

Center for Medicaid and CHIP Services (CMCS)

Mr. Stephen Fitton, Director
Medical Services Administration
Department of Community Health
400 South Pine
Lansing, MI 48933

DEC 20 2011

RE: Michigan State Plan Amendment (SPA) 11-06

Dear Mr. Fitton:

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid State plan submitted under transmittal number (TN) 11-06. Effective for services on or after July 1, 2011, this amendment revises the methodology for setting reimbursement rates for inpatient hospital services. Specifically, this amendment makes revisions to its methodology for calculating relative weights and provides an update to its DRG grouper.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30), 1903(a), and 1923 of the Social Security Act and the regulations at 42 CFR 447 Subpart C. We hereby inform you that Medicaid State plan amendment 11-06 is approved effective July 1, 2011. We are enclosing the HCFA-179 and the amended plan pages.

If you have any questions, please call Todd McMillion at (608) 441-5344.

Sincerely,



Cindy Mann,
Director (CMCS)

Enclosure