## OFFICE OF GOVERNOR RONNIE MUSGROVE INTEROFFICE MEMORANDUM

| TO:      | GOVERNOR  |
|----------|---|
| FROM:    | BOYD  |
| SUBJECT: | MEDICAID: UPPER PAYMENT LIMIT – MS HOSPITAL ASSN. |
| DATE:    | 1/8/2001  |
| CC:      | SHEARER, SIMMONS                                  |
|          |   |

As a follow-up to the MHA Meeting with Sam Cameron and Brent Alexander, they have provided a copy of their notes for tomorrow's meeting. HCFA amended rules pertaining to the Upper Payment Limit for Medicaid reimbursements. MHA has provided a "draft" copy of the proposed legislation that would "require" Medicaid to pay the highest reimbursement rate available under the revised rules. According to Alexander, this would provide the highest reimbursement rates to small rural hospitals (as well as larger, regional hospitals). Further, Alexander claims that this can be done without any additional cost to the general fund.