

State/Territory Name: Michigan

State Plan Amendment (SPA) MI-25-0010

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
Chicago, Illinois 60604



Financial Management Group

November 13, 2025

Meghan Groen
Senior Deputy Director
Michigan Department of Health and Human Services
Health Services Administration– Federal Liaison
Capitol Commons Center – 7th Floor
400 South Pine
Lansing, MI 48933

RE: TN MI-25-0010

Dear Director Groen:

The Centers for Medicare & Medicaid Services (CMS) has reviewed the proposed Michigan state plan amendment (SPA) to Attachment 4.19-B MI-25-0010, which was submitted to CMS on August 18, 2025. The purpose of this plan amendment is to increase the reimbursement rate for conventional hearing aid batteries to \$1.42 per unit.

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 November 1, 2025. 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 Robert Bromwell at (410)-786-5914 or via email at Robert.bromwell@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

25 — 0010

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

November 1, 2025

5. FEDERAL STATUTE/REGULATION CITATION

42 CFR 447

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 2026 \$0

b. FFY 2027 \$0

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 4.19-B, Page 3

8. PAGE NUMBER OF THE SUPERSEDED PLAN
SECTION OR ATTACHMENT (If Applicable)

Attachment 4.19-B, Page 3 (TN# 23-0023)

9. SUBJECT OF AMENDMENT

This SPA increases the reimbursement rate for conventional (e.g., disposable, non-rechargeable) hearing aid batteries.

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

11. SIGNATURE OF STATE AGENCY OFFICIAL

11. TYPED NAME

Meghan Groen

12. TITLE

Chief Deputy Director

13. DATE SUBMITTED

August 18, 2025

15. RETURN TO

Health Services Administration— Federal Liaison
Capitol Commons Center – 7th Floor
400 South Pine
Lansing, Michigan 48933

Attn: Erin Black

FOR CMS USE ONLY

16. DATE RECEIVED

8/18/2025

17. DATE APPROVED

November 13, 2025

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL

November 1, 2025

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)***

6. Dentures, prosthetic devices and eyeglasses/optical house services

A. Dentures

The agency's fee schedule rate was set using the same methodology that applies to Item 19, Dental Services.

B. Prosthetic Devices

1.) Hearing Aids

Hearing Aid Device Reimbursement Methodology

Reimbursement rates for hearing aid devices covered via a multi-state Medicaid volume purchasing agreement are established directly with hearing aid manufacturers. Michigan meets the certification requirements of section 1902(A)(23) of the Social Security Act to permit the selection of one or more providers, through a competitive bidding process, to deliver hearing aids on a statewide basis under the authority of section 1915(a)(1)(B) of the Social Security Act and 42 CFR 431.54(d). Providers are reimbursed and not allowed to discount or bill more than the contract established prices. Rates were set September 1, 2019.

For hearing aids not included in the agreement, that is those reimbursed on a fee for service basis, payment rates and reimbursement are prior authorized and are based on documentation of the manufacturer's invoice price minus any discounts and includes actual shipping costs.

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

Effective Date of Payment

The agency's fee schedule rates were set as of November 1, 2019 and are effective for hearing aid devices dispensed on and after that date. All rates are published on the Agency's website at www.michigan.gov/medicaidproviders.

Hearing Aid Service Reimbursement Methodology

Reimbursement for hearing aid related services including dispensing fees is made in accordance with Medicaid fee screens. Other State Medicaid fee screens and providers' charges were used as guidelines or reference in determining the maximum fee screen for individual services.

Except as otherwise noted in the plan, 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 should be the fee most frequently charged to patients.

Effective Date of Payment

The agency's fee schedule was set as of November 1, 2025 and is effective for hearing aid services rendered on and after that date. All rates are published on the Agency's website at www.michigan.gov/medicaidproviders.

2.) Cochlear Implant Services

Payment rates for services related to cochlear implants are established utilizing the methodology described under physician services on Attachment 4.19-B Page 1. The agency's fee schedule rate was set as of 10/1/2023 and is effective for services provided on or after that date. All rates are published on the agency's website at www.michigan.gov/medicaidproviders.