

## **Table of Contents**

**State/Territory Name: Michigan**

**State Plan Amendment (SPA) #: 20-0002**

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  
Center for Medicaid & CHIP Services  
233 North Michigan Ave., Suite 600  
Chicago, Illinois 60601



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**Financial Management Group**

May 18, 2020

Kate Massey, State Medicaid Director  
Michigan Department of Health and Human Services  
400 South Pine Street, P.O. Box 30479  
Lansing, MI 48909-7979

RE: TN Michigan State Plan Amendment 20-0002

Dear Ms. Massey:

We have reviewed the proposed Michigan State Plan Amendment (SPA) to Attachment 4.19-B MI-20-0002, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on March 16, 2020. This plan amendment allows Tribal Health Centers (THCs) to become Tribal Federally Qualified Health Centers (Tribal FQHCs) and be reimbursed under an alternative Payment Methodology (APM).

Based upon the information provided by the State, we have approved the amendment with an effective date of January 1, 2020. We are enclosing the approved CMS-179 and a copy of the new state plan pages.

If you have any additional questions or need further assistance, please contact Debi Benson at 312-886-0360 or [Deborah.Benson@cms.hhs.gov](mailto:Deborah.Benson@cms.hhs.gov).

Sincerely,

A solid black rectangular box used to redact the signature of Todd McMillion.

Todd McMillion  
Director  
Division of Reimbursement Review

Enclosures

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b> <b>FOR: HEALTH CARE FINANCING ADMINISTRATION</b>	1. TRANSMITTAL NUMBER: 20 - 0002	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 SERVICES	4. PROPOSED EFFECTIVE DATE January 1, 2020	

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

NEW STATE PLAN       AMENDMENT TO BE CONSIDERED AS NEW PLAN       AMENDMENT

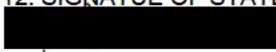
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (*Separate Transmittal for each amendment*)

6. FEDERAL STATUTE/REGULATION CITATION: Section 1902(bb)(6) of the Social Security Act Section 1905(l)(2)(B) of the Social Security Act	7. FEDERAL BUDGET IMPACT: a. FFY 2020 \$70,500 b. FFY 2021 \$94,000
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-B, Pages 10 and 11	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT ( <i>If Applicable</i> ): Attachment 4.19-B, Pages 10 and 11

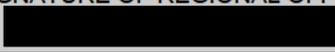
10. SUBJECT OF AMENDMENT:  
This SPA will allow Tribal Health Centers (THCs) to become Tribal Federally Qualified Health Centers (Tribal FQHCs) and be reimbursed under an Alternative Payment Methodology (APM).

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

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

12. SIGNATURE OF STATE 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: Kate Massey	
14. TITLE: Director, Medical Services Administration	
15. DATE SUBMITTED: March 16, 2020	

FOR REGIONAL OFFICE USE ONLY	
17. DATE RECEIVED: March 16, 2020	18. DATE APPROVED: 05/18/2020

PLAN APPROVED – ONE COPY ATTACHED	
19. EFFECTIVE DATE OF APPROVED MATERIAL: January 1, 2020	20. SIGNATURE OF REGIONAL OFFICIAL: 
21. TYPE NAME: Todd McMillion	22. TITLE: Director, Division of Reimbursement Review

23. REMARKS:

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

State of MICHIGAN

### ***Policy and Methods for Establishing Payment Rates (Other than Hospital and Long Term Care Facilities)***

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#### 18. Indian Health Centers (IHC) Services

If eligible, a Tribal 638 facility may choose to participate in the Medicaid Program and receive reimbursement for Medicaid covered services under one of four options.

##### Option 1: Fee-For-Service

If the Tribal 638 facility or the urban center chooses to bill as a fee-for-service provider, the provider may receive reimbursement as established in the State Plan's Attachment 4.19-B, Page 1, Item 1.

##### Option 2: Federally Qualified Health Center (FQHC) Payment Methodology

As a provider of Federally Qualified Health Center (FQHC) services, the IHC may receive reimbursement as established in State Plan Attachment 4.19-B, Item 14. Payments must comply with all requirements set forth within State Plan Attachment 4.19-B, Item 14.

##### Option 3: All-Inclusive Rate Payment Methodology

The Indian Health Service (IHS) per visit outpatient rate will be reimbursed in accordance with the rate published annually in the federal register. As a Tribal 638 facility, the IHC may, in accordance with the Federal Regulations, receive the IHS per visit outpatient rate for a face-to-face visit at the IHC for Medicaid beneficiaries.

A visit is a face-to-face contact within the IHC between a Medicaid beneficiary and the provider of health care services who exercises independent judgment in the provision of Medicaid covered services. All outpatient ancillary Medicaid services are bundled in the per visit rate and cannot be billed as a separate visit. The IHC provider may be credited with no more than one face-to-face medical visit, one face-to-face dental visit, and one face-to-face behavioral health visit with a given beneficiary per day, except when the beneficiary, after the first visit, suffers illness or injury requiring additional diagnosis or treatment.

##### Option 4: Tribal FQHC Alternative Payment Methodology

A Tribal 638 facility that operates as a Tribal FQHC will be reimbursed for outpatient face-to-face visits within the FQHC scope of services provided to Medicaid beneficiaries using an alternative payment methodology (APM). The agency allows reimbursement for the same outpatient services and the same number of encounters per day that Tribal 638 facilities provide under this State Plan. The APM is the IHS per visit outpatient rate published annually in the federal register as described in Option 3 above.

A visit is a face-to-face contact within the IHC between a Medicaid beneficiary and the provider of health care services who exercises independent judgment in the provision of Medicaid covered services. All outpatient ancillary Medicaid services are bundled in the per visit rate and cannot be billed as a separate visit. The IHC provider may be credited with no more than one face-to-face medical visit, one face-to-face dental visit, and one face-to-face behavioral health visit with a given

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TN NO.: 20-0002

Approval Date: 05/18/20

Effective Date: 01-01-20

Supersedes

TN No.: 15-0004

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

State of MICHIGAN

***Policy and Methods for Establishing Payment Rates  
(Other than Hospital and Long Term Care Facilities)***

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beneficiary per day, except when the beneficiary, after the first visit, suffers illness or injury requiring additional diagnosis or treatment.

The APM results in payment of at least the FQHC PPS. The health centers receiving payment under the APM individually agree to receive it.

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TN NO.: 20-0002

Approval Date: 05/18/20

Effective Date: 01-01-20

Supersedes  
TN No.: 15-0004