

By: Senator(s) Blackwell, Whaley, Parks,
Parker, Sparks

To: Medicaid; Appropriations

SENATE BILL NO. 2662

1 AN ACT TO CREATE NEW SECTION 43-13-117.6, MISSISSIPPI CODE OF
2 1972, TO PROVIDE THAT THE DIVISION OF MEDICAID SHALL REIMBURSE FOR
3 OUTPATIENT HOSPITAL SERVICES PROVIDED TO ELIGIBLE MEDICAID
4 BENEFICIARIES UNDER THE AGE OF 21 BY BORDER CITY
5 UNIVERSITY-AFFILIATED PEDIATRIC TEACHING HOSPITALS; TO PROVIDE
6 THAT THE DIVISION SHALL SEEK ANY NECESSARY WAIVERS AND MAKE ANY
7 REQUIRED AMENDMENTS TO ITS STATE PLAN; TO PROVIDE THAT ON OR AFTER
8 JANUARY 1, 2022, SUCH SERVICES SHALL BE REIMBURSED BASED ON
9 REASONABLE COSTS WITH INTERIM PAYMENTS AND A YEAR-END COST
10 SETTLEMENT; AND FOR RELATED PURPOSES.

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

12 **SECTION 1.** The following shall be codified as Section
13 43-13-117.6, Mississippi Code of 1972:

14 43-13-117.6. (1) The Division of Medicaid shall reimburse
15 for outpatient hospital services provided to eligible Medicaid
16 beneficiaries under the age of twenty-one (21) by border city
17 university-affiliated pediatric teaching hospitals. The division
18 shall seek any necessary waivers, make any required amendments to
19 its state plan or revise any contracts authorized under Section
20 43-13-117(H) as necessary to provide the services authorized under
21 this section. Effective for claims with dates of service on or
22 after January 1, 2022, outpatient hospital services provided to



23 Medicaid beneficiaries under the age of twenty-one (21) at border
24 city university-affiliated pediatric teaching hospitals shall be
25 reimbursed based on reasonable costs with interim payments and a
26 year-end cost settlement. The division shall utilize cost data in
27 accordance with federal law and federal regulations consistent
28 with the method used for identifying cost for private hospital
29 access payments. The division shall use the lesser of the
30 reasonable costs or customary charges to establish cost
31 settlements. The cost settlements shall be calculated using the
32 methods and standards used by the Medicare Program.

33 (2) As used in this section, a border city
34 university-affiliated pediatric teaching hospital shall mean an
35 out-of-state hospital located within a county contiguous to the
36 state line that submits to the division a copy of a current and
37 effective affiliation agreement with an accredited university, and
38 documentation establishing that the hospital is
39 university-affiliated, is licensed and designated as a pediatric
40 hospital or pediatric primary hospital within its home state,
41 maintains at least five different intern pediatric specialty
42 training programs, and maintains at least one hundred (100)
43 operated beds dedicated exclusively for the treatment of patients
44 under the age of twenty-one (21).

45 (3) It is the intent of the Legislature that the cost of
46 providing services to Medicaid beneficiaries under the age of
47 twenty-one (21) who are treated by a border city



48 university-affiliated pediatric teaching hospital shall not exceed
49 the cost of providing the same services to individuals in
50 hospitals in the state.

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

