



## Brief History 1970 through 2003

# OVERVIEW

- Medicaid is a program of medical assistance administered through a federal/state partnership under Title XIX of the Social Security Act. Medicaid was added to the Social Security Act of 1935 in 1965 by Congress. Mississippi began participation in the Medicaid program on January 1, 1970. Originally, the Mississippi Medicaid Program was administered by the Mississippi Medicaid Commission which was established by the Legislature during a 1969 Extra-ordinary session.

# OVERVIEW

- The program began with nine employees of the Medicaid agency, paid for 12 kinds of medical services, and covered about 200,000 Mississippians. During the first 6 months of the program, Medicaid expenditures totaled \$8.2 million dollars. The federal match for the Mississippi Medicaid program was 83%, the highest in the nation.

# OVERVIEW

- In 1984, the Legislature moved the administration of the Medicaid program from the Medicaid Commission to a state agency within the Governor's Office. At that time, it became the Division of Medicaid, Office of the Governor, State of Mississippi.

# OVERVIEW

- The Division's enabling statutes authorize it to enter into an agreement with the federal Centers for Medicare and Medicaid Services (CMS) in order to draw down federal Medicaid funds. This agreement is embodied in the Mississippi State Plan. This State Plan includes the eligibility and service categories that CMS has approved for Mississippi.

# OVERVIEW

- This approval is required before federal funds can be drawn. The State Plan also includes Mississippi's assurances to the federal government that the State will comply with all requirements of the Medicaid program; their assurances are necessary in order to draw down the federal funds.



# OVERVIEW

Thus, when categories of eligibles and services are authorized by the Legislature, federal approval must also be obtained in order for the Division to draw the federal funds to pay for the services and to pay for the administration of the program.



# 1990 MEDICAID LAW CHANGES THAT EXPANDED ELIGIBILITY AND SERVICES

## ☛ Eligibility

- ☛ Adds disabled workers eligible under Medicare Part A for buy-in (OBRA 89)

## ☛ Services

- ☛ Expands EPSDT services (OBRA 89); state-owned NFs reimbursed @ full cost; adds medical supplies, ambulatory services, nurse practitioner; birthing centers; inpatient psyche; adds pilot managed care program; adds pilot hospice program.

# 1991 MEDICAID LAW CHANGES THAT EXPANDED ELIGIBILITY AND SERVICES

## ☞ Eligibility

- ☞ Adds Medicare Part B cost sharing (OBRA 90)

## ☞ Services

- ☞ Adds unlimited days in DSH hospitals for infants under 6; expands NF reimbursement to include capital expenditures; expands hospice statewide; authorizes reimbursement for group health insurance premiums & cost sharing; adjusts reimbursement for clinics and outpatient hospital; authorizes per diem & professional fee increases by 5%

# 1992 MEDICAID LAW CHANGES THAT EXPANDED ELIGIBILITY AND SERVICES

## ☛ Services

- ☛ Adds MRDD waiver services

# 1993 MEDICAID LAW CHANGES THAT EXPANDED ELIGIBILITY AND SERVICES

## Services

- Authorizes case-mix for NF reimbursement; physician reimbursement goes to 70% of Medicare; emergency transportation reimbursement goes to 70% of Medicare;

# 1994 MEDICAID LAW CHANGES THAT EXPANDED ELIGIBILITY AND SERVICES

## Eligibility

- Adds hospice eligibles to institutional category; adds persons eligible under HCBS waiver for physically disabled; allows children whose parents lose AFDC to remain Medicaid eligible for 12 months.

# 1994 MEDICAID LAW CHANGES THAT EXPANDED ELIGIBILITY AND SERVICES

## Services

- Removes occupancy rate penalty from hospital reimbursement; increases fees for EPSDT by 25%; adds early intervention program services; adds HCBS program for physically disabled; adds personal care services pilot program waiver; adds coverage for children in care & custody of DHS.

# 1995 MEDICAID LAW CHANGES THAT EXPANDED ELIGIBILITY AND SERVICES

## Services

- Adds donated dental program; increases HCBS elderly and disabled waiver program to 16 service areas; adds therapeutic & case management services provided in facilities other than DMH facilities; adds NET services thru DHS contract; increases chiropractic reimbursement to 70% Medicare up to \$300 per beneficiary.

# 1996 MEDICAID LAW CHANGES THAT EXPANDED ELIGIBILITY AND SERVICES

## Services

- Revises case-mix rates for NFs; revises home health rates; authorizes disease management program as pharmacy service including payment at twice the amount of pharmacy dispensing fee; adds Christian Science Sanatoria services; adds podiatry services; requires DOM to do NET services.

# 1997 MEDICAID LAW CHANGES THAT EXPANDED ELIGIBILITY AND SERVICES

## ☛ Services

- ☛ Expands HCBS elderly and disabled from pilot to state-wide program and requires DOM to put up the state match (formerly required of DHS).

# 1998 MEDICAID LAW CHANGES THAT EXPANDED ELIGIBILITY AND SERVICES

## ☛ Eligibility

- ☛ Creates CHIP I

## ☛ Services

- ☛ Increases reimbursement for chiropractic services from \$300 per year per beneficiary to \$700 per year per beneficiary; creates CHIP I

# 1999 MEDICAID LAW CHANGES THAT EXPANDED ELIGIBILITY AND SERVICES

## ☛ Eligibility

- ☛ Creates CHIP II

## ☛ Services

- ☛ Waiver for assisted living

# 2000 MEDICAID LAW CHANGES THAT EXPANDED ELIGIBILITY AND SERVICES

## ☛ Eligibility

- ☛ Working Disabled to 250% of FPL
- ☛ Family Planning to women to 185% FPL
- ☛ Authorized Buy-in coverage for workers with potentially severe disabilities
- ☛ CHIP - reduce eligibility waiting period
- ☛ PLADS to 135% FPL

# 2000 MEDICAID LAW CHANGES THAT EXPANDED ELIGIBILITY AND SERVICES

## ☛ Services

- ☛ Extends Rx limit from 5 to 10, with PA
- ☛ Increases physician reimbursement by 35%, \$40M est.
- ☛ Increases Dentist reimbursement 60%
- ☛ Increase NH leave days
- ☛ Expands HCBS services
- ☛ 1 pair eyeglasses for adults every three years.

# 2001 MEDICAID LAW CHANGES THAT EXPANDED ELIGIBILITY AND SERVICES

## ☛ Eligibility

- ☛ Presumptive Eligibility for children under age 19 for Medicaid and CHIP
- ☛ New group; Individuals who would be eligible for services treatment in a nursing home but who live in a non-institutional setting, whose income does not exceed the amount prescribed by federal regulation for nursing home care, and who regularly expend more than 50% of their monthly income on prescription drugs and over-the-counter drugs

# 2001 MEDICAID LAW CHANGES THAT EXPANDED ELIGIBILITY AND SERVICES

## ☞ Services

- ☞ Extends dental benefits for CHIP consumers
- ☞ Remove Prior Approval for 10 Rx's per month
- ☞ New Provider type; Physician Assistant Services
- ☞ New Provider type; Nursing facility for the severely disabled
- ☞ UPL Payments to Hospitals
- ☞ Breast and Cervical Cancer

# PLEASE NOTE:

Certificates of Need (CONs) for Nursing Facility beds and facilities (NFs) eligible for Medicaid reimbursement were added every year.

## 2002 MEDICAID LAW CHANGES FOR COST CONTAINMENT

- ☛ Reduced the number of prescriptions per month per recipient from 10 to 7 with prior approval after 5
- ☛ Required the division to reimburse only for prescriptions that are 34 day supplies based on the daily dosage
- ☛ Reduced the dispensing fee from \$4.91 to \$3.91 for each new or refill prescription
- ☛ Mandated generic drugs if equally effective and the least expensive
- ☛ Required that Medicare be billed first for dually eligibles

## 2002 MEDICAID LAW CHANGES FOR COST CONTAINMENT

- Required that drugs in tamper resistant packaging that are prescribed for residents in a nursing home but are not dispensed to the resident shall be returned to the pharmacy and not billed to the division
- Reduced eyeglasses benefit to one pair every 5 years
- Terminated the HealthMACS program

# 2003 MEDICAID LAW CHANGES FOR COST CONTAINMENT

- Presumptive Eligibility eliminated
- Eliminated individuals who would be eligible for services in a nursing home but who live in a non-institutional setting, whose income does not exceed the amount prescribed by federal regulation for nursing home care, and who regularly expend more than 50% of their monthly income on prescription drugs and over-the-counter drugs.
- Population Health Management reduced to pregnant women and children under 1