

## **Table of Contents**

**State/Territory Name: Michigan**

**State Plan Amendment (SPA) #: MI 23-0015**

This file contains the following documents in the order listed:

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

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
7500 Security Boulevard, Mail Stop S2-26-12  
Baltimore, MD 21244-1850



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**Financial Management Group**

September 7, 2023

Meghan Groen  
Senior Deputy Director  
State of Michigan, Department of Community Health  
400 South Pine Street  
Lansing, Michigan 48933

RE: Michigan State Plan Amendment (SPA) 23-0015

Dear Senior Deputy Director Groen:

We have reviewed the proposed amendment to Attachment 3.1-A and 4.19-A of your Medicaid state plan submitted under transmittal number (TN) 23-0015 effective for services on or after December 1, 2023. This SPA provides authority to cover and to reimburse for Psychiatric Residential Treatment Facility (PRTF) services for eligible Michigan Medicaid beneficiaries.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30), and 1903(a) of the Social Security Act and the regulations at 42 CFR 447 Subpart C. We hereby inform you that Medicaid State plan amendment 23-0015 is approved effective December 1, 2023. We are enclosing the CMS-179 and the amended plan pages.

If you have any questions, please call Tom Caughey at (517) 487-8598.

Sincerely,



Rory Howe  
Director

Enclosure

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b>  <b>FOR: CENTERS FOR MEDICARE &amp; MEDICAID SERVICES</b>	1. TRANSMITTAL NUMBER <u>23</u> — <u>0015</u>	2. STATE <u>MI</u>
	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 July 1, 2023    December 1, 2023	
5. FEDERAL STATUTE/REGULATION CITATION 42 CFR 441	6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars) a. FFY 2023                      \$3,911,500 b. FFY 2024                      \$15,153,100	
7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT  Supplemental to Attachment 3.1-A Page 32a Attachment 4.19-A.1 Page 1	8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)	

9. SUBJECT OF AMENDMENT  
This SPA provides authority to cover and to reimburse for Psychiatric Residential Treatment Facility (PRTF) services for eligible Michigan Medicaid beneficiaries.

10. GOVERNOR'S REVIEW (Check One)

<input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT	<input checked="" type="checkbox"/> OTHER, AS SPECIFIED:
<input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED	
<input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL	

	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
11. TYPED NAME Meghan Groen	
12. TITLE Senior Deputy Director	
13. DATE SUBMITTED June 12, 2023	

**FOR CMS USE ONLY**

16. DATE RECEIVED June 12, 2023	17. DATE APPROVED September 7, 2023
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**PLAN APPROVED - ONE COPY ATTACHED**

18. EFFECTIVE DATE OF APPROVED MATERIAL December 1, 2023	19. SIGNATURE OF APPROVING OFFICIAL 
20. TYPED NAME OF APPROVING OFFICIAL Rory Howe	21. TITLE OF APPROVING OFFICIAL Director, Financial Management Group

22. REMARKS  
Pen and ink changes made to box 3 at the direction of the state on 9/7/23

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

State of MICHIGAN

***Amount, Duration and Scope of Medical and Remedial Care And  
Services Provided to the Categorically and Medically Needy***

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**16. Inpatient Psychiatric Hospital Services for Individuals Under 22 (Continued)**

**Psychiatric Residential Treatment Facility (PRTF)**

Inpatient psychiatric hospital services may also be provided in a Psychiatric Residential Treatment Facility (PRTF) that meets the following requirements:

- 1) Accredited in accordance with the requirements of 42 CFR § 441.151;
- 2) Certified by MDHHS as complying with the requirements of 42 CFR 441 Subpart D and the conditions of participation at 42 CFR 483 Subpart G; and
- 3) Enrolled as a Title XIX provider with MDHHS.

Inpatient psychiatric facility services in a PRTF are limited to those provided for those participants who are medically certified as requiring this level of care in accordance with 42 CFR §441.152. Services are limited to individuals under the age of 21, or if receiving the services immediately before attaining the age of 21, not to extend beyond the earlier of:

- 1) The date the services are no longer required; or
- 2) The date directly prior to the individual reaching the age of 22.

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

State of MICHIGAN

***Methods and Standards for Establishing Payment Rates  
For Services Provided by Psychiatric Residential Treatment Facilities as Described in  
Item 16 of Supplement to Attachment 3.1-A***

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**Psychiatric Residential Treatment Facility (PRTF)**

PRTFs are paid a per diem rate, tiered to reflect the severity of the treatment services and staffing ratios. The per diem rates were set as of December 1, 2023, and are effective for services provided on or after that date. All rates are published at [www.michigan.gov/medicaidproviders](http://www.michigan.gov/medicaidproviders). Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of PRTF services.

The per diem is inclusive of:

- 1) Personal care and community living supports
- 2) Psychiatry
- 3) Group and individual behavioral health therapy
- 4) Case management
- 5) Behavior treatment plan development, implementation, and monitoring
- 6) Room and board
- 7) All transportation services. This includes transportation to accomplish PRTF treatment goals, education, and non-emergency non-ambulance medical transportation.

PRTF services must be reimbursed at the lower of the following:

- 1) Submitted charges, or
- 2) Fee schedule for PRTF services as determined by MDHHS

Payment is made for leave days when a reserved bed is held for a recipient on therapeutic or hospital leave. Therapeutic leave days are paid at 75% of the established fee schedule rate for up to consecutive therapeutic leave days. Hospital leave days are paid at 50% of the established fee schedule rate for up to seven consecutive days for each separate and distinct episode of medically necessary hospitalization. Additional leave days may be reimbursed upon authorization by the state.

Coverage for out-of-state PRTFs may only be provided upon authorization by the State. PRTF services must be reimbursed at the lower of the following:

- 1) Submitted charges, or
- 2) Fee schedule for PRTF services as determined by MDHHS