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State/Territory Name: **Michigan**

State Plan Amendment (SPA) #: **25-0007**

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
601 E. 12th St., Room 355 (300)
Kansas City, Missouri 64106



Medicaid and CHIP Operations Group

April 24, 2025

Meghan E. Groen
Senior Deputy Director
Behavioral and Physical Health and Aging Services Administration
Michigan Department of Health and Human Services
400 S Pine St., 7th Fl
Lansing, MI 48933-2250

Re: Michigan State Plan Amendment (SPA) 25-0007

Dear Director Groen:

The Centers for Medicare & Medicaid Services (CMS) reviewed your Medicaid State Plan Amendment (SPA) submitted under transmittal number (TN) 25-0007. In accordance with the Consolidated Appropriations Act of 2022, this amendment updates Medicaid State Plan language to ensure that responsible third-party payers (other than Medicare plans) are barred from refusing payment for an item or service solely because it did not receive prior authorization under the third-party payer's rules.

We conducted our review of your submittal according to statutory requirements in Title XIX of the Social Security Act and implementing regulations. This letter informs you that Michigan's Medicaid SPA TN 25-0007 was approved on April 24, 2025, with an effective date of January 1, 2025.

Enclosed are copies of Form CMS-179 and approved SPA pages to be incorporated into the Michigan State Plan.

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

Sincerely,

A large black rectangular redaction box covers the signature of Ruth A. Hughes.

Ruth A. Hughes
On Behalf of Courtney Miller, MCOG Director

Enclosures

cc: Erin Black, MI DHHS
Jacqueline Coleman, MI DHHS
Trista Chester, CMCS

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

1. TRANSMITTAL NUMBER

25 — 0007

2. STATE

MI3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL
SECURITY ACTTO: CENTER DIRECTOR
CENTERS FOR MEDICAID & CHIP SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

3. PROPOSED EFFECTIVE DATE

January 1, 2025

5. FEDERAL STATUTE/REGULATION CITATION

42 CFR 433.138

42 CFR 431.625

Section 1902a, 1905a, 1906 of the Social Security Act

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 2025 \$0

b. FFY 2026 \$0

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

General Program Administration Page 69a

8. PAGE NUMBER OF THE SUPERSEDED PLAN
SECTION OR ATTACHMENT (If Applicable)General Program Administration Pages 69a
(TN# 21-0017)

9. SUBJECT OF AMENDMENT

This SPA clarifies language regarding compliance with Section 202 of the Consolidated Appropriations Act (CAA), 2022 amended section 1902(a)(25)(I) of the Social Security Act, which mandates that a state plan for medical assistance must be in place to prevent responsible third-party payers (other than Medicare plans) from refusing payment for an item or service solely on the basis that such item or service did not receive prior authorization under the third-party payer's rules.

10. GOVERNOR'S REVIEW (Check One)

☐

GOVERNOR'S OFFICE REPORTED NO COMMENT

☒

OTHER, AS SPECIFIED:

☐

COMMENTS OF GOVERNOR'S OFFICE ENCLOSED

☐

NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

AL

11. TYPED NAME

Meghan Groen

12. TITLE

Senior Deputy Director

13. DATE SUBMITTED

March 31, 2025

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

March 31, 2025

17. DATE APPROVED

04/24/2025

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL

January 1, 2025

19. SIGNATURE

20. TYPED NAME OF APPROVING OFFICIAL

Ruth A. Hughes

21. TITLE OF APPROVING OFFICIAL

On Behalf of Courtney Miller, MCOG Director

22. REMARKS

Revision: HCFA-PM-94-1 (MB)
February 1994

State/Territory: MICHIGAN

Citation

42 CFR 433.139(b)(3)(ii)(A)

X (c) Providers are required to bill liable third parties when services covered under the plan are furnished to an individual on whose behalf child support enforcement is being carried out by the State IV-D agency.

42 CFR 433.139(b)(3)(ii)(C)

(d) Attachment 4.22-B specifies the following:

1) The method used in determining a provider's compliance with the third party billing requirements at §433.139(b)(3)(ii)(C).

42 CFR 433.139(f)(2)

2) The threshold amount or other guideline used in determining whether to seek recovery of reimbursement from a liable third party, or the process by which the agency determines that seeking recovery of reimbursement would not be cost effective.

42 CFR 433.139(f)(3)

3) the dollar amount or time period the state uses to accumulate billings from a particular liable third party in making the decision to seek recovery of reimbursement.

1902(a)(25)(l) of the Act

4) The Medicaid agency assures that the state has in effect the laws that require third parties to comply with the provisions, including, but not limited to, those which require third parties to provide the state with coverage, eligibility, and claims data, under section 1902(a)(25)(l) of the social security act, and specifies the compliance with 1902(a)(25)(e) and 1902(a)(25)(f).

5) The Medicaid agency ensures that laws are in effect that bar liable third party payers from refusing payment for an item or service solely on the basis that such item or service did not receive documentation, such as prior authorization, under the third party payer's rules. These laws comply with the provisions of section 202 of the Consolidated Appropriations Act, 2022.

42 CFR 447.20

(e) The Medicaid agency ensures that the provider furnishing a service for which a third party is liable follows the restrictions specified in 42 CFR 447.20.