



Mississippi Rural Health Priorities – Congressional Action Overview

1. Protect Mississippi Hospitals and FQHCs Through 340B Program Stability

- The 340B program is essential to the financial stability of hospitals across Mississippi, particularly rural facilities and FQHCs that rely on savings to maintain core services.
- CMS should discontinue the proposed pilot program and strengthen eligibility by allowing automatic qualification for Rural Referral Centers, Sole Community Hospitals, and Rural Emergency Hospitals.
- Lower the DSH threshold for non-expansion states from 11.75% to 10% to address inequities.

Ask: Oppose the CMS pilot and support stronger 340B protections.

2. Make DGME Expansion Flexibility Permanent

- Authority under Section 131 of the CAA expired in December 2025, limiting hospitals' ability to expand residency programs.
- Permanent extension would enable rural hospitals to develop physician training programs and address Mississippi's workforce shortages.

Ask: Support permanent extension of DGME expansion authority.

3. Provide Long-Term Stability for MDH and LVA Payments

- Over 700 rural hospitals nationwide rely on MDH and LVA payments.
- Annual CR-based renewals create financial instability; thresholds should remain at current levels rather than revert to outdated statutory requirements.

Ask: Extend MDH and LVA for five years or permanently.

4. Improve the Medicare Wage Index for Rural Mississippi

- The 50-mile expansion improved reclassification options but inequities remain.
- Consider expanding the geographic area to 100 miles to reflect wage index migration

Ask: Remove the 50 mile and consider a 100 mile requirement to ensure fair wage index options.

5. Update REH Qualification Criteria and Align Medicaid Reimbursement with Medicare Standards

- The Federal rules prohibit Hospitals from qualifying if beds exceeded 50 as of December 27, 2020, which limits access to rural communities.
- Medicaid Programs do not use the same payment model as Medicare for REHs. This results in a lower reimbursement and will add financial strain to the facilities.

Ask: Revise the qualification date to reflect current bed counts, enabling more rural hospitals to qualify

Ask: Ensure Medicaid payment policies are aligned with Medicare Hospital outpatient payment methodology