

September 22, 2015

Dear Hospital Executives:

The Mississippi Division of Medicaid (DOM) has been working diligently to implement the changes in our programs required by Senate Bill (SB) 2588, which was passed during the 2015 legislative session and signed into law by the governor on April 22, 2015. As a courtesy to members of the hospital industry, this is the first in a series of communications designed to keep you informed of our progress as we implement the required changes that may impact your operations.

SB 2588 contains a provision to include inpatient hospital services in the MississippiCAN managed care program. Our target date to implement this change is Dec. 1, 2015. In order to meet this deadline it is necessary to amend our state plan. This process is currently underway. In accordance with federal law this change was submitted for public comment on July 7, 2015, finalized by DOM and sent for approval by Governor Bryant on Sept. 16, 2015.

The inclusion of inpatient hospital services into managed care will necessitate a modification of the DOM upper payment limit (UPL) program. Because federal rules do not allow UPL payments in Medicaid managed care, the current UPL program is being replaced with the Mississippi Hospital Access Program (MHAP). The MHAP will protect Mississippi Medicaid beneficiaries' access to hospital care by providing access payments to hospital inpatient reimbursement programs.

Under MHAP, a per-member per-month add-on payment will be paid by DOM to the Coordinated Care Organizations (CCOs) participating in MississippiCAN. The CCOs will transfer the entire MHAP amount to a third party entity (being developed by the Mississippi Hospital Association) for distribution to hospitals previously participating in the UPL program. It is DOM's intent that the MHAP program will function to ensure access to hospital services for Mississippi Medicaid beneficiaries as provided in Mississippi Code Sections 43-13-117 and 43-13-145.



It is our desire to provide hospitals with as much information as possible prior to the changes taking place on Dec. 1, 2015. The agency is developing webinar training sessions to cover the topic areas discussed in this letter, as well as other areas of interest, such as MississippiCAN prior authorization and claims submission processes, in more detail. These trainings are tentatively scheduled for the weeks of October 19 and 26, 2015.

DOM appreciates the cooperation and collaboration of the hospital industry and the CCO's during this time of transition. By undertaking these changes together, we can ensure that the hospital industry continues to receive adequate reimbursement while providing Mississippi Medicaid beneficiaries high-quality inpatient hospital services. If you have any questions or to request additional information, please contact DOM at inpatient@medicaid.ms.gov.

Sincerely,

David I. Dzielak, Ph.I. **Executive Director** 

