

Department of Health & Human Services
Centers for Medicare & Medicaid Services
233 North Michigan Avenue, Suite 600
Chicago, Illinois 60601-5519

CMS

CENTERS for MEDICARE & MEDICAID SERVICES

Refer to:

FEB 13 2006

2 17-06
c: Nancy Bishop

Paul Reinhart, Director
Medical Services Administration
Federal Liaison Unit
Michigan Department of Community Health
400 South Pine
Lansing, Michigan 48913

ATTN: Nancy Bishop

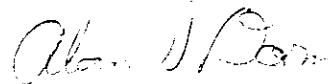
Dear Mr. Reinhart:

Enclosed for your records is an approved copy of the following State Plan Amendment:

Transmittal #05-020 Eliminates Separate RX Coverage in Hospital Long Term Care
Units--Effective January 1, 2006

If you have any additional questions, please have a member of your staff contact
Cynthia Garraway at (312) 353-8583.

Sincerely,



Alan S. Dorn
Acting Associate Regional Administrator
Division of Medicaid & Children's Health

Enclosure

TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL

FOR: HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER:

05 - 20

2. STATE:

Michigan

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)

TO: REGIONAL ADMINISTRATOR
HEALTH FINANCING ADMINISTRATION
DEPARTMENT OF HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE
January 1, 2006

5. TYPE OF PLAN MATERIAL (Check One):

NEW STATE PLAN

AMENDMENT TO BE CONSIDERED AS NEW PLAN

AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:
SSA 1935(d)(1)

7. FEDERAL BUDGET IMPACT:

a. FFY 06 \$ -0-
b. FFY 07 \$ -0-

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:
Supplement to Attachment 3.1-A, Page 12a

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):
Supplement to Attachment 3.1-A, Page 12a

10. SUBJECT OF AMENDMENT

Eliminates separate Rx coverage in hospital long term care units

11. GOVERNOR'S REVIEW (Check One)

GOVERNOR'S OFFICE REPORTED NO COMMENT

COMMENTS OF GOVERNOR'S OFFICE ENCLOSED

NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

OTHER, AS SPECIFIED:

Paul Reinhart, Director
Medical Services Administration

12. SIGNATURE OF STATE AGENCY OFFICIAL

13. TYPED NAME:
Paul Reinhart

14. TITLE:
Director, Medical Services Administration

16. RETURN TO:

Medical Services Administration
Program/Eligibility Policy Division - Federal Liaison Unit
Capitol Commons Center - 7th Floor
400 South Pine
Lansing Michigan 48933

15. DATE SUBMITTED:

November 13, 2005

Attn: Nancy Bishop

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

November 16, 2005

18. DATE APPROVED:

February 13, 2006

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:
January 1, 2006

20. SIGNATURE OF REGIONAL OFFICIAL:

Alan S. Dorn

21. TYPE NAME:

Alan S. Dorn

22. TITLE:

Acting Associate Regional Administrator

23. REMARKS:

RECEIVED

NOV 16 2005

DMCH - ARA

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State of MICHIGAN

***Amount, Duration and Scope of Medical and Remedial Care Services
Provided to the Categorically and Medically Needy***

The following services are excluded from the nursing facility per diem rate:

1. physical therapy, as defined in 1.a. Prior authorization is required.
2. occupational therapy, as defined in 1.a. Prior authorization is required.
3. speech pathology, as defined in 1.a. Prior authorization is required.

The following service may be covered when billed by county medical care facilities and/or hospital long term care units:

oxygen

~ Medicare and Medicaid coordination

For nursing facilities, county medical care facilities, hospital long term care units, ventilator dependant care units, hospital swing beds and nursing facilities for the mentally ill, Medicaid will reimburse consistent with the methodology for coordination of Title XIX with Title XVIII as specified in Supplement 1 to Attachment 4.19-B, page 1 of this plan. The services subject to co-insurance and deductible payments, and how to bill the co-insurance and deductible for these services, are listed in the Medicaid Nursing Facility Procedure Code Appendix.

A dually eligible beneficiary who resides in a Medicaid-only certified bed may be admitted to a hospital for acute care services and, at the time of the beneficiary's hospital discharge, may be eligible for Medicare-reimbursed Skilled Nursing Facility (SNF) benefits. However, the beneficiary may wish to return to the Medicaid NF bed from which he was originally transferred. In these situations, Medicaid will reimburse the Nursing Facility for any days (i.e. 100 days) that would have been covered by Medicare.

Medicaid will reimburse for all medically necessary nursing facility days and other medically necessary services for dually eligible beneficiaries who wish to return to their Medicaid NF bed and refuse their Medicare SNF benefit.

TN NO.: 05-20

Approval Date: FEB 13 2006

Effective Date: 01/01/2006

Supersedes
TN No.: 04-09