

## **Table of Contents**

**State Territory Name: MICHIGAN**

**State Plan Amendment (SPA) #: 23-0009**

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**

April 26, 2023

Ms. Farah Hanley  
Medicaid Director  
Medical Services Administrations  
400 South Pine Street 7<sup>th</sup> Floor  
Lansing, MI 48933-2250

RE: TN 23-0009

Dear Ms. Hanley:

We have reviewed the proposed Michigan State Plan Amendment (SPA) to Attachment 4.19-B MI-23-0009, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on March 30, 2023. This plan amendment updates rates for Home Help and Personal Care services.

Based upon the information provided by the State, we have approved the amendment with an effective date of May 12, 2023. 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 1-(312)-886-0360 or [Deborah.Benson@cms.hhs.gov](mailto:Deborah.Benson@cms.hhs.gov).

Sincerely,

A black rectangular box redacting the signature of Todd McMillion.

Todd McMillion  
Director  
Division of Reimbursement Review

Enclosures

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

1. TRANSMITTAL NUMBER

23 — 0009

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

4. PROPOSED EFFECTIVE DATE  
May 12, 2023

5. FEDERAL STATUTE/REGULATION CITATION  
42 C.F.R. Part 440

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)  
a. FFY 2023 \$21,739,600  
b. FFY 2024 \$54,517,200

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT  
Attachment 4.19-B, Page 3a

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)  
Attachment 4.19-B, Page 3a  
(TN# 09-0008)

9. SUBJECT OF AMENDMENT

This SPA updates the rates to continue wages paid to direct care workers during the public health emergency and other payment adjustments, clarifies the fee schedule rate-setting methodology for Home Help, Personal Care, services and incorporates other technical changes to the personal care services payment section of the State Plan.

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  
March 30, 2023

15. RETURN TO

Behavioral and Physical Health and Aging Services  
Administration  
Office of Strategic Partnerships & Medicaid Administrative  
Services – Federal Liaison  
Capitol Commons Center – 7<sup>th</sup> Floor  
400 South Pine  
Lansing, Michigan 48933  
Attn: Erin Black

FOR CMS USE ONLY

16. DATE RECEIVED **March 30, 2023**

17. DATE APPROVED  
April 26, 2023

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL  
**May 12, 2023**

19. SIGNATURE OF APPROVING OFFICIAL

20. TYPED NAME OF APPROVING OFFICIAL  
**Todd McMillion**

21. TITLE OF APPROVING OFFICIAL  
**Division of Reimbursement Review**

22. 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)***

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**7. Personal Care Services**

Reimbursement is made according to variable rates, depending upon the setting of service delivery, payment levels determined by policy or the legislature, and beneficiary needs.

Basic rates for personal care services provided in a beneficiary's own home, or his/her place of employment, are as established by Medicaid policy. A Medicaid approved case manager performs an assessment of the beneficiary's needs and determines the amount of care required. The case manager is permitted to authorize services up to a specified level. For cases exceeding the specified level, decisions are referred to the single state agency to consider the documented need.

Unless otherwise noted, state-developed fee schedule rates are uniform for private and governmental providers of personal care services provided in a beneficiary's own home or his/her place of employment. The Michigan Medicaid fee schedule effective for dates of service on or after May 12, 2023, may be found at [www.michigan.gov/medicaidproviders](http://www.michigan.gov/medicaidproviders).

Beneficiaries in general adult foster care facilities or homes for the aged, have, in accordance with a standardized assessment, a documented need for personal care services.

For the majority of beneficiaries, required services are provided on a daily basis. Beneficiary/service care provider encounters occur no less frequently than once a week. Services are provided in weekly units and billed monthly.

The reimbursement methodology for personal care services for beneficiaries in general adult foster care facilities or homes for the aged will end effective September 30, 2009. The agency's rates were set as of October 1, 2008 and are effective for services on or after that date. The rate is uniform for governmental and private providers unless otherwise indicated in the State Plan. The amount of the rate may be found at [www.michigan.gov/medicaidproviders](http://www.michigan.gov/medicaidproviders).

Personal care in specialized foster care facilities is covered under Michigan's waiver for specialty supports and services for people with developmental disabilities, serious mental illness, serious emotional disturbance and substance use disorder. The service is carved out of the state plan benefit and managed by pre-paid inpatient health plans (PIHPs) that are governmental entities receiving a capitation payment for an array of services that includes personal care as well as other state plan and specialized waiver services. PIHPs purchase personal care services from adult foster care providers whose facilities have been certified by the state to provide specialized services. Personal care in specialized residential settings must be medically necessary for the Medicaid beneficiaries who receive it. PIHPs establish a rate for personal care services based on an assessment of the severity of each individual's needs and the amount, scope and duration of the personal care activities and tasks identified during person-centered planning to meet the individual's needs. Medicaid beneficiaries who receive personal care in specialized residential settings have documented needs that are higher than beneficiaries who receive services in general foster care settings.