

## **Table of Contents**

**State/Territory Name: MI**

**State Plan Amendment (SPA) #: 16-0002**

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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March 30, 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 an approved copy of the following State Plan Amendment:

- Transmittal #: 16-0002: Maternal Infant Health
- Effective: January 1, 2016

If you have any questions, please contact Leslie Campbell at (312) 353-1557 or [Leslie.Campbell@cms.hhs.gov](mailto:Leslie.Campbell@cms.hhs.gov).

Sincerely,

/s/

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

Enclosures

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

1. TRANSMITTAL NUMBER: 16 - 0002	2. STATE: Michigan
3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID) TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
4. PROPOSED EFFECTIVE DATE 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: a. FFY 2016 \$0 b. FFY 2017 \$0
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:  Attachment 4.19-B, Page 5 Attachment 4.19-B, Page 5.2	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT ( <i>If Applicable</i> ):  Attachment 4.19-B, Page 5 New Page

10. SUBJECT OF AMENDMENT:  
Reflects language to further define the reimbursement methodology for services rendered by Maternal Infant Health Program (MIHP).

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

AGENCY OFFICIAL: 	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
13. TYPED NAME: Chris Priest	
14. TITLE: Director, Medical Services Administration	
15. DATE SUBMITTED: February 1, 2016	

FOR REGIONAL OFFICE USE ONLY	
17. DATE RECEIVED: February 1, 2016	18. DATE APPROVED: March 30, 2016

PLAN APPROVED – ONE COPY ATTACHED	
19. EFFECTIVE DATE OF APPROVED MATERIAL: January 1, 2016	20. SIGNATURE OF REGIONAL OFFICIAL: /s/
21. TYPE NAME: Ruth A. Hughes	22. TITLE: 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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10. Hospice Services

Medicaid will use the Medicaid rates established annually by the Centers for Medicare and Medicaid Services and apply the appropriate local wage index for the categories of care provided. The "appropriate local wage index" is the index indicated for the recipient's county of residence.

Direct patient care provided by the hospice medical director, hospice employed physician or consulting physician must be billed by the hospice, using the appropriate Common Procedure Coding System code(s) and will be reimbursed at the applicable Medicaid fee screen.

If the beneficiary is residing in a Medicaid enrolled nursing facility, Medicaid will pay the room and board amount using the percentage established by the Omnibus Budget Reconciliation Act of 1989 (P.L. 101-239) to the hospice, and the hospice will reimburse the facility. This applies to Medicare/Medicaid recipients as well as Medicaid only recipients.

Medicaid will pay a Hospice agency serving a beneficiary in a nursing facility, to hold the beneficiary's bed for hospital and therapeutic leave when the requirements described under nursing facility reimbursement for hospital and therapeutic leave are met (Attachment 14.9-C, pages 1 and 2).

For fiscal year 2014, and each subsequent year, failure to submit Medicare required quality data shall result in a 2 percentage point reduction to the market basket percentage increase for that fiscal year.

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TN NO.: 16-0002

Approval Date: 3/30/16

Effective Date: 01/01/2016

Supersedes

TN No.: 09-15

**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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11. Maternal Infant Health Program

Reimbursement for Maternal Infant Health Program Services will be the lesser of the provider's charge or Program fee screens established relative to similar services reimbursed by the department. Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of Maternal Infant Health Program Services. The Maternal Infant Health Program fee schedule rates were set as of July 1, 2009 and are effective for services provided on or after that date. All rates are reviewed and updated annually and are published on the MDHHS web site at [www.michigan.gov/medicaidproviders](http://www.michigan.gov/medicaidproviders) .

TN NO.: 16-0002

Approval Date: 3/30/16

Effective Date: 01/01/2016

Supersedes  
TN No.: NEW