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State/Territory Name: Mississippi

State Plan Amendment (SPA) MS: 22-0025

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

February 24, 2023

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 22-0025

Dear Mr. Snyder:

We have reviewed the proposed Mississippi State Plan Amendment (SPA) 22-0025, which was submitted to the Centers for Medicare & Medicaid Services (CMS) December 21, 2022. State Plan Amendment (SPA) 22-0025 was submitted to allow the Division of Medicaid (DOM) to update the disproportionate share hospital (DSH) redistribution methodology following annual audits to allow all providers who were underpaid to receive additional payment.

Based upon the information provided by the State, we have approved the amendment with an effective date of October 1, 2022. We are enclosing the approved CMS-179 and a copy of the new state plan pages.

If you have any additional questions or need further assistance, please contact Douglas Spitler via email at Douglas.Spitler@cms.hhs.gov

Sincerely,



Rory Howe
Director
Financial Management Group

Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES	1. TRANSMITTAL NUMBER <u>2 2</u> — <u>0 0 2 5</u>	2. STATE <u>MS</u>
	3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT <input checked="" type="radio"/> XIX <input type="radio"/> XXI	
TO: CENTER DIRECTOR CENTERS FOR MEDICAID & CHIP SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE <p style="text-align: center;">October 1, 2022</p>	
5. FEDERAL STATUTE/REGULATION CITATION Section 1923(j) of the Social Security Act 42 C.F.R. § 447.298	6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars) a. FFY <u>2023</u> \$ <u>0</u> b. FFY <u>2024</u> \$ <u>0</u>	
7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Attachment 4.19-A Pages 65 and 66 MS SPA 22-0025	8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) Attachment 4.19-A Pages 65 and 66 MS SPA 2012-008	

9. SUBJECT OF AMENDMENT
State Plan Amendment (SPA) 22-0025 is being submitted to allow the Division of Medicaid (DOM) to change redistribution methodology for disproportionate share hospital (DSH) audits to allow all providers who were underpaid to receive some benefit.

10. GOVERNOR'S REVIEW (Check One)

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

11. SIGNATURE OF STATE AGENCY OFFICIAL 	15. RETURN TO Drew L. Snyder Miss. Division of Medicaid Attn: Robin Bradshaw 550 High Street, Suite 1000 Jackson, MS 39201-1399
12. TYPED NAME Drew L. Snyder	
13. TITLE Executive Director	
14. DATE SUBMITTED DEC 21 2022	

FOR CMS USE ONLY

16. DATE RECEIVED December 21, 2022	17. DATE APPROVED February 24, 2023
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PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL October 1, 2022	19. SIGNATURE OF APPROVING OFFICIAL
20. TYPED NAME OF APPROVING OFFICIAL Rory Howe	21. TITLE OF APPROVING OFFICIAL Director, Financial Management Group

22. REMARKS

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share hospitals is determined for a rate fiscal year, no additional hospitals will receive disproportionate share status. A hospital will be deleted from disproportionate share status if the hospital fails to continue providing nonemergency obstetric services during the DSH rate year, if the hospital is required to provide such services for DSH eligibility.

5-4 Timing of Disproportionate Share Payments

The DSH payments shall be paid on or before December 31, March 31, and June 30 of each fiscal year, in increments of one-third (1/3) of the total calculated DSH amounts.

5-5 Audit of Disproportionate Share Payments

As required by Section 1923(j) of the Social Security Act related to auditing and reporting of disproportionate share hospital payments, the Division of Medicaid will implement procedures to comply with the Disproportionate Share Hospital Payments final rule issued in the December 19, 2008, Federal Register, with effective date of January 19, 2009, to ensure that the hospital specific DSH limits have not been exceeded.

For audits conducted on DSH payments for Federal Fiscal Years (FFY) prior to FFY 2023, any funds recouped as a result of audits or other corrections shall be redistributed to other DSH eligible hospitals within the state, provided each hospital remains below their hospital specific DSH limit. Funds shall be redistributed to the state hospital with the highest Medicaid Inpatient Utilization Rate (MIUR). Any remaining funds available for redistribution shall be redistributed first to other state hospitals in the order of MIUR

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from highest to lowest, then to government non-state hospitals in the order of MIUR from highest to lowest, then to private hospitals in the order of MIUR from highest to lowest.

Beginning with the audit of the FFY 2023 DSH payments and thereafter, all facilities meeting the criteria to be a DSH eligible hospital will be audited to determine the uncompensated cost and OBRA limit for each facility for the fiscal period. The allowed uncompensated cost will be compared to any DSH payments received to determine each facility's overpayment or underpayment applicable to the period. Any funds recouped as a result of overpayments determined during the audits or other corrections shall be redistributed to other DSH eligible hospitals within the state, provided each hospital remains below their hospital specific DSH limit. The funds shall be redistributed to those facilities under-compensated for the period based upon the ratio of each facility's under-compensation to the total of all amounts under-compensated. This redistribution will provide each under-compensated facility with a pro-rata share of any recouped funds.

5-6 DSH Allotment Adjustments

If the federal government adjusts the DSH allotment available to Mississippi prior to the month of a scheduled payment within the DSH payment year, this revised Mississippi DSH allotment will be utilized in the next scheduled DSH payment. However, if the federal government revises the Mississippi DSH allotment after June 1 of the DSH payment year, this revised DSH allotment will be incorporated into an additional DSH distribution, negative or positive, that will be with the next DSH payment but based on the DSH calculation for the DSH payment year. All DSH payments are subject to the State's lower DSH payment limit.