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State/Territory Name: MI

State Plan Amendment (SPA) #: 18-0007

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form
- 3) Approved SPA Page

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



November 29, 2018

Kathy Stiffler, Acting 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 Ms. Stiffler:

Enclosed for your records is an approved copy of the following State Plan Amendment:

- Transmittal #: 18-0007: Neonatal Rate
- Effective Date: October 1, 2018
- Approval Date: November 29, 2018

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

cc: Erin Black, MDHHS

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

FOR: HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER:

18 - 0007

2. STATE:

Michigan

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL
SECURITY ACT (MEDICAID)
TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)TO: REGIONAL ADMINISTRATOR
HEALTH FINANCING ADMINISTRATION
DEPARTMENT OF HUMAN SERVICES4. PROPOSED EFFECTIVE DATE
October 1, 2018

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:
42 CFR 440.50

7. FEDERAL BUDGET IMPACT:

g. FFY 2019 \$1,830,380

b. FFY 2020 \$1,819,304

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:
Attachment 4.19-B, Page 1.b.78. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (If Applicable):
Attachment 4.19-B, Page 1.b.7

10. SUBJECT OF AMENDMENT:

This SPA will update neonatal services language in response to the MDHHS Fiscal Year 2019 budget contained in Public Act 207 of 2018, Section 1791. Effective for dates of service on and after October 1, 2018, Medicaid reimbursement rates for specified neonatal intensive and critical care services will be 75% of the Medicare rate.

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:
Kathleen Stiffler, Acting Director
Medical Services Administration

12. SIGNATURE OF STATE AGENCY OFFICIAL:

13. TYPED NAME:
Kathleen Stiffler14. TITLE:
Acting Director, Medical Services Administration15. DATE SUBMITTED:
September 10, 2018

16. RETURN TO:

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

Attn: Erin Black

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

September 10, 2018

18. DATE APPROVED:

November 29, 2018

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

October 1, 2018

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***

Physician Services, Neonatal Critical Care and Intensive Care Services

Neonatal Services Reimbursement Methodology

Reimbursement for neonatal critical care and intensive care services is **75%** of the annual Medicare rates published January of each year. Except as otherwise noted in the state plan, Michigan's Medicaid payment rates are uniform for both private and governmental providers. Reimbursement is made in accordance with Medicaid's fee screens or the usual and customary charge for these services, whichever amount is less.

Effective Date of Payment

This reimbursement methodology applies to services rendered on and after October 1, 2018. All rates are published at www.michigan.gov/medicaidproviders.

TN NO.: 18-0007

Approval Date: 11/29/18

Effective Date: 10/01/2018

Supersedes

TN No.: 17-0011