

## **Table of Contents**

**State/Territory Name: Mississippi**

**State Plan Amendment (SPA) #: 20-0003**

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form (with 179-like data)
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
7500 Security Boulevard, Mail Stop S2-26-12  
Baltimore, Maryland 21244-1850



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**Financial Management Group**

September 10, 2020

Drew L. Snyder  
Executive Director  
Office of the Governor, Division of Medicaid  
Walter Sillers Building  
550 High Street, Suite 1000  
Jackson, Mississippi 39201

Re: Mississippi State Plan Amendment 20-0003

Dear Mr. Snyder:

We have completed our review of State Plan Amendment (SPA) 20-0003. This SPA modifies Attachment 4.19-A of Mississippi's Title XIX State Plan. Specifically, the state proposes to revise (1) the base payment, (2) the pediatric mental health policy adjustor, (3) the adult mental health policy adjustor, and (4) the cost outlier threshold. The overall fiscal impact is negative for both 2020 (\$547,828) and 2021 (\$2,213,515).

We conducted our review of this SPA according to the statutory requirements at sections 1902(a)(3), 1902(a)(13), 1902(a)(30), 1903(a), and 1923 of the Social Security Act (the Act) and the regulations at 42 CFR 447 Subpart C. We are approving Mississippi State plan amendment 20-0003 with an effective date of July 1, 2020. We are enclosing the CMS-179 and the amended plan pages.

If you have any questions, or require additional information, please call Anna Dubois at (850) 878-0916.

Sincerely,

A solid black rectangular box redacting the signature of the sender.

For  
Rory Howe  
Acting Director

Enclosures

cc: Margaret Wilson, MS Division of Medicaid

|   |  |   |
|---|--|---|
| <b>TRANSMITTAL AND NOTICE OF APPROVAL OF<br/>STATE PLAN MATERIAL</b>  | 1. TRANSMITTAL NUMBER:<br><b>20-0003</b>   | 2. STATE<br><b>MS</b>                           |
|   | 3. PROGRAM IDENTIFICATION:<br><b>TITLE XIX OF THE SOCIAL SECURITY ACT<br/>(MEDICAID)</b> |   |
| FOR: CENTERS FOR MEDICARE AND MEDICAID SERVICES   |  | 4. PROPOSED EFFECTIVE DATE<br><b>07/01/2020</b> |
| TO: REGIONAL ADMINISTRATOR<br>CENTERS FOR MEDICARE AND MEDICAID SERVICES<br>DEPARTMENT OF HEALTH AND HUMAN SERVICES |  |   |

5. TYPE OF PLAN MATERIAL (Check One):

NEW STATE PLAN                       AMENDMENT TO BE CONSIDERED AS NEW PLAN                       AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

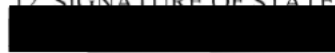
|   |   |
|---|---|
| 6. FEDERAL STATUTE/REGULATION CITATION:<br><br><b>42 CFR §§ 447.201, 447.203.</b> | 7. FEDERAL BUDGET IMPACT:<br>FY 2020: (\$547,828)<br><br>FY 2021: (\$2,213,515) |
|---|---|

|  |   |
|--|---|
| 8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:<br><br><b>Attachment 4.19-A, Page 67</b> | 9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):<br><br><b>Attachment 4.19-A, Page 67</b> |
|--|---|

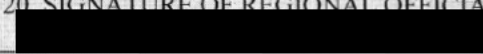
10. SUBJECT OF AMENDMENT:  
**State Plan Amendment (SPA) 20-0003 All Patient Refined-Diagnosis Related Groups (APR-DRG) Reimbursement is being submitted to update the following hospital inpatient services effective July 1, 2020: 1) Update APR-DRG parameters**

11. GOVERNOR'S REVIEW (Check One):

GOVERNOR'S OFFICE REPORTED NO COMMENT                       OTHER, AS SPECIFIED:  
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED  
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

|   |   |
|---|---|
| 12. SIGNATURE OF STATE AGENCY OFFICIAL:<br> | 16. RETURN TO:<br><br><b>Drew L. Snyder<br/>Miss. Division of Medicaid<br/>Attn: Margaret Wilson<br/>550 High Street, Suite 1000<br/>Jackson, MS 39201-1399</b> |
| 13. TYPED NAME: <b>Drew L. Snyder</b><br><i>Drew Snyder</i>   |   |
| 14. TITLE: <b>Executive Director</b>  |   |
| 15. DATE SUBMITTED: <b>JUL 01 2020</b>  |   |

**FOR REGIONAL OFFICE USE ONLY**

|   |   |
|---|---|
| 17. DATE RECEIVED:  | 18. DATE APPROVED: <b>9/10/20</b>   |
| PLAN APPROVED – ONE COPY ATTACHED                         |   |
| 19. EFFECTIVE DATE OF APPROVED MATERIAL:<br><b>7/1/20</b> | 20. SIGNATURE OF REGIONAL OFFICIAL:<br> For |
| 21. TYPED NAME:<br><b>Rory Howe</b>                       | 22. TITLE:<br><b>Acting Director, FMG</b>   |

23. REMARKS:

**State of Mississippi**  
**Title XIX Inpatient Hospital Reimbursement Plan**

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**APPENDIX A**

**APR-DRG KEY PAYMENT VALUES**

The table below reflects key payment values for the APR-DRG payment methodology described in this Plan.

These values are effective for discharges on and after July 1, 2020.

| <u>Payment Parameter</u>   | <u>Value</u> | <u>Use</u>  |
|--|--------------|---|
| 3M™ APR-DRG version  | V.35         | Groups every claim to a DRG                           |
| DRG base price   | \$6,590      | Rel. wt. X DRG base price = DRG base payment          |
| Policy adjustor – obstetrics and normal newborns                                     | 1.50         | Increases relative weight and payment rate            |
| Policy adjustor – neonate  | 1.40         | Increases relative weight and payment rate            |
| Policy adjustor – mental health pediatric  | 1.95         | Increases relative weight and payment rate            |
| Policy adjustor – mental health adult  | 1.50         | Increases relative weight and payment rate            |
| Policy adjustor – Rehabilitation   | 2.00         | Increases relative weight and payment rate            |
| Policy adjustor – Transplant (adult and pediatric)                                   | 1.50         | Increases relative weight and payment rate            |
| DRG cost outlier threshold   | \$53,500     | Used in identifying cost outlier stays                |
| DRG cost outlier marginal cost percentage  | 60%          | Used in calculating cost outlier payment              |
| DRG long stay threshold  | 19           | All stays above 19 days require TAN on days           |
| DRG day outlier statewide amount   | \$450        | Per diem payment for mental health stays over 19 days |
| Transfer status - 02 – transfer to hospital  | 02           | Used to identify transfer stays                       |
| Transfer status - 05 –transfer other   | 05           | Used to identify transfer stays                       |
| Transfer status – 07 – against medical advice  | 07           | Used to identify transfer stays                       |
| Transfer status – 63 – transfer to long-term acute care hospital                     | 63           | Used to identify transfer stays                       |
| Transfer status – 65 – transfer to psychiatric hospital                              | 65           | Used to identify transfer stays                       |
| Transfer status – 66 – transfer to critical access hospital                          | 66           | Used to identify transfer stays                       |
| Transfer status – 82 – transfer to hospital with planned                             | 82           | Used to identify transfer stays                       |
| Transfer status – 85 – transfer to other with planned readmission                    | 85           | Used to identify transfer stays                       |
| Transfer status – 91 – transfer to long-term hospital with planned readmission       | 91           | Used to identify transfer stays                       |
| Transfer status – 93 – transfer to psychiatric hospital with planned readmission     | 93           | Used to identify transfer stays                       |
| Transfer status – 94 – transfer to critical access hospital with planned readmission | 94           | Used to identify transfer stays                       |
| DRG interim claim threshold  | 30           | Interim claims not accepted if < 31 days              |
| DRG interim claim per diem amount  | \$850        | Per diem payment for interim claims                   |