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State/Territory Name: Michigan

State Plan Amendment (SPA) #: 22-0017

This file contains the following documents in the order listed:

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

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
601 E. 12th St., Room 355
Kansas City, Missouri 64106



Medicaid and CHIP Operations Group

February 10, 2023

Ms. Farah Hanley
Chief Deputy Director for Health
Medical Services Administration
400 S. Pine Street, 7th Floor
Lansing, MI 48933-2250

Re: Michigan State Plan Amendment (SPA) 22-0017

Dear Chief Deputy Director Hanley:

The Centers for Medicare & Medicaid Services (CMS) reviewed your Medicaid State Plan Amendment (SPA) submitted under transmittal number (TN) MI 22-0017. This amendment proposes a change to the prior authorization requirements for non-routine therapy services provided to beneficiaries residing in nursing facilities.

We conducted our review of your submittal according to statutory requirements in Title XIX of the Social Security Act and implementing regulations. This letter informs you that Michigan's Medicaid SPA 22-0017 was approved on February 10, 2023, effective January 1, 2023. Enclosed is a copy of the CMS-179 summary form and the approved SPA page to be incorporated into the Michigan State Plan.

If you have any questions, please contact Christine Davidson at (312) 886-3642 or via email at Christine.Davidson@cms.hhs.gov.

Sincerely,

A solid black rectangular box redacting the signature of James G. Scott.

James G. Scott, Director
Division of Program Operations

Enclosures

cc: Erin Black, MDHHS
Mary Marchioni, CMCS
Matthew Weaver, CMCS
Keri Toback, CMCS

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER
22 — 0017

2. STATE
MI

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT

TO: CENTER DIRECTOR
CENTERS FOR MEDICAID & CHIP SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

3. PROPOSED EFFECTIVE DATE
January 1, 2023

5. FEDERAL STATUTE/REGULATION CITATION
Section 1902(a) of the Social Security Act and 42 CFR 447

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)
a. FFY 2023 \$324,500
b. FFY 2024 \$312,500

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Supplement to Attachment 3.1-A Page 12a

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)

Supplement to Attachment 3.1-A Page 12a
(TN : 17-0014)

9. SUBJECT OF AMENDMENT

This SPA provides a change to prior authorization requirements for non-routine therapy services for beneficiaries residing in nursing facilities.

10. 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:

11. SIGNATURE OF STATE AGENCY OFFICIAL


11. TYPED NAME Farah Hanley

12. TITLE
Chief Deputy Director for Health

13. DATE SUBMITTED
December 19, 2022

15. RETURN TO
Behavioral and Physical Health and Aging Services Administration
Office of Strategic Partnerships & Medicaid Administrative Services – Federal Liaison
Capitol Commons Center – 7th Floor
400 South Pine
Lansing, Michigan 48933

Attn: Erin Black

FOR CMS USE ONLY

16. DATE RECEIVED
December 19, 2022

17. DATE APPROVED
February 10, 2023

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL
January 1, 2023

19. SIGNATURE OF APPROVING OFFICIAL


20. TYPED NAME OF APPROVING OFFICIAL
James G. Scott

21. TITLE OF APPROVING OFFICIAL
Director, Division of Program Operations

22. REMARKS

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State of MICHIGAN

***AMOUNT, DURATION AND SCOPE OF MEDICAL AND REMEDIAL CARE SERVICES
PROVIDED TO THE CATEGORICALLY AND MEDICALLY NEEDY***

Except For State Veterans Homes, the following services are excluded from the nursing facility per diem rate:

- Physical therapy, as defined in 1.a. Prior Authorization is required for services rendered more than 60 days from the admission date to the facility.
- 2 Occupational therapy, as defined in 1.a. Prior Authorization is required for services rendered more than 60 days from the admission date to the facility.
- 3 Speech pathology, as defined in 1.a. Prior Authorization is required for services rendered more than 60 days from the admission date to the facility.

The following service may be covered when billed by county medical care facilities and/or hospital long term care units:

Oxygen

Medicare and Medicaid Coordination

For nursing facilities, county medical care facilities, hospital long term care units, ventilator dependent care units, hospital swing beds and nursing facilities for the mentally ill, Medicaid will reimburse consistent with the methodology for coordination of Title XIX with Title XVIII as specified in Supplement 1 to Attachment 4.19-B, page 1 of this plan. The services subject to co-insurance and deductible payments, and how to bill the co-insurance and deductible for these services, are listed in the Medicaid Nursing Facility Procedure Code Appendix.

A dually eligible beneficiary who resides in a Medicaid-only certified bed may be admitted to a hospital for acute care services and, at the time of the beneficiary's hospital discharge, may be eligible for Medicare-reimbursed Skilled Nursing Facility (SNF) benefits. However, the beneficiary may wish to return to the Medicaid NF bed from which he was originally transferred. In these situations, Medicaid will reimburse the Nursing Facility for any days (i.e. 100 days) that would have been covered by Medicare.

Medicaid will reimburse for all medically necessary nursing facility days and other medically necessary services for dually eligible beneficiaries who wish to return to their Medicaid NF bed and refuse their Medicare SNF benefit.

TN NO.: 22-0017

Approval Date: 02/10/2023

Effective Date: 01/01/2023

Supersedes
TN No.: 17-0014