

PUBLIC NOTICE

Michigan Department of Health and Human Services Medical Services Administration

Proposed Healthy Michigan Plan Waivers

The Michigan Department of Health and Human Services (MDHHS) seeks approval from the federal government to modify the health care coverage program known as the Healthy Michigan Plan. Approval of this request would allow the State of Michigan to maintain coverage for approximately 600,000 individuals currently enrolled in the program.

State law requires MDHHS to seek a waiver that would allow individuals who are between 100% and 133% of the federal poverty level, and who have had Healthy Michigan Plan coverage for 48 cumulative months, to choose one of the following options: 1) purchase private insurance through the federal Marketplace (with eligibility for advanced premium tax credits and cost sharing reductions), or 2) remain in the Healthy Michigan Plan with increased cost-sharing up to 7% of income. The cost-sharing changes associated with the second option include an increase in enrollee contributions to 3.5% of income (with the opportunity for reductions). Individuals who fail to make an affirmative choice will remain in the Healthy Michigan Plan and be subject to the increased cost-sharing requirements.

MDHHS plans to submit a Section 1115 waiver amendment, and as needed a Section 1332 waiver request, to implement the above requirements. The proposed Section 1115 waiver amendment will primarily address the cost-sharing and eligibility-related modifications, while a Section 1332 waiver would seek to waive the provisions of 36B(c)(2)(B) of the Internal Revenue Code to allow the above-referenced beneficiaries to be eligible for federal advanced premium tax credits and cost sharing subsidies when choosing coverage.

Individuals who choose coverage through the Marketplace will receive the essential health benefits through a qualified health plan, as required by the Affordable Care Act. Services available to beneficiaries who choose to remain in the Healthy Michigan Plan will be consistent with existing program benefits under the State Plan.

If so directed by the federal government, and consistent with federal regulations, MDHHS will conduct economic and actuarial analysis to verify that the coverage provided under the proposed Section 1332 waiver will be at least as comprehensive, affordable, and comparable as coverage available under the Affordable Care Act.

Consistent with federal law and the Michigan Medicaid State Plan, written notice regarding the Section 1115 waiver amendment and Section 1332 waiver was provided to the Michigan Tribes on June 1, 2015.

MDHHS plans to hold a public hearing on June 24, 2015 to provide an overview and discussion of the proposed waivers. Information regarding the public hearing process will be provided on the Healthy Michigan Plan web page at <http://www.michigan.gov/healthymichiganplan> on the MDHHS website.

Any comments on this notice may be submitted in writing to: Michigan Department of Health and Human Services, Program Policy Division, Bureau of Medicaid Policy and Health System Innovation, Attention Medicaid Policy, P.O. Box 30479, Lansing, Michigan 48909-7979, or via email at healthymichiganplan@michigan.gov. Copies of information related to the proposed waivers, as well as written comments regarding the proposed waivers may be reviewed by the public at Capitol Commons Center, 400 South Pine Street, Lansing, Michigan. Additionally, copies of information related to the proposed waivers are available on the Healthy Michigan Plan web page: <http://www.michigan.gov/healthymichiganplan>. The web page will be updated as appropriate. All comments should include a "Second Waiver" reference somewhere in the written submission, or in the subject line if email is used. Comments will be accepted until July 31, 2015.