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: August 5, 2008

Name of proposed rule being terminated:
SPA2008-058 Reimbursement to Podiatry 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 tot he 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 Podiatry Providers.

Reason(s) for terminating the proposed rule:
The Division of Medicaid is no longer predicting a deficit for SFY2009.

Date Proposed Rule Terminated: September 8, 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

Podiatry services are reimbursed from the same fee schedule as physician's services.

Podiatrists' services for EPSDT recipients, if medically necessary, include those services that would be covered as physicians' services when performed by a doctor of medicine for osteopathy and are reimbursed as physicians' services, Attachment 4.19-B, Page 5.

The Division of Medicaid, as required by State law, shall reduce the rate of reimbursement to providers for any service by 5% of the allowed amount for that service. The Division of Medicaid shall reduce the rate of reimbursement to providers for any service by an additional .74% of the allowed amount for that service for a total reduction in the rate of reimbursement of 5.74%.

Notice of Proposed Rule Adoption

State of Mississippi
Office of the Governor
Division of Medicaid

Economic Impact Statement
For
Podiatry 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 .74% 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 podiatry 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.

FFY2008 Federal Savings	FFY2008 State Share Savings	FFY2009 Federal Savings	FFY2009 State Share Savings
$ 1,253	$ 389	$ 11,210	$ 3,571

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 best option to minimize overall Medicaid reimbursement levels and achieve these state savings is to restructure payments in this manner. An oral proceeding on this proposed rule is scheduled as described on the cover sheet (Notice of Proposed Rule Adoption) provided herewith. Persons may also submit written comments as described on the cover sheet (Notice of Proposed Rule Adoption) provided herewith.

A full copy of the Economic Impact Statement may be obtained from the Division of Medicaid's web site at www.dom.state.ms.us.