DEPARTMENT OF HEALTH & HUMAN SERVICES Centers for Medicare & Medicaid Services Atlanta Regional Office 61 Forsyth Street, Suite 4T20 Atlanta, Georgia 30303



DIVISION OF MEDICAID & CHILDREN'S HEALTH OPERATIONS

October 19, 2012

David J. Dzielak, Ph.D. Executive Director Division of Medicaid, Office of the Governor 550 High Street, Suite 1000 Jackson, Mississippi 39201

Re: Mississippi State Plan Amendment (SPA), Transmittal # MS 12-009

Dear Dr. Dzielak:

We have reviewed Mississippi State Plan Amendment (SPA) 12-009, which was submitted to the Atlanta Regional Office on July 24, 2012. This SPA was submitted to implement a Hospital Outpatient Ambulatory Payment Classification (APC) payment methodology, replacing the current cost-to-charge ratio (CCR) method, and clarify the six (6) emergency room visits per fiscal year are for non-emergent visits.

The state removed the 6 visit coverage limit on emergency room services and is not imposing any coverage limits on non-emergent use of outpatient hospital services.

The corresponding financial page review resulted in an approval of MS converting from the cost to charge ratio method to the ambulatory payment classification system which reimburses at 90% of the current year Medicare published rate. This methodology will also allow higher payments for more difficult cases.

Based on the information provided, we are now ready to approve Mississippi SPA 12-009 as of October 19, 2012. The effective date is September 1, 2012. The signed CMS-179 and the approved plan pages are enclosed. If you have any questions regarding this amendment, please contact Carolyn Brown at (404) 565-7421.

Sincerely,

Jackie Glaze
Associate Regional Administrator
Division of Medicaid & Children's Health Operations

Enclosures