contracts
1182 involving services performed by actuarial firms, the Executive
1183 Director of the Division of Medicaid may negotiate a limitation on
1184 liability to the state of prospective contractors.

1185 (L) This section shall stand repealed on July 1, 2024.



1186 **SECTION 2.** This act shall take effect and be in force from
1187 and after July 1, 2022.

