MISSISSIPPI LEGISLATURE FIRST EXTRAORDINARY SESSION 2025

By: Representatives Deweese, Bennett, Creekmore IV, Currie, McGee, Mickens, Read, Scott, Turner

To: Appropriations A

HOUSE BILL NO. 23

AN ACT MAKING AN APPROPRIATION TO THE GOVERNOR'S OFFICE-DIVISION OF MEDICAID FOR THE PURPOSE OF PROVIDING MEDICAL ASSISTANCE UNDER THE MISSISSIPPI MEDICAID LAW AND DEFRAYING THE EXPENSES OF THE ADMINISTRATION OF THAT LAW FOR THE FISCAL YEAR 2026.

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

SECTION 1. The following sum, or so much thereof as may be necessary, is appropriated out of any money in the State General Fund not otherwise appropriated, to the Governor's Office - Division of Medicaid for the purpose of providing medical assistance under the Mississippi Medicaid Law and defraying the expenses of the administration of such law, as provided in Section 43-13-101 et seq., Mississippi Code of 1972, for the fiscal year beginning July 1, 2025, and ending June 30, 2026...$ 906,639,774.00.

SECTION 2. The following sum, or so much thereof as may be necessary, is appropriated out of any money in the State Treasury to the credit of the Medical Care Fund created by Section 43-13-143, Mississippi Code of 1972, for the purpose of providing medical assistance under the Mississippi Medicaid Law for the fiscal year beginning July 1, 2025, and ending June 30, 2026...... ....$ 842,307,659.00.

SECTION 3. The following sum, or so much thereof as may be necessary, is appropriated out of any money in any special fund in the State Treasury to the credit of the Governor's Office - Division of Medicaid which is comprised of special source funds collected by or otherwise available to the Division, for the purpose of providing medical assistance under the Mississippi Medicaid Law and defraying the expenses of the administration of such law, for the fiscal year beginning July 1, 2025, and ending June 30, 2026.................................$ 6,599,898,972.00.

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

SECTION 4. The following sum, or so much thereof as may be necessary, is appropriated out of any money in the State Treasury to the credit of the Health Care Expendable Fund, for the purpose of defraying the expenses of the Governor's Office - Division of Medicaid for the fiscal year beginning July 1, 2025, and ending June 30, 2026.................................$ 63,230,003.00.

The above funds shall be allocated as follows:

CHIP Program at up to 209% level of poverty.................................$ 9,000,000.00.

Medical Program Matching Funds............$ 54,230,003.00.

It is the intention of the Legislature that funds may be shifted among the above allocated line items where needed at the discretion of the Executive Director of Governor's Office - Division of Medicaid.

SECTION 5. Of the funds appropriated under the provisions of this act, not more than the following amount of funds, with the exception of the provisions in this section, shall be expended only for "Personal Services," which includes "Vacancy Funding," for the following authorized number of employment headcount:

FUNDING:		
General Funds:	$	24,894,388.00
Special Funds:	$	36,979,711.00
Total Funds:	$	61,874,099.00
PERSONAL SERVICES:		
Employee Salaries, Wages, and Fringe Benefits:	$	60,293,016.00
Progressions:	$	0.00
Vacancy Funding:	$	1,581,083.00
Total Personal Services:	$	61,874,099.00
AUTHORIZED HEADCOUNT:		
Permanent:		890
Time-Limited:		82

As used in this section, the term “Personal Services” shall mean funds provided under the major object of expenditure category Personal Services for Salaries, Wages, and Fringe Benefits. Funds in this category shall not be transferred to any other category.

It is the intention of the Legislature to ensure compliance with the Variable Compensation Plan, as outlined in Section 25-9-147, Mississippi Code of 1972. Payment from these funds shall be in accordance with the Variable Compensation Plan promulgated by the Mississippi State Personnel Board. It is the Legislature’s intention that no employee’s salary falls below the minimum salary established by the Mississippi State Personnel Board.

The State Personnel Board shall determine and publish the projected annual cost of “Personal Services” based on monthly and year-to-date payroll expenditures in compliance with the provisions of this act.

With the funds herein appropriated, it shall be the agency’s responsibility to ensure that no single personnel action or combination of personnel actions, when annualized, exceeds the Fiscal Year 2026 appropriation for “Personal Services” with the exception of escalated funds. Further, it shall be the agency’s responsibility to ensure that funds required to be appropriated for “Personal Services” for Fiscal Year 2027 do not exceed Fiscal Year 2026 funds appropriated for that purpose unless programs or positions are added to the agency’s Fiscal Year 2026 budget by the Mississippi Legislature.

If, at the time the agency takes any action to change "Personal Services," the State Personnel Board determines that the agency has taken or will take an action that would cause the agency to exceed the funds appropriated in this act when annualized for Fiscal Year 2026 or increase the need for "Personal Services" for Fiscal Year 2027, when annualized, the State Personnel Board shall process no salary actions until such time as the requirements of the provisions of this section are met with the exception of new hires determined to be essential for the agency.

When used in this section, "Vacancy Funding" shall mean funds included in the Total Personal Services amount listed above and designated for approved vacancies in Fiscal Year 2026. These funds are to be utilized to increase the number of filled headcounts that were authorized but unfilled as of the last day of Fiscal Year 2025. If the agency fills additional headcounts after May 1, 2025, until the end of Fiscal Year 2025, the amount of available Vacancy Funding may be proportionally reduced to reflect the updated number of filled headcounts. The agency shall be responsible for ensuring that "Vacancy Funding" is used to increase headcounts and not for promotions, title changes, in-range salary adjustments, or any other mechanism for increasing salaries for current employees.

Any transfers or escalations shall be made in accordance with the terms, conditions, and procedures established by law or allowable under the terms set forth within this act. The State Personnel Board shall not escalate positions without written approval from the Department of Finance and Administration. The Department of Finance and Administration shall not provide written approval to escalate any funds for salaries and/or headcounts without proof of availability of new or additional funds above the appropriated level. Unless specifically noted, all Fiscal Year 2025 escalated headcounts have been accounted for and shall be converted to authorized time-limited headcounts.

No general funds authorized to be expended herein shall be used to replace federal funds and/or other special funds 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 the 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.

If the agency’s total authorized headcount decreases from Fiscal Year 2025 to Fiscal Year 2026, it will be the agency’s discretion as to what headcounts are removed.

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 2025. It is further the intention of the Legislature that the agency's budget request for Fiscal Year 2027 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 2026 budget request process with the Children's Health Insurance Program (CHIP) being separated from the Medical Services Program and submitted as a separate program. All Medicaid 1915 (C) Home and Community Based Services Waivers shall be presented as a budget program separate from the Medical Services 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:

Performance Measures	FY2026 Target
Administrative Services	
Admin as a Percent of Total Budget	3.40
Third Party Liability Cost Avoided (Thou)	1,743,540.00

Percent of Clean Claims Processed within 30 Days of Receipt	99.50
Percent of Clean Claims Processed within 90 Days of Receipt	100.00
Percent of Applications Processed within Std. of Promptness - Medicaid	90.00
Third Party Funds Recovered	8,839,795.00
Number of Providers Submitting Electronic Claims	29,000
Turnover Rate of Employees	20.00
Medical Services	
Costs of Emergency Room Visits	174,987,258.00
Number of Emergency Room Visits	426,582
Medicaid Recipients - Enrolled	733,395
Child Physical Exams (Ages 0-20)	324,060
Adult Physical Exams (21-Older)	10,807
Number of Fraud & Abuse Cases Investigated	325
Number of Medicaid Providers	36,773
Number of Medicaid Beneficiaries Assigned to a Managed Care Company	440,000
Percent of MSCAN Diabetic Members Aged 17-75 Receiving HBA1c Test	90.47
Percent of MSCAN Members with Persistent Asthma are Appropriately Prescribed Medication	71.96

Rate of EPSDT Well Child Screening	75.00
Percent Change in Number of Recipients Enrolled From Last Year	10.00
Percent Change in Number of Providers From Last Year	2.52
Children's Health Insur Prg (chip)	
Number of CHIP Enrollees	55,000
Percent of CHIP Applications Processed within Std. of Promptness	90.00
Home & Comm-based Waiver Prg	
Elderly & Disabled - Persons Served	21,590
Elderly & Disabled - Funded Slots	20,121
Elderly & Disabled - Total Authorized Slots	22,200
Assisted Living - Persons Served	990
Assisted Living - Funded Slots	918
Assisted Living - Total Authorized Slots	1,100
Independent Living - Persons Served	3,140
Independent Living - Funded Slots	3,615
Independent Living - Total Authorized Slots	5,800
Traumatic Brain Injury - Persons Served	1,045
Traumatic Brain Injury - Funded Slots	1,050
Traumatic Brain Injury - Total Authorized Slots	1,150
Intellectual Disability - Persons Served	3,200
Intellectual Disability - Funded Slots	3,250

Intellectual Disability - Total Authorized Slots	4,150
Percent Change in Persons On Waiting List (E&D)	2.00
Percent Change in Persons On Waiting List (AL)	2.00
Percent Change in Persons On Waiting List (IL)	2.00
Percent Change in Persons On Waiting List (TBI)	2.00
Percent Change in Persons On Waiting List (IDD)	2.00

A reporting of the degree to which the performance targets set above have been or are being achieved shall be provided in the agency's budget request submitted to the Joint Legislative Budget Committee for Fiscal Year 2027.

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

SECTION 9. The Governor's Office - Division of Medicaid shall provide statistical and financial reports on a monthly basis to the Legislative Budget Office and the PEER Committee. These reports shall include, but are not limited to, an accounting of all funds spent in the medical program, the CHIP program, the Dialysis Transportation program, and each of the Home and Community Based Waiver programs, and an accounting of all funds spent in the administrative program, participant statistics and any other information requested by the Legislative Budget Office and the PEER Committee.

The Governor's Office - 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 and Senate Medicaid Committees, the House and Senate Appropriations Committees, the Legislative Budget Office and the PEER Committee. A summary of this cash flow projection shall also be presented in the report referenced in the above paragraph.

SECTION 10. Of the funds appropriated under the provisions of this act in an amount not to exceed, Two Million Seven Hundred Fifty Thousand Dollars ($2,750,000.00) is provided for the purpose of funding a temporary program to provide nonemergency transportation to locations for necessary dialysis services for end-stage renal disease patients who are sixty-five (65) years of age or older or are disabled as determined under Section 1614(a)(3) of the federal Social Security Act, as amended, whose income did not exceed one hundred thirty-five percent (135%) of the nonfarm official poverty level as defined by the Office of Management and Budget and whose eligibility was covered under the former category of eligibility known as Poverty Level Aged and Disabled (PLADS).

SECTION 11. It is the intention of the Legislature that the funds appropriated in this act to the Governor's Office - Division of Medicaid for the Mississippi Coordinated Access Network (MS-CAN) program be used in the most efficient and effective manner possible to achieve the intended mission of the division. The division and the coordinated care organizations with which the division has contracted to conduct the MS-CAN program shall establish baselines for the health-related outcome measurement for each of the following health focus areas for presentation at the Joint Legislative Budget Committee hearings for Fiscal Year 2026, which will be used as the baseline levels for establishing targets for improvements in quality of care performance measures for the MS-CAN program in Fiscal Year 2026 and later fiscal years:

a. Comprehensive Diabetes Care (CDC) or successive measure.

b. Medication Management for People with Asthma (MMA) or successive measure.

c. Annual Monitoring for Patients on Persistent Medications (MPM) or successive measure.

d. Adult BMI Assessment (ABA) and Weight Assessment and Counseling for Nutrition and Physical Activity for Children/Adolescents (WCC) or successive measure.

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

SECTION 12. It is the intention of the Legislature that the Governor's Office - Division of Medicaid and the Department of Human Services shall continue to work together to implement Section 43-12-1, Mississippi Code of 1972, known as the "Medicaid and Human Services Transparency and Fraud Prevention Act".

SECTION 13. Of the funds appropriated in Sections 1, 2, and 3 of this act, it is the intention of the Legislature that continued funding at or above the Fiscal Year 2025 appropriated amount shall be provided for four thousand one hundred (4,100) slots for the Department of Rehabilitation Services Home and Community Based Waiver programs, and for three thousand (3,000) slots for the Department of Mental Health for the Home and Community Based waiver program for Independent Living and the IDD Waiver program.

SECTION 14. The Governor's Office - Division of Medicaid is authorized to expend funds appropriated herein as necessary to provide currently existing home and community based services through any CMS approved state plan or home and community based services waiver to individuals who qualify for those services to avoid institutionalization or to transition an individual from an institution to any home and community based setting. Provision of such services shall not count against any limit imposed under this act. It is the intention of the Legislature that the cost of providing home and community based services shall not exceed the cost of nursing facility services, as determined by the Division.

SECTION 15. With the funds appropriated herein, the Mississippi Division of Medicaid is authorized to make payments for expenses incurred during prior fiscal years for an amount not to exceed Six Hundred Seventeen Thousand Five Hundred Seventy-nine Dollars and Eighty Cents ($617,579.80). These payments are for invoices from Solventum and Health Management System.

SECTION 16. The money herein appropriated shall be paid by the State Treasurer out of any money in the State Treasury to the credit of the proper fund or funds as set forth in this act, upon warrants issued by the State Fiscal Officer; and the State Fiscal Officer shall issue his warrants upon requisitions signed by the proper person, officer or officers, in the manner provided by law.

SECTION 17. This act shall take effect and be in force from and after July 1, 2025.