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State/Territory Name: Mississippi

State Plan Amendment (SPA) #: 24-0003

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



Financial Management Group

November 19, 2024

Cindy Bradshaw, 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 24-0003

Dear Executive Cindy Bradshaw:

The Centers for Medicare & Medicaid Services (CMS) has reviewed the proposed Mississippi state plan amendment (SPA) to Attachment 4.19-B 24-0003, which was submitted to CMS on May 20, 2024. This plan amendment updates the Medicare Equivalent of the average commercial rate (ACR) ratio and remove other professional practitioners.

We reviewed your SPA submission for compliance with statutory requirements including in sections 1902(a)(2), 1902(a)(13), 1902(a)(30), and 1903 as it relates to the identification of an adequate source for the non-federal share of expenditures under the plan, as required by 1902(a)(2), of the Social Security Act and the applicable implementing Federal regulations.

Based upon the information provided by the state, we have approved the amendment with an effective date of April 1, 2024. 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 Monica Neiman at monica.neiman@cms.hhs.gov.

Sincerely,



Todd McMillion
Director
Division of Reimbursement Review

Enclosures

OF ES	1. TRANSMITTAL NUMBER <u>2 4 — 0 0 0 3</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 April 1, 2024
5. FEDERAL STATUTE/REGULATION CITATION 42 CFR §§ 447.10, 447.204		6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars) a. FFY <u>24</u> = \$ 1,070,702 = -\$692,832 b. FFY <u>25</u> = \$ 2,131,150 = -\$2,771,327
7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Attachment 4.19-B Page 5a.1-5a.3		8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) Attachment 4.19-B Page 5a.1-5a.3 MS SPA 20-0024

9. SUBJECT OF AMENDMENT

This SPA is being submitted to allow the Division of Medicaid (DOM) to update the Medicare Equivalent of the average commercial rate (ACR) ratio and remove other professional practitioners.

10. 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:

11. SIGNATURE OF STATE AGENCY OFFICIAL

Drew L. Snyder

13. TITLE
Executive Director

14. DATE SUBMITTED
MAY 20 2024

15. RETURN TO

Drew L. Snyder
Miss. Division of Medicaid
Attn: Robin Bradshaw
550 High Street, Suite 1000
Jackson, MS 39201-1399

FOR CMS USE ONLY

16. DATE RECEIVED
May 20, 2024

17. DATE APPROVED
November 19, 2024

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL
April 1, 2024

19. SIGNATURE OF APPROVING OFFICIAL

20. TYPED NAME OF APPROVING OFFICIAL
Todd McMillion

21. TITLE OF APPROVING OFFICIAL
Director, Division of Reimbursement Review

22. REMARKS

Pen and ink approved by the state and processed by CMS on 179 form, box 6 to reflect the following changes:

For FFY2024, the total is -\$692,832

For FFY2025, the total is -\$2,771,327

State of Mississippi

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

Supplemental Payments for Physician at Qualifying Hospitals

Effective for dates of payment on or after April 1, 2024, the Division of Medicaid will make supplemental payments for physicians 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 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 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

State of Mississippi

**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 159.28% 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.