

Table of Contents

State/Territory Name: Michigan

State Plan Amendment (SPA) #: 13-0015

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
233 North Michigan Avenue, Suite 600
Chicago, Illinois 60601-5519



March 15, 2017

Chris Priest, State Medicaid Director
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 approved copy of the following State Plan Amendment due to necessary technical corrections:

- Transmittal: #13-015- LTC Partnership
- Effective: October 1, 2013
- Approval Date: September 19, 2014

If you have any questions, please contact Keri Toback at (312) 353-1754 or keri.toback@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:

1 3 - 015

2. STATE:

Michigan

3. PROGRAM IDENTIFICATION:

TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)

TO: REGIONAL ADMINISTRATOR
HEALTH FINANCING ADMINISTRATION
DEPARTMENT OF HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

October 1, 2013

5. TYPE OF PLAN MATERIAL (*Check One*):☐ NEW STATE PLAN☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN☒ AMENDMENTCOMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (*Separate Transmittal for each amendment*)

6. FEDERAL STATUTE/REGULATION CITATION:

Section 6021 – DRA of 2005; SSA 1917(b)

7. FEDERAL BUDGET IMPACT:

a. FFY 2014 \$ 0

b. FFY 2015 \$ 0

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

General Program Administration, Section 4.17 Liens and
Adjustments or Recoveries, Page 53b
Supplement 8c to Attachment 2.6-A, Pages 1-29. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (*If Applicable*):General Program Administration, Section 4.17 Liens and
Adjustments or Recoveries, Page 53b

10. SUBJECT OF AMENDMENT:

Provides for an exemption from estate recovery in an amount equal to the benefits paid by certain LTC insurance policies,
where those benefits were disregarded in the determination of an individual's Medicaid eligibility.11. GOVERNOR'S REVIEW (*Check One*):☐ GOVERNOR'S OFFICE REPORTED NO COMMENT☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL☒ OTHER, AS SPECIFIED:

Stephen Fitton, Director

Medical Services Administration

12. SIGNATURE OF STATE AGENCY OFFICIAL:

13. TYPED NAME:

Stephen Fitton

14. TITLE:

Director, Medical Services Administration

15. DATE SUBMITTED:

December 30, 2013

16. RETURN TO:

Medical Services Administration
Actuarial Division
Capitol Commons Center - 7th Floor
400 South Pine Street
Lansing, Michigan 48933

Attn: Loni Hackney

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

December 30, 2013

18. DATE APPROVED:

September 19, 2014

PLAN APPROVED – ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

October 1, 2013

20. SIGNATURE OF REGIONAL OFFICIAL:

/s/

21. TYPE NAME:

Alan Freund

22. TITLE:

Acting Associate Regional Administrator

23. REMARKS:

Revision: HCFA-PM-95-3 (MB)

May 1995

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: MICHIGAN

Citation(s)

- (4) ☐ The State disregards assets or resources for individuals who receive or are entitled to receive benefits under a long term care insurance policy as provided for in Attachment 2.6-A, Supplement 8b.
- ☐ The State adjusts or recovers from the individual's estate on account of all medical assistance paid for nursing facility and other long term care services provided on behalf of the individual. (States other than California, Connecticut, Indiana, Iowa, and New York which provide long term care insurance policy-based asset and resource disregard must select this entry. These five States may either check this entry or one of the following entries.)
- ☐ The State does not adjust or recover from the individual's estate on account of any medical assistance paid for nursing facility or other long term care services provided on behalf of the individual.
- ☒ The State adjusts or recovers from the assets or resources on account of medical assistance paid for nursing facility or other long term care services provided on behalf of the individual to the extent described below:

All assets and resources not otherwise excluded under this provision of the Michigan Medicaid Program.

- ☒ If an individual covered under a long-term care insurance policy received benefits for which assets or resources were disregarded as provided for in Attachment 2.6-A, Supplement 8c (State Long-Term Care Insurance Partnership), the State does not seek adjustment or recovery from the individual's estate for the amount of assets or resources disregarded.

TN NO.: 13-015Approval Date: 9/19/14Effective Date: 10/01/2013

Supersedes

TN No.: 12-010

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State of MICHIGAN

State Long-Term Care Insurance Partnership

1902(r)(2) The following more liberal methodology applies to individuals who are eligible for
1917(b)(1)(C) medical assistance under one of the following eligibility groups:

1902(a)(10)(ii)(V); 1902(a)(10)(A)(ii)(X); 1902(a)(10)(A)(ii)(XV) and (XVI); and
1902(a)(10)(E)(i), (iii) and (iv) *(and including individuals enrolled in
1902(a)(10)(A)(ii)(VI) who are eligible, based on use of institutional deeming
rules, for 1902(a)(10)(A)(ii)(V), 1902(a)(10)(A)(ii)(X), 1902(a)(10)(A)(ii)(XV) or
(XVI))*.

Any individual who is a beneficiary under a long-term care insurance policy that meets the requirements of a "qualified State long-term care insurance partnership" policy (partnership policy) as set forth below, is given a resource disregard as described in this amendment. The amount of the disregard is equal to the amount of the insurance benefit payments made to or on behalf of the individual. The term "long-term care insurance policy" includes a certificate issued under a group insurance contract.

Disregarded resources do not include resources in a trust under 1917(d)(4)(A) and (C) or annuities and similar legal instruments under 1917(e).

☒ The State Medicaid Agency (Agency) stipulates that the following requirements will be satisfied in order for a long-term care policy to qualify for a disregard. Where appropriate, the Agency relies on attestations by the State Insurance Commissioner (Commissioner) or other State official charged with regulation and oversight of insurance policies sold in the state, regarding information within the expertise of the State's Insurance Department.

- The policy is a qualified long-term care insurance policy as defined in section 7702B(b) of the Internal Revenue Code of 1986.
- The policy meets the requirements of the long-term care insurance model regulation and long-term care insurance model Act promulgated by the National Association of Insurance Commissioners (as adopted as of October 2000) as those requirements are set forth in section 1917(b)(5)(A) of the Social Security Act.
- The policy was issued no earlier than the effective date of this State Plan amendment.
- The insured individual was a resident of a Partnership State when coverage first became effective under the policy. If the policy is later exchanged for a different long-term care policy, the individual was a resident of a Partnership State when coverage under the earliest policy became effective.
- The policy meets the inflation protection requirements set forth in section 1917(b)(1)(C)(iii)(IV) of the Social Security Act.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State of MICHIGAN

State Long-Term Care Insurance Partnership

- The Commissioner requires the issuer of the policy to make regular reports to the Secretary that include notification regarding when benefits provided under the policy have been paid and the amount of such benefits paid, notification regarding when the policy otherwise terminates, and such other information as the Secretary determines may be appropriate to the administration of such partnerships.
- The State does not impose any requirement affecting the terms or benefits of a partnership policy that the state does not also impose on non-partnership policies.
- The State Insurance Department assures that any company offering for sale a partnership policy has agreed that all its appointed LTC producers will have adequate training and each producer can demonstrate evidence of an understanding of such policies and how they relate to other public and private coverage of long-term care. Such demonstration must occur before the producer may commence sales of a long-term care partnership policy. The State Insurance Department will assure compliance with this requirement through market conduct examinations.
- The Agency provides information and technical assistance to the Insurance Department regarding the training described above.

TN NO.: 13-015

Approval Date: 9/19/14

Effective Date: 10/01/2013

Supersedes

TN No.: N/A – new page