

CENTERS FOR MEDICARE & MEDICAID SERVICES
EXPENDITURE AUTHORITY

NUMBER: 11-W-00245/5

TITLE: Michigan Medicaid Nonpregnant Childless Adults Waiver (Adult Benefits Waiver) Section 1115 Demonstration

AWARDEE: Michigan Department of Community Health

Under the authority of section 1115(a)(2) of the Social Security Act (the Act), expenditures made by the State for the items identified below, which are not otherwise included as expenditures under section 1903 of the Act, incurred during the period of this Demonstration, shall be regarded as expenditures under the State's title XIX plan.

The following expenditure authorities shall enable the State to operate its section 1115 Medicaid Non-Pregnant Childless Adults Demonstration:

1. Expenditures for health care-related costs for non-pregnant, childless, adults ages 19 through 64 years who have family income at or below 35 percent of the Federal poverty level (FPL), who are not otherwise eligible under the Medicaid State plan, and who do not have other health benefits coverage.
2. Expenditures for capitation payments for services furnished to the non-pregnant, childless adult population described in Expenditure Authority No. 1 above, through the 27 county – administered health plans currently operating in 72 of Michigan's 83 counties in rural and non-rural areas, even though enrollees do not have a choice between at least two such plans , as required under section 1932(a)(3) of the Act, and even though the plans do not meet the requirements under section 1903(m)(2)(A)(vi) and section 1932(a)(4) because they restrict enrollee rights to disenroll within 90 days of enrollment.

All requirements of the Medicaid program expressed in law, regulation, and policy statement, not expressly identified as not applicable in the list below, shall apply to the Demonstration Population beginning January 1, 2010, through September 30, 2014.

Title XIX Requirements Not Applicable to the Demonstration Population:

1. **Reasonable Promptness** **Section 1902(a)(3) and 1902(a)(8)**
To the extent necessary to enable the State to cap enrollment for the Demonstration-Eligible Population in order to remain under the annual budget neutrality limits under the demonstration.

2. **Amount, Duration, and Scope** **Section 1902(a)(10)(B)**
 To the extent necessary to enable the State to offer a different benefit package to the Demonstration-Eligible Population that varies in amount, duration, and scope from the benefits offered under the State Plan.

3. **Freedom of Choice** **Section 1902(a)(23)**
 To the extent necessary to enable the State to restrict freedom of choice of provider for the Demonstration-Eligible Population to single county- administered health plans in the counties where these plans exist. The Demonstration-Eligible Population may change providers within the plan.

4. **Retroactive Eligibility** **Section 1902(a)(34)**
 To the extent necessary to enable the State to not provide coverage for the Demonstration-Eligible Population for any time prior to the first day of the month in which the application was received by the State.

5. **Eligibility Standards** **Section 1902(a)(17)**
 To the extent necessary to enable the State to apply different eligibility methodologies and standards to the Demonstration-Eligible Population than are applied under the State plan.

6. **Methods of Administration: Transportation** **Section 1902(a)(4), insofar as it incorporates 42 CFR 431.53**
 To the extent necessary to enable the State to not assure transportation to and from providers for the Demonstration-Eligible Population.

7. **Dental, Hearing and Vision Services** **Section 1902(a)(43)**
 To the extent necessary to enable the State to not provide coverage of dental, hearing and vision services to 19- and 20-year-old individuals in the Demonstration-Eligible Population.

8. **Payment to Federally Qualified Health Centers
Rural Health Centers** **Section 1902(a)(15)**
 To the extent necessary to enable the State to not reimburse FQHCs and RHCs the full cost reimbursement for services provided to the Demonstration Eligible Population.