



STATE OF MICHIGAN  
 DEPARTMENT OF COMMUNITY HEALTH  
 LANSING

JENNIFER M. GRANHOLM  
 GOVERNOR

JANET OLSZEWSKI  
 DIRECTOR

April 20, 2007

Dear Hospital Official,

I am writing to inform you of changes in the State of Michigan's schedule for the collection of the Quality Assurance Assessment Program (QAAP) from hospitals. As you are probably aware, the State is experiencing both an unprecedented overall budget shortfall and an immediate cash flow crisis. As a result of this, we are adjusting QAAP collections to improve the State's cash position and better enable us to make payments.

Below is a description of the current and revised QAAP schedule. Specific due dates for each QAAP will be provided on the invoices sent to your facility. Please be aware that the revised schedule will remain in place until you are further notified. Also note that future QAAP invoices will be both more frequent and have a more compressed payment schedule. I respectfully ask that you adhere to that schedule and make QAAP payments promptly in order to avoid the imposition of unnecessary penalties.

Description	Current Schedule	Revised Schedule
FFS/MACI QAAP	Quarterly at beginning of quarter following MACI payments	Quarterly two days following MACI payments
Hospital Rate Adjustment (HRA) QAAP	Quarterly at beginning of second month following initial payments to Health Plans	Monthly in second week of first month following initial payments to Health Plans

Thank you for your assistance in partnering with the State of Michigan in these extremely challenging financial times. If you have any questions, please contact Brian Keisling on my staff at (517) 241-7192.

Sincerely,

Paul Reinhart, Director  
 Medical Services Administration