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**State/Territory Name: Mississippi**

**State Plan Amendment (SPA) #:18-0013**

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form
- 3) Approved SPA Pages

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 31, 2018

Drew L. Snyder, Executive Director  
Office of the Governor, Division of Medicaid  
Walter Sillers Building  
550 High Street, Suite 1000  
Jackson, Mississippi 39201

Attention: Margaret Wilson

Re: Mississippi State Plan Amendment, Transmittal # 18-0013

Dear Mr. Snyder:

We have reviewed the proposed amendment to the Mississippi State Plan, submitted under transmittal number MS 18-0013. This amendment allows the Division of Medicaid to allow RHC's to receive reimbursement outside of the encounter rate for the administration of physician administered drugs that are reimbursed through the pharmacy benefit, effective July 1, 2018.

Based on the information provided, this amendment is approved on October 30, 2018. The effective date is July 1, 2018. We are enclosing the approved form HCFA 179 and plan page. If you have any questions, please contact Sheila Brady at 601-212-4659 or by email at [sheila.brady@cms.hhs.gov](mailto:sheila.brady@cms.hhs.gov).

Sincerely,

//s//

Shantrina D. Roberts, MSN  
Associate Regional Administrator  
Division of Medicaid & Children's Health Operations

Enclosures

|  |  |   |                       |
|--|--|---|-----------------------|
| <b>TRANSMITTAL AND NOTICE OF APPROVAL OF<br/>STATE PLAN MATERIAL</b>   |  | 1. TRANSMITTAL NUMBER:<br><b>18-0013</b>  | 2. STATE<br><b>MS</b> |
| <b>FOR: CENTERS FOR MEDICARE AND MEDICAID SERVICES</b>   |  | 3. PROGRAM IDENTIFICATION:<br><b>TITLE XIX OF THE SOCIAL SECURITY ACT<br/>(MEDICAID)</b>  |                       |
| <b>TO: REGIONAL ADMINISTRATOR<br/>CENTERS FOR MEDICARE AND MEDICAID SERVICES<br/>DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>   |  | 4. PROPOSED EFFECTIVE DATE<br><b>July 1, 2018</b>   |                       |
| 5. TYPE OF PLAN MATERIAL ( <i>Check One</i> ):   |  |   |                       |
| <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT  |  |   |                       |
| COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT ( <i>Separate Transmittal for each amendment</i> )   |  |   |                       |
| 6. FEDERAL STATUTE/REGULATION CITATION:<br><br>42 C.F.R. §§ 447.518, 447.520   |  | 7. FEDERAL BUDGET IMPACT:<br>FFY 2019: (\$35,052)<br>FFY 2020: (\$140,210)  |                       |
| 8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:<br><br>Attachment 4.19-B, Page 2b.2-2b.4   |  | 9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT ( <i>If Applicable</i> ):<br><br>Attachment 4.19-B, Page 2b.2-2b.4                                  |                       |
| 10. SUBJECT OF AMENDMENT:<br>State Plan Amendment (SPA) 18-0013 Rural Health Clinic (RHC) Physician Administered Drugs (PADs) is being submitted to allow the Division of Medicaid to allow RHC's to receive reimbursement outside of the encounter rate for the administration, insertion and removal of physician administered drugs that are reimbursed through the pharmacy benefit, effective July 1, 2018. |  |   |                       |
| 11. GOVERNOR'S REVIEW ( <i>Check One</i> ):  |  |   |                       |
| <input checked="" type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> OTHER, AS SPECIFIED:<br><input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED<br><input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL   |  |   |                       |
| 12. SIGNATURE OF STATE AGENCY OFFICIAL:<br><br>/s/   |  | 16. RETURN TO:<br><br><b>Drew L. Snyder<br/>Miss. Division of Medicaid<br/>Attn: Margaret Wilson<br/>550 High Street, Suite 1000<br/>Jackson, MS 39201-1399</b> |                       |
| 13. TYPED NAME: <b>Drew L. Snyder</b>  |  |   |                       |
| 14. TITLE: <b>Executive Director</b>   |  |   |                       |
| 15. DATE SUBMITTED: 08/22/2018   |  |   |                       |
| <b>FOR REGIONAL OFFICE USE ONLY</b>  |  |   |                       |
| 17. DATE RECEIVED:<br>08/22/18   |  | 18. DATE APPROVED: 10/30/18   |                       |
| PLAN APPROVED – ONE COPY ATTACHED  |  |   |                       |
| 19. EFFECTIVE DATE OF APPROVED MATERIAL:<br>07/01/18   |  | 20. SIGNATURE OF REGIONAL OFFICIAL:<br>//s//  |                       |
| 21. TYPED NAME:<br>Shantrina D. Roberts  |  | 22. TITLE: Associate Regional Administrator<br>Division of Medicaid & Children's Health Operations  |                       |
| 23. REMARKS: Approved with the following changes to blocks 8 and 9 as authorized by state agency on email dated 10/31/18.<br><br>Block number 8 changed to read: Attachment 4.19-B page 2b.3.<br><br>Block number 9 changed to read: Attachment 4.19-B page 2b.3.  |  |   |                       |

**State of Mississippi**

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

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An RHC must submit a request for an adjustment to its PPS rate no later than one hundred eighty (180) days after the settlement date of the RHC's Medicare final settlement cost report for the RHC's first full fiscal year of operation with the change in scope of services. The request must include the first final settlement cost report that includes twelve (12) months of costs for the new service. The adjustment will be granted only if the cost related to the change in scope of services results in at least a five percent (5%) increase or decrease in the RHC's PPS rate for the calendar year in which the change in scope of services took place. The cost related to a change in scope of services will be subject to reasonable cost criteria identified in accordance with 45 C.F.R. Part 75 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards and 42 C.F.R. Part 413 Principles of Reasonable Cost Reimbursement.

It is the responsibility of the RHC to notify the Division of Medicaid of any change in the scope of services and provide proper and valid documentation to support the rate change. Such required documentation must include, at a minimum, a detailed working trial balance demonstrating the increase or decrease in the RHC's PPS rate as a result of the change in scope of services. The Division of Medicaid will require the RHC to provide such documentation in a format acceptable to the Division of Medicaid, including providing such documentation upon the Division of Medicaid's pre-approved forms. The Division of Medicaid will also request additional information as it sees fit in order to sufficiently determine whether any change in scope of services has occurred. The instructions and forms for submitting a request due to a change in scope of services can be found at <http://www.medicaid.ms.gov/resources/forms/>.

Adjustments to the PPS rate for the increase or decrease in scope of services are reflected in the PPS rate for services provided in the calendar year following the calendar year in which the change in scope of services took place. The revised PPS rate generally cannot exceed the cost per visit from the most recent audited cost report.

**G. Change in Ownership Status**

The RHC's PPS rate will not be adjusted solely for a change in ownership status between freestanding and provider-based.

**H. Allowable Costs**

Allowable costs are those costs that result from providing covered services. They are reasonable in amount and are necessary for the efficient delivery of those services. Allowable costs include the direct cost center component (i.e., salaries and supplies) of providing the covered services and an allocated portion of overhead (i.e., administration and facility).

**I. Out of State Providers**

The Division of Medicaid does not enroll out-of-state providers to provide RHC services.