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State/Territory Name: Mississippi

State Plan Amendment (SPA) #: 20-0024

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
Center for Medicaid & CHIP Services
233 North Michigan Ave., Suite 600
Chicago, Illinois 60601



Financial Management Group

March 12, 2021

Mr. Drew Snyder, Executive Director
Mississippi Division of Medicaid
Attention: Margaret Wilson
550 High Street, Suite 1000
Jackson, MS 39201-1399

RE: Mississippi State Plan Amendment (SPA) Transmittal Number 20-0024

Dear Mr. Snyder:

We have reviewed the proposed Mississippi State Plan Amendment (SPA) to Attachment 4.19-B of your state plan, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on December 17, 2020. State Plan Amendment (SPA) 20-0024 Physician Upper Payment Limit (UPL) is being submitted to allow the Division of Medicaid to update the initial Medicare equivalent of the average commercial rate (ACR) ratio.

Based upon the information provided by the State, we have approved the amendment with an effective date of January 1, 2021. We are enclosing the approved CMS-179 and a copy of the new state plan pages.

If you have any questions, please contact Moe Wolf at 410-786-9291 or Moshe.Wolf@CMS.HHS.gov

Sincerely,

A solid black rectangular box redacting the signature of Todd McMillion.

Todd McMillion
Director
Division of Reimbursement Review

Enclosures

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**1. TRANSMITTAL NUMBER:
20-00242. STATE
MS**FOR: CENTERS FOR MEDICARE AND MEDICAID SERVICES**3. PROGRAM IDENTIFICATION:
**TITLE XIX OF THE SOCIAL SECURITY ACT
(MEDICAID)****TO: REGIONAL ADMINISTRATOR
CENTERS FOR MEDICARE AND MEDICAID SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES**4. PROPOSED EFFECTIVE DATE
01/01/20215. TYPE OF PLAN MATERIAL *(Check One)*:☐ NEW STATE PLAN ☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN ☒ AMENDMENTCOMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT *(Separate Transmittal for each amendment)*6. FEDERAL STATUTE/REGULATION CITATION:
Social Security Act § 1902(a)(30); 42 CFR §§ 447.10, 447.2047. FEDERAL BUDGET IMPACT:
FFY 2021: \$29,859
FFY 2022: \$40,094

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 4.19-B, page 5a.1, 5a.2, 5a.3

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT *(If Applicable)*:

Attachment 4.19-B, page 5a.1, 5a.2, 5a.3

10. SUBJECT OF AMENDMENT:

State Plan Amendment (SPA) 20-0024 Physician Upper Payment Limit (UPL) is being submitted to allow the Division of Medicaid to update the initial Medicare equivalent of the average commercial rate (ACR) ratio, effective January 1, 2021.

11. GOVERNOR'S REVIEW *(Check One)*:☒ GOVERNOR'S OFFICE REPORTED NO COMMENT
☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL☐ OTHER, AS SPECIFIED:

12. SIGNATURE OF STATE AGENCY OFFICIAL:

13. TYPED NAME: **Drew L. Snyder**14. TITLE: **Executive Director**15. DATE SUBMITTED: **DEC 17 2020**

16. RETURN TO:

**Drew L. Snyder
Miss. Division of Medicaid
Attn: Margaret Wilson
550 High Street, Suite 1000
Jackson, MS 39201-1399****FOR REGIONAL OFFICE USE ONLY**17. DATE RECEIVED:
December 17, 202018. DATE APPROVED:
3/12/2021**PLAN APPROVED – ONE COPY ATTACHED**19. EFFECTIVE DATE OF APPROVED MATERIAL:
January 1, 2021

20. SIGNATURE OF REGIONAL OFFICIAL:

21. TYPED NAME:
Todd McMillion22. TITLE:
Director, Division of Reimbursement Review

23. REMARKS:

State of Mississippi

**METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES-OTHER
TYPES OF CARE**

**Supplemental Payments for Physician and Professional Services Practitioners
at Qualifying Hospitals**

Effective for dates of payment on or after January 1, 2021, the Division of Medicaid will make supplemental payments for physicians and other professional services practitioners who are employed by or contracted with a qualifying hospital for services rendered to Medicaid beneficiaries. These supplemental payments will be equal to the difference between the average commercial payment rate and the amount otherwise paid pursuant to the fee schedule for physicians' services under Attachment 4.19-B.

1. Qualifying Criteria

Physicians and other eligible professional service practitioners as specified in 2. below who are employed by a qualifying hospital or who assigned Mississippi Medicaid payments to a qualifying hospital. The term "qualifying hospital" means a Mississippi state-owned academic health science center with a Level 1 trauma center, Level 4 neonatal intensive care nursery, an organ transplant program, and more than a four hundred (400) physician multispecialty practice group. To qualify for the supplemental payment, the physician or professional service practitioner must be:

- a. Licensed by the State of Mississippi, and
- b. Enrolled as a Mississippi Medicaid provider.

2. Qualifying Provider Types

For purposes of qualifying for supplemental payments under this section, services provided by the following professional practitioners will be included:

- a. Physicians,
- b. Physician Assistants,
- c. Nurse Practitioners,
- d. Certified Registered Nurse Anesthetists,
- e. Certified Nurse Midwives,
- f. Clinical Social Workers,
- g. Clinical Psychologists,
- h. Dentists, and
- i. Optometrists.

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**METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES-OTHER
TYPES OF CARE**

3. Payment Methodology

The supplemental payment will be determined in a manner to bring payments for these services up to the average commercial rate level. The average commercial rate level is defined as the rates paid by commercial payers for the same service. Under this methodology the terms physician and physician services include services provided by all qualifying provider types as set forth in 2. above.

The specific methodology to be used in establishing the supplemental payment for physician services is as follows:

- a. For services provided by physicians at a qualifying hospital, the Division of Medicaid will collect from the hospital its current commercial physician fees by the current procedural terminology (CPT) code for the hospital's top five (5) commercial payers by volume.
- b. The Division of Medicaid will calculate the average commercial fee for each CPT code for each physician practice plan or physician that provides services at the qualifying hospital.
- c. The Division of Medicaid will extract from its paid claims history file for the preceding fiscal year all paid claims for those physicians who will qualify for a supplemental payment. The Division of Medicaid will align the average commercial fee for each CPT code as determined in 3.b. above to each Medicaid claim for that physician or physician practice plan and calculate the average commercial payments for the claims.
- d. The Division of Medicaid will also align the same paid Medicaid claims with the Medicare fees for each CPT code for the physician or physician practice plan and calculate the Medicare payment amounts for those claims. The Medicare fees will be the most currently available national non-facility fees.
- e. The Division of Medicaid will then calculate an overall Medicare to commercial conversion factor by dividing the total amount of the average commercial payments for the claims by the total Medicare payments for the claims. The commercial to Medicare ratio will be re-determined every three (3) years.

State of Mississippi

**METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES-OTHER
TYPES OF CARE**

- f. For each quarter the Division of Medicaid will extract paid Medicaid claims for each qualifying provider types for that quarter.
- g. The Division of Medicaid will then calculate the amount Medicare would have paid for those claims by aligning the claims with the Medicare fee schedule by CPT code. The Medicare fees will be the national non-facility fees that were effective at the time the Medicaid claims were paid.
- h. The total amount that Medicare would have paid for those claims is then multiplied by the Medicare to commercial conversion factor and the amount Medicaid actually paid for those claims is subtracted to establish the supplemental payment amount for the qualifying provider types for that quarter.

The supplemental payments will be made on a quarterly basis and the Medicare equivalent of the average commercial rate of 158.63% factor will be rebased/updated every three (3) years by the Division of Medicaid. Supplemental payments will be directly remitted to the qualifying hospital or the physician practice plan to which participating physicians have assigned the Mississippi Medicaid payment.