

## **Table of Contents**

**State/Territory Name: MI**

**State Plan Amendment (SPA) #: 16-0001**

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form (with 179-like data)
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
Chicago Regional Office  
233 N. Michigan  
Suite 600  
Chicago, Illinois 60601



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July 11, 2016

Chris Priest  
Medical Services Administration  
Michigan Department of Health and Human Services  
400 South Pine Street, P.O. Box 30479  
Lansing, Michigan 48909-7979

ATTN: Erin Black

Dear Mr. Priest:

Enclosed for your records is a revised version of the approved State Plan Amendment 16-0001. This approval package is being reissued to correct an error in the state plan page sent in the initial package. Please note that the approval date, July 5, 2016, remains the same.

- Transmittal #: 16-0001: Emergency Room Case Rate
- Effective Date: January 1, 2016

If you have any questions, please contact Keri Toback at (312) 353-1754 or [keri.toback@cms.hhs.gov](mailto:keri.toback@cms.hhs.gov).

Sincerely,

/s/

Ruth A. Hughes  
Associate Regional Administrator  
Division of Medicaid & Children's Health Operations

cc: Erin Black, MDHHS

**TRANSMITTAL AND NOTICE OF APPROVAL OF  
STATE PLAN MATERIAL  
FOR: HEALTH CARE FINANCING ADMINISTRATION**

|                                                                                                                               |                       |
|-------------------------------------------------------------------------------------------------------------------------------|-----------------------|
| 1. TRANSMITTAL NUMBER:<br>16 - 0001                                                                                           | 2. STATE:<br>Michigan |
| 3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)<br>TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID) |                       |
| 4. PROPOSED EFFECTIVE DATE<br>January 1, 2016                                                                                 |                       |

TO: REGIONAL ADMINISTRATOR  
HEALTH FINANCING ADMINISTRATION  
DEPARTMENT OF HUMAN SERVICES

5. TYPE OF PLAN MATERIAL (*Check One*):

NEW STATE PLAN       AMENDMENT TO BE CONSIDERED AS NEW PLAN       AMENDMENT

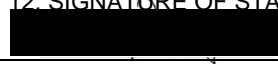
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (*Separate Transmittal for each amendment*)

|                                                                                    |                                                                                                   |
|------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------|
| 6. FEDERAL STATUTE/REGULATION CITATION:                                            | 7. FEDERAL BUDGET IMPACT:<br>a. FFY 2016 \$0<br>b. FFY 2017 \$0                                   |
| 8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:<br>Attachment 4.19-B, Page 1.b.6 | 9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT ( <i>If Applicable</i> ):<br>New Page |

10. SUBJECT OF AMENDMENT:  
Reflects language to further define the reimbursement methodology for evaluation and management services provided by attending physicians in the emergency department of a hospital.

11. GOVERNOR'S REVIEW (*Check One*):

GOVERNOR'S OFFICE REPORTED NO COMMENT       OTHER, AS SPECIFIED:  
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED      Chris Priest, Director  
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL      Medical Services Administration

12. SIGNATURE OF STATE AGENCY OFFICIAL:  


13. TYPED NAME:  
Chris Priest

14. TITLE:  
Director, Medical Services Administration

15. DATE SUBMITTED:  
January 5, 2016

16. RETURN TO:  
Medical Services Administration  
Actuarial Division - Federal Liaison  
Capitol Commons Center - 7<sup>th</sup> Floor  
400 South Pine  
Lansing, Michigan 48933

Attn: Erin Black

**FOR REGIONAL OFFICE USE ONLY**

|                                       |                                    |
|---------------------------------------|------------------------------------|
| 17. DATE RECEIVED:<br>January 5, 2016 | 18. DATE APPROVED:<br>July 5, 2016 |
|---------------------------------------|------------------------------------|

**PLAN APPROVED – ONE COPY ATTACHED**

|                                                             |                                                |
|-------------------------------------------------------------|------------------------------------------------|
| 19. EFFECTIVE DATE OF APPROVED MATERIAL:<br>January 1, 2016 | 20. SIGNATURE OF REGIONAL OFFICIAL:<br>/s/     |
| 21. TYPE NAME:<br>Ruth A. Hughes                            | 22. TITLE:<br>Associate Regional Administrator |

23. REMARKS:

**STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT**

State of MICHIGAN

***Policy and Methods for Establishing Payment Rates  
Other than Inpatient Hospital and Long-Term-Care Facilities***

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**PHYSICIAN SERVICES, EMERGENCY DEPARTMENT CASE RATE PAYMENTS**

ATTENDING PHYSICIAN EMERGENCY DEPARTMENT SERVICES

REIMBURSEMENT FOR EVALUATION AND MANAGEMENT (E/M) SERVICES PROVIDED BY AN ATTENDING PHYSICIAN IN THE EMERGENCY DEPARTMENT (ED) OF A HOSPITAL IS MADE IN ACCORDANCE WITH THE ED CASE RATE METHODOLOGY. THE ED CASE RATE IS A TWO-TIERED FEE SCREEN BASED ON WHETHER THE BENEFICIARY IS:

- TREATED AND RELEASED FROM THE ED; OR
- TREATED AND ADMITTED TO THE HOSPITAL OR TRANSFERRED TO ANOTHER HOSPITAL.

ED ATTENDING PHYSICIAN SERVICES SUBJECT TO THE CASE RATE PAYMENT METHODOLOGY ARE DEFINED AS HEALTHCARE COMMON PROCEDURE CODING SYSTEM (HCPCS) CODES:

- 99281 THROUGH 99285 FOR NEW OR ESTABLISHED PATIENT ED E/M SERVICES

PAYMENT METHODOLOGY

PAYMENTS UTILIZING THE CASE RATE METHODOLOGY ARE CALCULATED BY USING A BLEND OF THE CURRENT MEDICAID PAYMENT RATES FOR THE E/M HCPCS CODES 99281-99285 AND THE HISTORIC UTILIZATION FOR THESE CODES IN RELATION TO WHETHER A BENEFICIARY IS TREATED AND RELEASED OR TREATED AND ADMITTED TO THE HOSPITAL. THE RATES ASSOCIATED WITH THESE HCPCS CODES ARE UPDATED ANNUALLY USING THE RESOURCE BASED RELATIVE VALUE SCALE (RBRVS) CMS JANUARY RELEASE.

SERVICES EXCLUDED FROM THE CASE RATE PAYMENT METHODOLOGY

EXCLUDED FROM THE ED CASE RATE ARE THE SEPARATELY BILLABLE PHYSICIAN SERVICES AND THE SERVICES OF OTHER PHYSICIANS WHO PROVIDE E/M OR OTHER SERVICES IN THE ED. WHEN BILLING FOR THESE SERVICES HCPCS CODING CONVENTIONS AND MEDICAID PROGRAM GUIDELINES MUST BE FOLLOWED. THE STANDARD MEDICAID FEE SCREENS APPLY.

FEE SCHEDULES

EXCEPT AS OTHERWISE NOTED IN THE PLAN, STATE-DEVELOPED FEE SCHEDULE RATES ARE THE SAME FOR BOTH GOVERNMENTAL AND PRIVATE PROVIDERS. MICHIGAN MEDICAID'S FEE SCHEDULE RATES WERE SET AS OF JULY 1, 2009 AND ARE EFFECTIVE FOR SERVICES PROVIDED ON OR AFTER THAT DATE. MICHIGAN MEDICAID'S FEE SCHEDULE IS PUBLISHED ON THE MDHHS WEB SITE AT [WWW.MICHIGAN.GOV/MEDICAIDPROVIDERS>>BILLING](http://WWW.MICHIGAN.GOV/MEDICAIDPROVIDERS>>BILLING) AND REIMBURSEMENT>>PROVIDER SPECIFIC INFORMATION>>PHYSICIANS/PRACTITIONERS/MEDICAL CLINICS

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TN NO.: 16-0001

Approval Date: 7/5/16

Effective Date: 01/01/2016

Supersedes

TN No.: N/A – New Page