State of Michigan Department of Insurance and Financial Services

Bulletin 2015-18-INS

In the Matter of

Network Adequacy and Service Area Requirements for Medicaid HMOs

Issued and entered this <u>/3</u> day of July 2015 by Patrick M. McPharlin, Director

This bulletin supersedes Bulletin 2009-07-INS, issued on February 24, 2009.

Health maintenance organizations (HMOs) are regulated by the Department of Insurance and Financial Services (DIFS). Section 3571 of the Insurance Code of 1956 (Code), MCL 500.3571, provides, in part, that HMOs are "not precluded from meeting the requirements of, receiving money from, and enrolling beneficiaries or recipients of state and federal health programs." HMOs that participate in Medicaid (Medicaid HMOs) are considered to be participating in a "state health program" for purposes of Section 3571 of the Code. The Department of Health and Human Services (DHHS) administers the Medicaid program for Michigan.

All HMOs, writing Medicaid coverage, must comply with the Medicaid Service Area Expansion requirements contained in DIFS' Michigan Network Adequacy Guidance, which is located at this website link:

https://www.michigan.gov/documents/difs/Network Adequacy Guidelines 415418 7.pdf Medicaid HMOs should pay particular attention to the portions of the guidance that apply specifically to the Medicaid Network Attestation requirement.

Any questions concerning this bulletin should be directed to:

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