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State/Territory Name: Michigan

State Plan Amendment (SPA) #: 22-0018

This file contains the following documents in the order listed:

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

CENTERS FOR MEDICARE & MEDICAID SERVICES
CENTER FOR MEDICAID & CHIP SERVICES

Medicaid and CHIP Operations Group

March 1, 2023

Ms. Farah Hanley
Medicaid Director
Medical Services Administration
400 S. Pine St., 7th Fl.
Lansing, MI 48933-2250

Re: Michigan State Plan Amendment (SPA) 22-0018

Dear Ms. Hanley:

The Centers for Medicare & Medicaid Services (CMS) reviewed your Medicaid State Plan Amendment (SPA) submitted under transmittal number (TN) MI 22-0018. This amendment provides authority for coverage and payment of targeted case management for individuals age 18 and older who meet Medicaid eligibility requirements, have a chronic or complex physical or behavioral health need, and were recently incarcerated.

We conducted our review of your submittal according to statutory requirements in Title XIX of the Social Security Act and implementing regulations. This letter is to inform you that Michigan Medicaid SPA 22-0018 was approved on March 1, 2023, with an effective date of April 1, 2023.

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

Sincerely,

[redacted]

James G. Scott, Director
Division of Program Operations

Enclosures

cc: Erin Black, MDHHS
Marlana Thieler, CMCS
Deborah Benson, CMCS
Keri Toback, CMCS

DEPARTMENT OF HEALTH ANDHUMAN SERVICES
CENTERS FOR MEDICARE & MEDICAID SERVICES

FORM APPROVED
OMB No. 0938-0193

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL

FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES

1. TRANSMITTAL NUMBER: 22 — 0018

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
April 1, 2023

5. FEDERAL STATUTE/REGULATION CITATION
42 CFR 440.60

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)
a. FFY 2023 ($121,200)
b. FFY 2024 ($849,700)

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT
Supplement 1 to Attachment 3.1-A, Page 1-G-1 through Page 1-G-5
Attachment 4.19-B, Page 4

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTIONOR ATTACHMENT *(If Applicable)*
Attachment 4.19-B, Page 4
(TN# 16-0014)

9. SUBJECT OF AMENDMENT
This SPA provides authority to cover targeted case management for any individual who is 18 years of age and older that meets Medicaid eligibility requirements, has a chronic or complex physical or behavioral health care need, and was recently incarcerated in a prison or county jail.

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
[redacted]

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
03/01/2023

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL
April 1, 2023

19. SIGN
[redacted]

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/Territory: Michigan

TARGETED CASE MANAGEMENT SERVICES

Target Group (42 Code of Federal Regulations 441.18(a)(8)(i) and 441.18(a)(9)):

Target Group is any individual who is 18 years of age and older; meets Medicaid eligibility requirements; has a chronic or complex physical or behavioral health care need; and were a recent inmate or was involuntarily residing in a prison or jail. An inmate is an individual who was in custody and held involuntarily through operation of law enforcement authorities in a public institution which is the responsibility of a governmental unit or over which a governmental unit exercises administrative control.

___ Target group includes individuals transitioning to a community setting. Case-management services will be made available for up to _____ consecutive days of a covered stay in a medical institution. The target group does not include individuals between ages 22 and 64 who are served in Institutions for Mental Disease or individuals who are inmates of public institutions). (State Medicaid Directors Letter (SMDL), July 25, 2000)

Areas of State in which services will be provided (§1915(g)(1) of the Act):
X Entire State
___ Only in the following geographic areas:

Comparability of services (§§1902(a)(10)(B) and 1915(g)(1))
___ Services are provided in accordance with §1902(a)(10)(B) of the Act.
X Services are not comparable in amount duration and scope (§1915(g)(1)).

Definition of services (42 CFR 440.169): Targeted case management services are defined as services furnished to assist individuals, eligible under the State Plan, in gaining access to needed medical, social, educational and other services. Targeted Case Management includes the following assistance:

- Comprehensive assessment and periodic reassessment of individual needs, to determine the need for any medical, educational, social or other services. These assessment activities include
  - taking client history;
  - identifying the individual's needs and completing related documentation; and
  - gathering information from other sources such as family members, medical providers, social workers, and educators (if necessary), to form a complete assessment of the eligible individual.

A qualified case manager should perform an in-person comprehensive assessment visit with an individual following their recent release from a prison or jail. The comprehensive assessment visit is limited to 1 visit per individual throughout each period of eligibility.

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TARGETED CASE MANAGEMENT SERVICES

- Development (and periodic revision) of a specific care plan that is based on the information collected through the assessment that
  - specifies the goals and actions to address the medical, social, educational, and other services needed by the individual;
  - includes activities such as ensuring the active participation of the eligible individual, and working with the individual (or the individual's authorized health care decision maker) and others to develop those goals; and
  - identifies a course of action to respond to the assessed needs of the eligible individual;

- Referral and related activities (such as scheduling appointments for the individual) to help the eligible individual obtain needed services including
  - activities that help link the individual with medical, social, educational providers, or other programs and services that are capable of providing needed services to address identified needs and achieve goals specified in the care plan; and

- Monitoring and follow-up activities:
  - activities and contacts that are necessary to ensure the care plan is implemented and adequately addresses the eligible individual's needs, and which may be with the individual, family members, service providers, or other entities or individuals and conducted as frequently as necessary, and including at least one annual monitoring, to determine whether the following conditions are met:
    - services are being furnished in accordance with the individual's care plan;
    - services in the care plan are adequate; and
    - changes in the needs or status of the individual are reflected in the care plan. Monitoring and follow-up activities include making necessary adjustments in the care plan and service arrangements with providers.

The case manager must determine, on an ongoing basis, if the services and supports have been delivered, and if they are adequate to meet the needs/wants of the individual. Frequency and scope of case management monitoring activities must reflect the intensity of the individual's physical health, behavioral health, and welfare needs identified in the individual's specific care plan.

Individuals are eligible for targeted case management services for one year following release from a prison or jail. Monitoring and follow-up activities may or may not require face-to-face interaction and is limited to 11 monitoring visits and 11 follow-up patient education and supports visits throughout each period of eligibility. Additional monitoring visits and follow up activities and extending beyond the year limit may be prior authorized if medically necessary.

X Case management includes contacts with non-eligible individuals that are directly related to identifying the eligible individual's needs and care, for the purposes of helping the eligible individual access services; identifying needs and supports to assist the eligible individual in obtaining services; providing case managers with useful feedback, and alerting case managers to changes in the eligible individual's needs.
(42 CFR 440.169(e))

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TARGETED CASE MANAGEMENT SERVICES

Qualifications of providers (42 CFR 441.18(a)(8)(v) and 42 CFR 441.18(b)):

Targeted Case Management Provider

The targeted case management provider must be enrolled as a Michigan Medicaid provider and have the ability to demonstrate the following criteria:

a. the capacity to provide all core elements of case management services including:
    - comprehensive client assessment
    - comprehensive care/service plan development
    - linking/coordination of services
    - monitoring and follow-up of services
    - reassessment of the client's status and needs;
b. case management experience in coordinating and linking such community resources as required by the target population;
c. experience with the target population;
d. the sufficient number of staff to meet the case management service needs of the target population;
e. an administrative capacity to ensure quality of services in accordance with State and Federal requirements;
f. a financial management capacity and system that provides a record of services and costs; and
g. the capacity to document and maintain individual case records in accordance with State and Federal requirements.

The targeted case management provider may be a:

- Community Mental Health Services Program (CMHSP);
- Federally Qualified Health Center (FQHC);
- Rural Health Center (RHC);
- Tribal Health Center (THC);
- Tribal Federally Qualified Health Center (Tribal FQHC); or
- other any qualified provider, not otherwise funded to provide similar services.

The targeted case management provider must have the capability to coordinate with the individual's health plan and the individual facilitating the re-entry from the prison or jail. The targeted case management provider must employ a qualified case manager who is licensed to practice in accordance with Michigan law. Documentation of the provider's qualifications and credentials must be maintained by the targeted case management provider.

State Plan under Title XIX of the Social Security Act
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TARGETED CASE MANAGEMENT SERVICES

Qualified Case Manager

Qualified case managers may provide all components of targeted case management within their scope of practice. A qualified case manager must meet one of the following criteria:

- Licensure as a Registered Nurse by the Michigan Department of Licensing and Regulatory Affairs and at least one year of experience providing community health or case management services; or
- Licensure as a fully licensed Clinical Social Worker by the Michigan Department of Licensing and Regulatory Affairs and at least one year of experience providing social work or case management services.

Physician or Non-Physician Practitioner (NPP)

A Medicaid enrolled physician or NPP licensed by the Michigan Department of Licensing and Regulatory Affairs must provide general supervision of the case manager. An NPP is a healthcare professional licensed as a nurse practitioner, physician assistant, or a clinical nurse specialist.

Freedom of choice (42 CFR 441.18(a)(1)):
The State assures that the provision of case management services will not restrict an individual's free choice of providers in violation of section 1902(a)(23) of the Act.

1. Eligible individuals will have free choice of any qualified Medicaid provider within the specified geographic area identified in this plan.
2. Eligible individuals will have free choice of any qualified Medicaid providers of other medical care under the plan.

Freedom of Choice Exception (§1915(g)(1) and 42 CFR 441.18(b)):
____ Target group consists of eligible individuals with developmental disabilities or with chronic mental illness. Providers are limited to qualified Medicaid providers of case management services capable of ensuring that individuals with developmental disabilities or with chronic mental illness receive needed services**:**

Access to Services (42 CFR 441.18(a)(2), 42 CFR 441.18(a)(3), 42 CFR 441.18(a)(6)):
The State assures the following:

- Case management (including targeted case management) services will not be used to restrict an individual's access to other services under the plan.
- Individuals will not be compelled to receive case management services, condition receipt of case management (or targeted case management) services on the

State Plan under Title XIX of the Social Security Act
State/Territory: Michigan

TARGETED CASE MANAGEMENT SERVICES

- receipt of other Medicaid services, or condition receipt of other Medicaid services on receipt of case management (or targeted case management) services; and
- Providers of case management services do not exercise the agency's authority to authorize or deny the provision of other services under the plan.

Payment (42 CFR 441.18(a)(4)):
Payment for case management or targeted case management services under the plan does not duplicate payments made to public agencies or private entities under other program authorities for this same purpose**.**

Case Records (42 CFR 441.18(a)(7)):
Providers maintain case records that document for all individuals receiving case management as follows: (i)The name of the individual; (ii) The dates of the case management services; (iii)The name of the provider agency (if relevant) and the person providing the case management service; (iv) The nature, content, units of the case management services received and whether goals specified in the care plan have been achieved; (v) Whether the individual has declined services in the care plan; (vi) The need for, and occurrences of, coordination with other case managers; (vii) A timeline for obtaining needed services; (viii) A timeline for reevaluation of the plan.

Limitations:
Case management does not include, and Federal Financial Participation (FFP) is not available in expenditures for, services defined in §440.169 when the case management activities are an integral and inseparable component of another covered Medicaid service (State Medicaid Manual (SMM) 4302.F).

Case management does not include, and Federal Financial Participation (FFP) is not available in expenditures for, services defined in §440.169 when the case management activities constitute the direct delivery of underlying medical, educational, social, or other services to which an eligible individual has been referred, including for foster care programs, services such as, but not limited to, the following: research gathering and completion of documentation required by the foster care program; assessing adoption placements; recruiting or interviewing potential foster care parents; serving legal papers; home investigations; providing transportation; administering foster care subsidies; making placement arrangements. (42 CFR 441.18(c))

FFP only is available for case management services or targeted case management services if there are no other third parties liable to pay for such services, including as reimbursement under a medical, social, educational, or other program except for case management that is included in an individualized education program or individualized family service plan consistent with §1903(c) of the Act. (§§1902(a)(25) and 1905(c))

Federal Financial Participation (FFP) is not available in expenditures for services provided to individuals who are inmates of public institutions.

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)

9. Case Management Services

A. Reimbursement for Targeted Group A case management services will be on a Fee-for-Service basis. For mental health, preliminary fee screens are adjusted to final once each year. Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers. The Michigan Medicaid fee schedule effective for dates of service on or after May 1, 2005, may be found at www.michigan.gov/medicaidproviders.

B. Reimbursement for Targeted Group C case management services will be on a Fee-for-Service basis. Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers. The Michigan Medicaid fee schedule effective for dates of service on or after May 1, 2005, may be found at www.michigan.gov/medicaidproviders.

C. Reimbursement for Targeted Group D case management services will be on a Fee-for-Service basis. Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers. The Michigan Medicaid fee schedule effective for dates of service on or after April 14, 2004, may be found at www.michigan.gov/medicaidproviders.

D. Reimbursement for Targeted Group E case management services will be through an Annual Reconciliation Cost based Settlement Process after the end of the school fiscal year.

E. Reimbursement for Targeted Group F case management services will be on a Fee-for-Service basis. Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers. The Michigan Medicaid fee schedule effective for dates of service on or after May 9, 2016, may be found at www.michigan.gov/medicaidproviders.

F. Reimbursement for Targeted Group G case management services will be on a fee-for-service basis. The case management services are reimbursed separate from the prospective payment system for Federally Qualified Health Centers (FQHCs) and Rural Health Clinics and separate from the all-inclusive rate reimbursement methodology for Tribal FQHCs and Tribal Health Centers. Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers. The Michigan Medicaid fee schedule effective for dates of service on or after April 1, 2023, may be found at www.michigan.gov/medicaidproviders.