

Mississippi Secretary of State
 700 North Street P. O. Box 136, Jackson, MS 39205-0136

ADMINISTRATIVE PROCEDURES NOTICE FILING

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|---|---------------------------|---|------------------------------------|--------------|
| AGENCY NAME Mississippi Division of Medicaid | | CONTACT PERSON Kristi Plotner | TELEPHONE NUMBER (601) 359-6698 | |
| ADDRESS 550 High Street, Suite 1000 | | CITY Jackson | STATE MS | ZIP 39201 |
| EMAIL Kristi.Plotner@medicaid.ms.gov | SUBMIT DATE 09/04/2012 | Name or number of rule(s): Administrative Code Title 23: Division of Medicaid Part 203 Physician Services, Chapter 9 Rule 9.5 | | |

Short explanation of rule/amendment/repeal and reason(s) for proposing rule/amendment/repeal: The MS Division of Medicaid's Administrative Code filing is to modify Title 23, Part 203 Chapter 9 Rule 9.5 to reflect the removal of the 30-day physician visit limit. The 2012 Legislative Session authorized the removal of the 30-day hospital inpatient service limit due to the implementation of the Inpatient Hospital All Patient Refined Diagnosis Related Group (APR-DRG) payment methodology. The 30-day physician visit limit is also being discontinued.

Specific legal authority authorizing the promulgation of rule: MS Code §43-13-117(A)(1)(d)

List all rules repealed, amended, or suspended by the proposed rule: MS Code §43-13-117(A)(1)

ORAL PROCEEDING:

An oral proceeding is scheduled for this rule on Date: 08/27/2012 Time: 1:00 p.m. Place: War Memorial

Presently, an oral proceeding is not scheduled on this rule.

If an oral proceeding is not scheduled, an oral proceeding must be held if a written request for an oral proceeding is submitted by a political subdivision, an agency or ten (10) or more persons. The written request should be submitted to the agency contact person at the above address within twenty (20) days after the filing of this notice of proposed rule adoption and should include the name, address, email address, and telephone number of the person(s) making the request; and, if you are an agent or attorney, the name, address, email address, and telephone number of the party or parties you represent. At any time within the twenty-five (25) day public comment period, written submissions including arguments, data, and views on the proposed rule/amendment/repeal may be submitted to the filing agency.

ECONOMIC IMPACT STATEMENT:

Economic impact statement not required for this rule. Concise summary of economic impact statement attached.

TEMPORARY RULES

PROPOSED ACTION ON RULES

FINAL ACTION ON RULES

Original filing
 Renewal of effectiveness
 To be in effect in _____ days
 Effective date:
 Immediately upon filing
 Other (specify): _____

Action proposed:
 New rule(s)
 Amendment to existing rule(s)
 Repeal of existing rule(s)
 Adoption by reference
 Proposed final effective date:
 30 days after filing
 Other (specify): _____

Date Proposed Rule Filed: 08/06/2012
 Action taken:
 Adopted with no changes in text
 Adopted with changes
 Adopted by reference
 Withdrawn
 Repeal adopted as proposed
 Effective date:
 30 days after filing
 Other (specify): _____

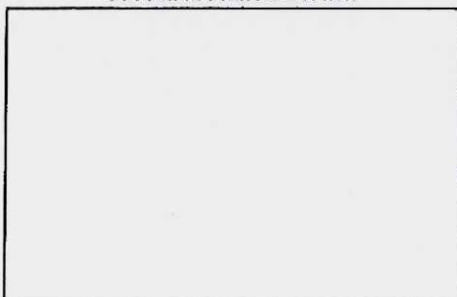
Printed name and Title of person authorized to file rules: David J. Dzielak Ph.D., Executive Director

Signature of person authorized to file rules: *David J. Dzielak*

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Accepted for filing by



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Accepted for filing by CB 19100E

The entire text of the Proposed Rule including the text of any rule being amended or changed is attached.



DELBERT HOSEMANN
Secretary of State

CONCISE SUMMARY OF ECONOMIC IMPACT STATEMENT

An Economic Impact Statement is required for this proposed rule by Section 25-43-3.105 of the Administrative Procedures Act. This is a Concise Summary of the Economic Impact Statement which must be filed with the Secretary of State's Office.

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|---|---|-------------|----------------------------------|
| AGENCY NAME MS Division of Medicaid | CONTACT PERSON Kristi Plotner | | TELEPHONE NUMBER 601-359-6698 |
| ADDRESS 550 High Street, Suite 1000 | CITY Jackson | STATE MS | ZIP 39201 |
| EMAIL Kristi.Plotner@medicaid.ms.gov | DESCRIPTIVE TITLE OF PROPOSED RULE Administrative Code Title 23: Division of Medicaid Part 203 Physician Services, Chapter 9 Rule 9.5 | | |
| Specific Legal Authority Authorizing the promulgation of Rule: 43-13-117(A)(1)(d) | Reference to Rules repealed, amended or suspended by the Proposed Rule: 43-13-117(A)(1) | | |

A. Estimated Costs and Benefits

- Briefly summarize the benefits that may result from this regulation and who will benefit:

The Division of Medicaid proposes a change in hospital inpatient reimbursement from a per diem rate to an All Patient Refined Diagnostic Related Group (APR-DRG) methodology. Under the new method hospitals will be paid per inpatient stay based on APR-DRGs with every inpatient stay assigned to a single DRG that reflects the difficulty of the case. The 30 day hospital inpatient service limit will be discontinued, which requires that the 30-visit physician limit also be discontinued. This change will improve access to care.

- Briefly describe the need for the proposed rule:

House Bill 421 passed in the 2012 Legislative Session authorized the Division of Medicaid to implement an APR-DRG hospital inpatient payment methodology. As noted in number one (1) above the change will allow discontinuation of the 30-day hospital inpatient day service limit and the 30-visit physician limit, thereby improving access to care.

- Briefly describe the effect the proposed action will have on the public health, safety, and welfare:

Improved quality of health care delivery and access to care.

- Estimated Cost of implementing proposed action:

- To the agency
 Nothing Minimal Moderate Substantial Excessive
- To other state or local government entities

Nothing Minimal Moderate Substantial Excessive

5. Estimated Cost and/or economic benefit to all persons directly affected by the proposed rule:

a. Cost:

Nothing Minimal Moderate Substantial Excessive

b. Economic Benefit:

Nothing Minimal Moderate Substantial Excessive

6. Estimated impact on small businesses:

Nothing Minimal Moderate Substantial Excessive

a. Estimate of the number of small businesses subject to the proposed regulation:

b. Projected costs for small businesses to comply:

c. Statement of probable effect on impacted small businesses:

7. The cost of adopting the rule compared to not adopting the rule or significantly amending the existing rule (check option):

substantially less than moderately less than minimally less than

the same as minimally more than moderately more than

substantially more than excessively more than

8. The benefit of adopting the rule compared to not adopting the rule or significantly amending the existing rule (check option):

substantially less than moderately less than minimally less than

the same as minimally more than moderately more than

substantially more than excessively more than

B. Reasonable Alternative Methods

1. Other than adopting this rule, are there less costly or less intrusive methods for achieving the purpose of the proposed rule?

yes no

2. If yes, please briefly describe available, reasonable alternative(s) and the reasons for rejecting those alternatives in favor of the proposed rule. (Please see §25-43-4.104 for factors you must consider.)

N/A

C. Data and Methodology

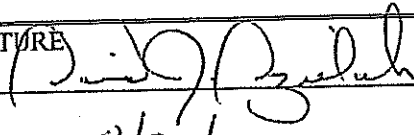
1. Please briefly describe the data and methodology you used in making the estimates required by this form.

A Division of Medicaid report was run to determine the estimated amount that would have been paid in FY 11 and FY 12, if physician claims that posted edit 3715-physician inpatient service limit exceeded, had actually paid due to the removal of the 30-visit physician limit.

D. Public Notice

1. Where, when, and how may someone present their views on the proposed rule and demand an oral proceeding on the proposed rule if one is not already provided?

Written comments were to be received by the Division of Medicaid, Office of the Governor, Walter Sillers Building, Suite 1000, 550 High Street, Jackson, MS 39201, thirty (30) days from the date of publication of public notice. All comments will be available for public review at the above address. A public hearing was held on this amendment on Monday, August 27, 2012, at the War Memorial, 1:00p.m.

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|-----------|---|---------------------------------|--------------------|
| SIGNATURE |  | TITLE | Executive Director |
| DATE | 8/29/12 | PROPOSED EFFECTIVE DATE OF RULE | October 1, 2012 |