



**NOTICE OF TERMINATION  
WITHDRAWAL OF PROPOSED RULE**

**STATE OF MISSISSIPPI  
OFFICE OF THE GOVERNOR  
DIVISION OF MEDICAID**

Miss. Division of Medicaid  
c/o Ginnie McCardle, Staff Officer  
Walter Sillers Building  
550 High St.  
Suite 1000  
Jackson, MS 39201  
(601) 359-6310  
<http://www.dom.state.ms.us>

**Date Rule Proposed:** July 11, 2008

**Name of proposed rule being terminated:**

SPA2008-021 Reimbursement to Private Duty Nursing Providers

**Explanation of the purpose of the proposed rule and the reason(s) for proposing the rule:**

Pursuant to Miss Code Ann. § 43-13-117 (1972 as amended), if current or projected expenditures of the Division are reasonably anticipated to exceed the amount of funds appropriated to the Division for any fiscal year, the Governor shall discontinue any or all of the payment of the types of care and services provided under this section that are deemed to be optional services and when necessary, shall institute any other cost containment measures on any program or programs authorized under the article to the extent allowed under the federal laws governing that program. Therefore, this State Plan Amendment reflects necessary cost containment measures to assure Medicaid operates within expected revenues as described. This State Plan Amendment will affect Private Duty Nursing Providers.

**Reason(s) for terminating the proposed rule:**

After additional deliberations, the agency has determined that the proposed rule should be withdrawn in consideration of other options.

**Date Proposed Rule Terminated:** July 31, 2008

Executive Director

Signature and Title of Person Submitting Rule for Filing

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

---

Private Duty Nursing Services for EPSDT recipients, if medically necessary, are reimbursed on a fee for service basis.

The Division of Medicaid, as required by state law, shall reduce the rate of reimbursement to providers for any service by ten percent (10%) of the allowed amount for that service.

## Notice of Proposed Rule Adoption

### State of Mississippi Office of the Governor Division of Medicaid

#### Economic Impact Statement For Private Duty Nursing Providers

The Executive Director of Medicaid is required by law to recommend expenditure containments when expenditures are expected to exceed funds available for any fiscal year. Medicaid is facing a \$90,000,000 shortfall in state revenues for FY2009; therefore, certain cost containment measures have been identified as necessary to balance Medicaid's budget. These measures include reducing certain non-institutional providers an additional 5% reduction in reimbursement in addition to the 5% reduction as outlined in Miss. Code Ann. § 43-13-117 (1972 as amended).

It is estimated that it will cost the Division of Medicaid approximately \$5,000 to enforce the increased reduction in payments to providers. This includes system changes and staff time.

An estimate of the total economic impact for private duty nursing providers, including small business providers, is noted in the chart below. The total economic impact for providers in State FY 2009 is equal to the sum of federal and state savings noted in the chart below. The Division of Medicaid estimated the impact utilizing the actual and estimated expenditures for the same services for FY2008.

<b>FFY2008 Federal Savings</b>	<b>FFY2008 State Share Savings</b>	<b>FFY2009 Federal Savings</b>	<b>FFY2009 State Share Savings</b>
\$ 7,271.06	\$ 2,259.76	\$ 43,369.03	\$ 13,815.87

The Division of Medicaid is facing a \$90,000,000 shortfall in state revenues for FY2009. If this cost containment measure is not enacted, there will not be sufficient revenues to reimburse providers for the entire year.

State law limits cost containment measures that may be taken and precludes the Governor from changing eligibility or benefits; therefore, the only option is to reduce expenditures is to reduce payment.