

MICHIGAN DEPARTMENT OF COMMUNITY HEALTH

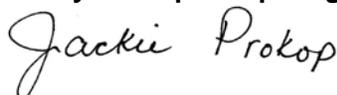
NOTICE OF PROPOSED POLICY

Public Act 280 of 1939, as amended, and consultation guidelines for Medicaid policy provide an opportunity to review proposed changes in Medicaid policies and procedures.

Please review the policy summary and the attached materials that describe the specific changes being proposed. Let us know why you support the change or oppose the change.

Submit your comments to the analyst by the due date specified. Your comments must be received by the due date to be considered for the final policy bulletin.

Thank you for participating in the consultation process.



Director, Program Policy Division  
Bureau of Medicaid Policy and Health System Innovation

<b>Project Number:</b>	1336-CSHCS	<b>Comments Due:</b>	November 9, 2013	<b>Proposed Effective Date:</b>	January 1, 2014
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**Policy Subject:** Update on Enrollment of Children's Special Health Care Services (CSHCS)/Medicaid Beneficiaries into Medicaid Health Plans (MHP), MHP Exclusion of Beneficiaries Authorized for Private Duty Nursing (PDN)

**Affected Programs:** Medicaid, Children's Special Health Care Services

**Distribution:** All Providers

**Policy Summary:** The purpose of this bulletin is to update three policies delineated in MSA 12-46, effective October 1, 2012. Medicaid beneficiaries with full Medicaid benefits and Children's Special Health Care Services (CSHCS) are hereafter referred to in this bulletin as CSHCS/Medicaid beneficiaries. This bulletin will update policies regarding prior authorization for CSHCS/Medicaid beneficiaries; excluded services for CSHCS/Medicaid beneficiaries; and disenrollment from a Medicaid Health Plan for all Medicaid beneficiaries when Private Duty Nursing services are authorized.

**Purpose:** 1) The intent of the policy regarding Fee-For-Service (FFS) prior authorization at the time of health plan enrollment was not being met undermining continuity of care for CSHCS beneficiaries. (2) CSHCS beneficiaries authorized for Private Duty Nursing will be disenrolled from health plans retroactively to the first day of the month in which services are received rather than authorized, as authorization often happens while the beneficiary is still hospitalized. (3) The addition of medications to the pharmacy carve out list paid FFS will no longer be named in policy and instead refer to the carve-out list on Magellan's website.

# Proposed Policy Draft

## Michigan Department of Community Health Medical Services Administration

**Distribution:** All Providers

**Issued:** December 1, 2013 (Proposed)

**Subject:** Update on Enrollment of Children's Special Health Care Services (CSHCS)/Medicaid Beneficiaries into Medicaid Health Plans (MHP), MHP Exclusion of Beneficiaries Authorized for Private Duty Nursing (PDN)

**Effective:** January 1, 2014 (Proposed)

**Programs Affected:** Medicaid, Children's Special Health Care Services

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### **Prior Authorization for CSHCS/Medicaid Beneficiaries**

In order to preserve continuity of care, MHPs and Fee-For-Service (FFS) must accept prior authorizations in place when the CSHCS/Medicaid beneficiary has a change in enrollment status. For CSHCS beneficiaries with FFS prior authorizations in place at the time the MHP receives the enrollment file, MHPs are expected to honor the prior authorization in place for 30 days after the effective date of enrollment. Full reciprocity is required between the party that originally authorized the service and the new payer for the first 30 days following the enrollment change. This includes accepting the approved provider, services, quantity limits, Medicaid rates and special rates, as well as other terms that have been negotiated for the beneficiary's care.

- If the prior authorized provider is not in the MHP network, the MHP must pay the out of network provider at the prior authorized rate for the first 30 days following the enrollment change. Providers may not bill FFS or the beneficiary for services covered by the MHP; the provider must bill the MHP.
- The servicing provider is responsible for transmitting a copy of the previously approved prior authorization to the new payer when there is a change in the beneficiary's enrollment status.
- Providers must be enrolled or willing to enroll with Medicaid to bill FFS. Providers who are unwilling to enroll with Medicaid cannot receive FFS reimbursement. Providers may not bill the MHP or the beneficiary for services covered by Medicaid FFS; the provider must bill FFS.

### **Excluded Services for CSHCS/Medicaid Beneficiaries**

All services specified as excluded from the MHP contract remain excluded for CSHCS/Medicaid beneficiaries enrolled in an MHP. Refer to the Medicaid Provider Manual, Medicaid Health Plans Chapter, for the list of services excluded from the MHP contract. MHPs are not required to provide transportation for services excluded from the MHP contract.

In-state approved intensive feeding clinic(s) are excluded from the MHP contract. Drugs in the categories listed on the Medicaid Health Plan carve-out list found at <https://michigan.fhsc.com/> >> Providers >> Drug Information are also excluded from the MHP contract. These medications are reimbursed by MDCH's pharmacy Third Party Administrator (TPA) through a point-of-service reimbursement system.

The following services continue to be covered by the CSHCS program and are not the responsibility of the MHP:

- Local Health Department care coordination
- Local Health Department case management
- Children's Multidisciplinary Specialty Clinic facility payment
- Orthodontia provided for certain CSHCS qualifying diagnoses
- Respite
- Private insurance premium payment

**Disenrollment from MHP for Beneficiaries Authorized for Private Duty Nursing (PDN) Services by Fee-For-Service**

Effective January 1, 2014, Medicaid beneficiaries authorized for PDN services will be disenrolled from their Medicaid Health Plan retroactively to the first day of the month in which the PDN services are received. Private Duty Nursing and other Medicaid-covered services will be covered by Medicaid FFS for these beneficiaries.