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State Territory Name: MICHIGAN

State Plan Amendment (SPA) #: 24-0018

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
230 South Dearborn Street
Chicago, IL 60604-1505



Financial Management Group

November 6, 2024

Meghan Groen
Medicaid Director
Medical Services Administrations
400 South Pine Street 7th Floor
Lansing, MI 48933-2250

RE: TN 24-0018

Dear Director Groen:

The Centers for Medicare & Medicaid Services (CMS) has reviewed the proposed Michigan state plan amendment (SPA) to Attachment 4.19-B 24-0018 which was submitted to CMS on September 26, 2024. This plan amendment updates Therapies rate.

We reviewed your SPA submission for compliance with statutory requirements including in sections 1902(a)(2), 1902(a)(13), 1902(a)(30), and 1903 as it relates to the identification of an adequate source for the non-federal share of expenditures under the plan, as required by 1902(a)(2), of the Social Security Act and the applicable implementing Federal regulations.

Based upon the information provided by the state, we have approved the amendment with an effective date of October 1, 2024. 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 via email at Deborah.Benson@cms.hhs.gov.

Sincerely,



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 24 — 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
October 1, 2024

5. FEDERAL STATUTE/REGULATION CITATION
42 CFR 447

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)
a. FFY 2025 \$3,972,800
b. FFY 2026 \$3,972,800

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT
Attachment 4.19-B Page 5c and 5c.1

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)
Attachment 4.19-B Page 5c (TN# 23-0023)

9. SUBJECT OF AMENDMENT
This SPA provides authority for updated therapy payment methodologies.

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. TYPED NAME
Meghan Groen
 12. TITLE
Senior Deputy Director
 13. DATE SUBMITTED
September 26, 2024

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
September 26, 2024

17. DATE APPROVED
November 6, 2024

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL
October 1, 2024

19. SIGNATURE OF APPROVING OFFICIAL

20. TYPED NAME OF APPROVING OFFICIAL
Todd McMillion

21. TITLE OF APPROVING OFFICIAL
Director, 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

12.1 Physical Therapy and Related Services

A. Physical therapists

Except as otherwise specified in the State Plan, payment rates are established utilizing the following methodology:

- Cognitive therapy: Medicare's January National Physician Fee Schedule Relative Value File values multiplied by the statewide conversion factor of \$26.20.
- All other services and procedures: Methodology described for physician services located in Attachment 4.19-B Page 1.

State-developed payment rates are uniform for both private and governmental providers. Reimbursement is made in accordance with Medicaid's fee screens or the provider's usual and customary charge for these services, whichever amount is less, minus any third-party payment. The provider's usual and customary charge is the fee most frequently charged to patients.

This reimbursement methodology applies to services rendered on or after 10/1/2024. All Medicaid fee schedule rates are published at www.michigan.gov/medicaidproviders

B. Occupational therapists

Except as otherwise specified in the State Plan, payment rates are established utilizing the following methodology:

- Cognitive therapy: Medicare's January National Physician Fee Schedule Relative Value File values multiplied by the statewide conversion factor of \$26.20.
- All other services and procedures: Methodology described for physician services located in Attachment 4.19-B Page 1.

State-developed payment rates are uniform for both private and governmental providers. Reimbursement is made in accordance with Medicaid's fee screens or the provider's usual and customary charge for these services, whichever amount is less, minus any third-party payment. The provider's usual and customary charge is the fee most frequently charged to patients.

This reimbursement methodology applies to services rendered on or after 10/1/2024. All Medicaid fee schedule rates are published at www.michigan.gov/medicaidproviders

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***

C. Speech-language pathologists

Except as otherwise specified in the State Plan, payment rates are established utilizing the following methodology:

- Cognitive therapy: Medicare's January National Physician Fee Schedule Relative Value File values multiplied by the statewide conversion factor of \$26.20.
- All other services and procedures: Methodology described for physician services located in Attachment 4.19-B Page 1.

State-developed payment rates are uniform for both private and governmental providers. Reimbursement is made in accordance with Medicaid's fee screens or the provider's usual and customary charge for these services, whichever amount is less, minus any third-party payment. The provider's usual and customary charge is the fee most frequently charged to patients.

This reimbursement methodology applies to services rendered on or after 10/1/2024. All Medicaid fee schedule rates are published at www.michigan.gov/medicaidproviders

D. Audiologists

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of audiology services. Payment rates are established utilizing the methodology described under physician services. If there is no applicable rate established by this methodology, the state utilizes the rate specified in a fee schedule. The agency's fee schedule rate was set as of 1/1/2020 and is effective for dates of service on or after that date. All rates are published on the agency's website at www.michigan.gov/medicaidproviders.