



Office of the Governor  
Division of Medicaid

Dr. Robert L. Robinson  
Executive Director

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*Mississippi Medicaid*  
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### **Judge Dismisses Medicaid Lawsuit**

*Mississippi taxpayers received a break from the Hinds County Chancery Court*

JACKSON, MS.- (April 15, 2010) – Mississippi taxpayers received a break from the Hinds County Chancery Court when the Court denied a lawsuit filed by Mississippi pharmacists and nursing homes.

Medicaid Executive Director Robert L. Robinson stated, “We are pleased with the Court’s decision and again ask that our providers continue to work with us during these difficult times. We appreciate the thousands of providers who are working with us through these cuts. Mississippi is in the middle of the worst financial crisis since the Great Depression. The Legislature has told the Governor and the Division of Medicaid to reduce expenditures to providers when there is a deficit. We are following the law and most of our providers understand that. Everyone has had to tighten their belts during these times – pharmacists and nursing homes are no different than the rest of us. Mississippi taxpayers footed the bill as Medicaid provider payments soared during the last ten years. Now that tax collections are temporarily down and the Medicaid budget is projecting a three month deficit, it is disheartening that some providers would rather sue us for more taxpayer money than work with us as we try to make ends meet for these last three months.”

The Division of Medicaid has taken an administrative cut of nearly 7.5% and other state agencies have been cut even more. The payment reductions applicable for the next three months represent an annual impact of approximately 2% for nursing homes and approximately 4% for pharmacies. Even considering the temporary rate reduction, Mississippi nursing homes are paid an average rate that is much higher than most other states. On average, less than 14% of all pharmacy claims are paid by Medicaid and a national publication cites Medicaid as the most profitable third party payer for independent pharmacies.

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