

## **Table of Contents**

**State Territory Name: MICHIGAN**

**State Plan Amendment (SPA) #: 24-0024**

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  
John C. Kluczynski Federal Building  
230 S Dearborn Street, Suite 330F  
Chicago, IL 60604-1505



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**Financial Management Group**

December 16, 2024

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

RE: TN 24-0024

Dear Director Groen:

The Centers for Medicare & Medicaid Services (CMS) has reviewed the proposed Michigan state plan amendment (SPA) to Attachment 4.19-B 24-0024 which was submitted to CMS on November 26, 2024. This plan amendment updates rates for Personal Care Services.

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 page.

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](mailto:Deborah.Benson@cms.hhs.gov).

Sincerely,

A solid 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

24 — 0024

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 C.F.R. Part 440

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)  
a. FFY 2025 \$77,836,800  
b. FFY 2026 \$77,959,600

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# 23-0025)

9. SUBJECT OF AMENDMENT

This SPA updates the home help individual and agency caregiver provider rates October 1, 2024 and November 1, 2024.

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  
November 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 – 7<sup>th</sup> Floor  
400 South Pine  
Lansing, Michigan 48933

Attn: Erin Black

**FOR CMS USE ONLY**

16. DATE RECEIVED  
November 26, 2024

17. DATE APPROVED  
December 16, 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)***

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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. A rate increase for all providers is effective October 1, 2024. The Michigan Medicaid fee schedule effective for dates of service on or after November 1, 2024, 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.