



Michigan Network Adequacy Guidance

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I. Foreward

The Michigan Department of Insurance and Financial Services (DIFS) publishes this document as guidance on its healthcare provider network adequacy minimum standards and general requirements. DIFS applies the same network adequacy standards for Qualified Health Plan (QHP) and Stand-Alone Dental Plan (SADP) binder submissions as to Service Area Expansion filings.

Pursuant to the Patient Protection and Affordable Care Act, 42 U.S.C. § 18001 et seq. (2010) (ACA), federal rules and regulations, and state statutes, health and dental insurers, health maintenance organizations (HMOs), and Alternative Finance Delivery Systems (AFDS) (collectively issuers) are required to maintain a healthcare provider network that is sufficient in number and types of providers, including providers that specialize in mental health and substance abuse services, to assure that all services will be available and accessible without unreasonable delay. This includes geographic accessibility (meeting time/distance standards) in relation to where members live or work and accessibility for persons with disabilities.

Additionally, 45 CFR § 156.235 establishes requirements for inclusion of essential community providers (ECPs) in issuer networks On-Marketplace. Network adequacy standards and requirements apply to all issuers offering network products. Network and service area approval must be issued from DIFS through the System for Electronic Rate and Form Filing (SERFF) before an issuer may offer/market its products or plans.

II. Commercial Network Adequacy Standards & Requirements

A. Overview

Regardless of the design and/or configuration, all networks must meet or exceed network adequacy standards. Networks that differentiate provider access based on tiers, cost-sharing, prior authorization, or any variation thereof must meet the network adequacy standards at the most basic level of providers.

DIFS expects issuers to exclude providers in its network(s) that:

- have been sanctioned or prohibited from participation in federal health care programs under either Section 1128 or Section 1128A of the Social Security Act
- are retired
- no longer offer health care services
- are deceased
- have had license suspended or revoked by the State of Michigan Department of Licensing and Regulatory Affairs, *and* license is currently inactive

B. Network Standards

1. Provide access to covered health care and services assuring continuity and quality.
2. Provide, within the geographic area served by the issuer's network, covered health services that are available, accessible, and provided as promptly as appropriate to members assuring continuity, availability, and accessibility to members 24 hours a day and 7 days a week for the treatment of emergency illness or injury.
3. Reasonable provisions for members to obtain emergency health services both in and outside the geographic area served by the plan.
4. Maintain provider network(s) sufficient in number and types of providers, including providers specializing in mental health and substance abuse services, to ensure all services will be accessible without unreasonable delay.
5. Ensure reasonable proximity of participating providers to the business or personal residence of members.
6. When the number and types of participating providers is insufficient, ensure members obtain covered benefits at no greater cost than if the benefit were obtained from in-network providers.
7. Include sufficient number and types of providers that offer Essential Health Benefits.
8. Include sufficient number and geographic distribution of ECPs, where available, to ensure reasonable and timely access to a broad range of providers for low income, medically underserved individuals within the QHP's service area (On- and On-/Off-Marketplace).
9. ECP network concentration must meet all Center for Consumer Information and Insurance Oversight (CCIIO), Centers for Medicare & Medicaid Services (CMS) ECP rulemaking standards.
10. Operate in a manner that provides members with continuity of care in accordance with applicable federal and state regulations and laws.
11. Provider directory updated at least monthly for accuracy and to include the following information:

- a. Whether provider accepts new patients
- b. Provider type, sub-specialty/ies, location(s), contact information
- c. Clearly identifiable link or tab accessible without creating an account or entering a policy number
- d. Any accommodations for individuals with limited English proficiency and people with disabilities
- e. Clearly identifiable plan(s) and provider network(s) associated with each provider
- f. Hospitals where network physicians have admitting privileges

C. Network Requirements

DIFS defines network providers as those credentialed **and** either employed by or, having executed contracts (signed by all parties) or participating provider agreements with the issuer. Issuers must submit provider data to DIFS *only* for providers that meet this criteria.

All networks must be identified on all applicable templates and documentation. Issuers are prohibited from offering any network identified in member coverage materials but not detailed in the Network, ECP/Network Adequacy, Plans and Benefits, and the Michigan Network Data Templates, Network Adequacy Checklists, and as Network Submission Summary, as applicable.

To ensure DIFS' ability to accurately evaluate innovative network models, issuers are required to identify all network models on the [Michigan Network Adequacy Checklists \(FIS 2313 and 2314\)](#). Additional provider network information should be included in the Network Submission Summary under Supporting Documentation in SERFF to further detail network model(s).

For tiered networks, issuers must clearly:

1. identify tiers
2. associate providers with respective tier(s)
3. illustrate member access and cost-sharing relative to utilization of providers in each tier

State and federal template and documentation requirements for issuers depend on whether issuer seeks:

- Approval for certification of its Individual or Small Group QHP or SADP
- To market its Individual or Small Group QHP or SADP On- or Off-Marketplace or both
- A Service Area Expansion as an HMO for Large Group or as an AFDS

Issuers seeking certification of Individual and/or Small Group QHPs and SADPs On-or Off-Marketplace must submit required templates and documentation during the annual submission period.

Service Area Expansion filings for HMO Large Group and AFDS may be submitted at any time.

i. APPLICABLE FEDERAL AND STATE AUTHORITY

Federal Regulations

45 CFR Parts 146, 147, 155, 156

State Statutes

MCL 500.3428

MCL 500.3513, 3528, 3529, 3530

ii. REQUIRED TEMPLATES & DOCUMENTATION

a. QHP/SADP On- and On-/Off-Marketplace

State Template

Michigan Network Data Template FIS 2273

State Documents

- Submission Summary
- Network Attestation
- Network Coverage Attestation
- Network Adequacy Checklist
 - a. FIS 2313 (Medical/QHPI)
 - b. FIS 2314 (Dental/SADP)

Federal Templates

- Network ID Template
- Service Area Template
- Plans and Benefits Template
- ECP/Network Adequacy Template

Federal Documents

[State Partnership Exchange Issuer Program Attestation Response Form \(PY20\)](#)

b. QHP/SADP Off-Marketplace Only

State Template

Michigan Network Data Template FIS 2273

State Documents

- Network Submission Summary
- Network Attestation
- Network Coverage Attestation
- Network Adequacy Checklist
 - a. FIS 2313 (Medical/QHP)
 - b. FIS 2314 (Dental/SADP)

Federal Templates

- Network
- Service Area
- Plans and Benefits
- ECP/Network Adequacy Template (SADP only)

Federal Documents

[State Partnership Exchange Issuer Program Attestation Response Form \(PY20\)](#)

c. Service Area Expansions (HMO Large Group and AFDS)

State Template

Michigan Network Data Template

State Documents

- Network Submission Summary
- Network Attestation
- Network Coverage Attestation
- First and last (signature) pages (including applicable amendments) of executed affiliated hospital provider contract(s)
- Financial review information

iii. DETAIL OF REQUIRED TEMPLATE & DOCUMENTATION

State required template and documentation must be submitted under Supporting Documentation in SERFF

Template

T1 Michigan Network Data Template (FIS-2273): DIFS' intake form (Excel workbook comprised of 2 worksheets) used to collect detailed network provider data, including

1. Request Summary Worksheet
 - a. Requested County/Service Area
 - b. Whether seeking full or partial county approval (if partial, identifies townships and cities)
 - c. Identifies Network, Plan, and Product
 - d. Network Provider Directory URL
 - e. 3-year enrollment projections
2. Network Data Worksheet
 - a. Provider location by (Michigan county, mail, mobile or out-of-state)
 - b. Network identification
 - c. National Provider Identification (NPI) number, if applicable
 - d. Provider type and sub-specialty/ies (up to 3)
 - e. Provider address
 - f. Hospital Admitting Privileges (PCPs and Specialists)
 - g. Whether provider is accepting new patients (PCPs, Specialists, Dental)
 - h. Whether provider is ECP (if so, includes ECP Category)

[See Michigan Network Data Template Instructions.](#)

Documentation

D1 Network Submission Summary: All issuers must submit a narrative under Supporting Documentation in SERFF to provide DIFS with greater clarity of the submission for network approval. Recommended to include in the summary, as appropriate:

1. Description of creation of provider network(s)
2. Description of provider network design(s) and any limitations
3. Documentation of issuer's provider access-related policies and procedures (e.g., out-of-network referral procedures, network design methodology, telemedicine, telehealth policies)
4. Explanation of any unique circumstances
 - a. Changes in composition of network from any prior request for approval (e.g. gain/loss of providers/provider contracts such as hospitals)
5. Specific descriptions of any telemedicine or telehealth provider services
 - a. any services exclusively provided by either telemedicine or telehealth
 - b. how issuer defines
6. Identification and explanation of any provider type and/or sub-specialty for which issuer is unable to secure contract(s)
 - a. Whether sufficient qualified providers are available in the county
 - b. Whether any active outreach and provider contracting efforts have been made and results (e.g., rural counties or when specialty is limited in number and/or issues related to unsuccessful contract negotiations with local provider(s))
 - c. Explain steps issuer has taken to ensure members' access to provider type(s), sub-specialty
7. If requesting approval for partial county/ies:
 - a. Demonstrate why serving a geographic area less than the entire county is necessary, nondiscriminatory, and in the best interest of members
 - b. Identify differences/similarities between excluded and included portions of service area
8. Note any reliance on providers located in adjacent or auxiliary counties to augment the requested county/ies

Attestations

A1 Network Attestation:

A written verification from issuer's authorized representative, that all providers included on the Michigan Network Data Template are currently employed by or have executed contracts or agreements (signed by both parties) as participating providers with issuer as of the date of submission and have met all credentialing requirements.

A2 Network Coverage Attestation

A written verification, from issuer's authorized representative, that if there is an insufficient number or type of participating providers in its contracted provider network to provide a covered benefit, the applicant shall ensure that the enrollee will obtain the covered benefit in a timely manner, geographically accessible, and at no greater cost than if the benefit were obtained from an in-network provider.

Checklist

C1 **Network Adequacy Checklist – Individual and Small Group Medical Plans (FIS 2313)**

1. Available in Plan Management General Instructions in SERFF Plan Management tab and on [DIFS' website](#)
2. Unique to DIFS for issuers submitting QHPs/SADPs On-, On-/Off-Marketplace, and Off-Marketplace only
 - o **Not** required for Service Area Expansion filings
3. Must be submitted under Supporting Documentation tab of SERFF Plan Management Binder
4. Serves to assist issuers in submitting complete binders that meet all federal and state network and service area requirements
5. Serves as a reference for DIFS
6. Includes “Comment” area where issuers may include additional contracted provider network detail

Financial Review Information: Required for HMO Large Group and AFDS Service Area Expansions SERFF filings only; **Not** required for On-, On-/Off-Marketplace, or Off-Marketplace only QHPs or SADPs

1. Must submit two-years’ financial projections, including balance sheet, income statement, cash flow, and risk-based capital (RBC) level

Enrollment Projections:

1. Estimated number of new enrollees expected in each of the following three years by county, including any existing enrollees
 - a. Entered on the Michigan Network Data Template, Request Summary worksheet/tab and submitted under Supporting Documentation in SERFF

Federal Templates must be validated and submitted under Templates in SERFF Plan Management Binder.

Templates

T1 Essential Community Providers/Network Adequacy Template:

1. The ECP portion of this template requires issuers to identify network providers serving the medically underserved population referred to as ECPs. CMS is no longer collecting Network Adequacy data on this template.
 - a. ONLY the ECP portions of this template should be completed.
 - b. DO NOT click the Create Facility, Pharmacy, Non-MD/DO Tab button

T2 Network ID Template: Identifies issuer’s proposed network(s).

T3 Service Area Template: Identifies issuer’s requested service area(s) for plans it intends to market.

T4 Plans and Benefit Template: Connects network(s) and service are(s) with plan variation information, covered benefits and cost sharing.

Federal documentation must be submitted under Supporting Documentation in SERFF, Plan Management Binder

A1 Attestations: See 2019 [State Partnership Exchange Issuer Program Attestation Response Form](#) and CMS' QHP Issuer Application Instructions. Issuers must agree to adhere to all certification standards and operational requirements applicable in 45 CFR Parts 146, 147, 153, 155, and 156.

III. Service Area

For Michigan network adequacy purposes, DIFS defines a service area as a county. There are 83 counties in Michigan consisting of a varied number of townships and cities.

Each county has an associated designation of either rural, micropolitan, or metropolitan. This designation is determined by the United States Office of Management and Budget as reported by the U.S. Census Bureau. See Appendix B.

DIFS conducts network adequacy reviews according to geographic service areas. Issuers must request approval by service area/county to market products/plans to provide covered health care services to potential enrollees.

DIFS grants service area approval by county based upon the sufficiency of the issuer's provider network. DIFS may grant full approval of an entire county or partial approval specifying in which township(s) and/or city(ies) an issuer may market its product(s).

Issuers are prohibited from marketing network products in service areas absent DIFS' approval.

IV. Evaluation Factors

When evaluating the adequacy of an issuer's provider network, DIFS considers factors that contribute to, affect, or influence an issuer's ability to provide an adequate network, including the following:

1. **30-minute travel standard**
2. **Hospital coverage** (See DIFS' [Network Adequacy-Michigan Service Area Maps](#) to evaluate hospital travel times searchable by county or hospital name.)
3. **Admitting privileges**
4. **Accepting new patients**
5. **Location of network providers**
6. **Availability of providers**
7. **County designation** (See Appendix B)
8. **Adjacent/contiguous county providers**
9. **Mail, mobile, and out of state providers**
10. **Mental health and substance abuse providers**
11. **ECP** (Marketplace Only; see final Letter to Issuers in the Federally-facilitated Exchanges, ACA; HHS Notice of Benefit and Payment Parameters, and CMS' QHP Issuer Application Instructions.)
12. **Number of providers**
13. **Type(s) of providers** (See Appendix A)

V. Dental Network Adequacy Standards & Requirements

A. Network Standards

SADP issuer networks must include:

- 1) Dental providers that are available and accessible in each service area to deliver Michigan dental EHB.
 - a. Generally, Michigan dental EHB services may be delivered by general dentists
 - i. However, there are some dental EHB services that require endodontic, oral surgery, and periodontic dental specialties
 1. Minimally, DIFS expects to see these dental specialists in each of metropolitan counties within the requested service area
- 2) Dental providers located within the boundaries of each county within the requested service area

DIFS considers the relative availability of dental provider types and sub-specialties and the county designations within issuer's requested service area. Appendix B details Michigan county designations.

See also II. Commercial Network Standards and Requirements, as relevant to SADPs.

B. Requirements

State and federal template and documentation requirements for SADPs are similar to those for QHPs.

i. REQUIRED TEMPLATES & DOCUMENTATION

a. SADP Individual and Small Group On- and On-/Off-Marketplace

State:

Template

- Michigan Network Data Template FIS 2273

Documents

- Submission Summary
- Network Attestation
- Network Coverage Attestation
- Network Adequacy Checklist
 - a. FIS 2314 (Dental) [Note: separate checklist is required for each Individual and Small Group SADP binder]

Federal:

Templates

- Network
- Service Area
- Plans and Benefits
- ECP/Network Adequacy

Documents

- [State Partnership Exchange Issuer Program Attestation Response Form](#)
- ECP Analysis

b. SADP Individual and Small Group Off-Marketplace Only

State:

Template:
Michigan Network Data Template (FIS 2273)

Templates

- Network
- Service Area
- Plans and Benefits
- ECP/Network Adequacy

Documents:

- Network Submission Summary
- Network Attestation
- Network Coverage Attestation
- Network Adequacy Checklist
 - a. FIS 2314 (Dental) [Note: separate checklist is required for each Individual and Small Group SADP binder]

Documents:

- [State Partnership Exchange Issuer Program Attestation Response Form](#)
- ECP Analysis

Federal:

ii. DETAIL OF REQUIRED TEMPLATES & DOCUMENTATION

Network Adequacy Checklist – Individual and Small Group Stand-Alone Dental Plans (FIS 2314):

- Available in Plan Management General Instructions in SERFF Plan Management tab and on [DIFS' website](#)
- DIFS required document for issuers submitting SADPs On-, On-/Off-Marketplace, and Off-Marketplace only
- Must be submitted under Supporting Documentation tab of SERFF Plan Management Binder
- Serves to assist issuers in submitting a complete binder that meets all federal and state network and service area requirements
- Serves as a reference for DIFS
- Includes “Comment” area where issuers may include additional provider network detail

See also II. Commercial Network Standards and Requirements, C. Network Requirements, iii. Detail of Required Templates & Documentation, as applicable to SADP.

VI. Appendices

A. Appendix

Provider Type/Specialty/Sub-Specialty List

PCP*

Family Practice
General Pediatrics
General Practitioner

Internal Medicine
Nurse Practitioner
OB/GYN

Physician Assistant
OTHER

Specialist

Allergy/Immunology
Anesthesiology
Cardiovascular Medicine
Cardiovascular Surgery
Colon/Rectal
Critical Care
Dermatology
Emergency Medicine
Endocrinology*
Gastroenterology
General Surgery
Geriatric Medicine
Hematology
Hematology/Oncology

Infectious Diseases*
Internal Medicine
Midwife
Nephrology
Neurology
Neurosurgery
OB/GYN
Oncology*
Ophthalmology
Orthopedic Surgery
Otolaryngology
Pain Medicine
Palliative Medicine
Pathology

Pediatrics
Plastic Surgery
Podiatry
Psychiatry
Psychology
Pulmonology
Radiology
Rheumatology*
Sleep Medicine
Thoracic Surgery
Urology
Vascular Medicine
OTHER

Ancillary

Ambulatory Surgery Center
Audiology
Chiropractic Medicine
Diagnostics
Dialysis*
DME
Home Health
Home Infusion
Hospice

Imaging
Laboratory
Mental/Behavioral Health*
Occupational Therapy
Optometry
Orthotics/Prosthetics
Pain Management
Physical Therapy
Public Health Clinic

Radiology
Skilled Nursing
Speech Therapy
Substance Abuse*
Urgent Care
Vision Center
Weight Management
OTHER

Dental*

Dental Assistant
Dental Hygienist
Dental Lab Tech
Dental Public Health
Endodontics
General Dentistry
Oral and Maxillofacial Pathology

Oral and Maxillofacial Radiology
Oral and Maxillofacial Surgery
Orthodontics and Dentofacial Orthopedics
Pediatric Dentistry
Periodontics
Prosthodontics
OTHER

Pharmacy

Hospital*

*CMS has historically focused on this provider type and/or specialty/sub-specialty

B. Appendix

United States Office of Management and Budget-State of Michigan County Designation

County	Designation
Alcona	RURAL
Alger	RURAL
Allegan	MICROPOLITAN
Alpena	MICROPOLITAN
Antrim	RURAL
Arenac	RURAL
Baraga	RURAL
Barry	METROPOLITAN
Bay	METROPOLITAN
Benzie	MICROPOLITAN
Berrien	METROPOLITAN
Branch	MICROPOLITAN
Calhoun	METROPOLITAN
Cass	METROPOLITAN
Charlevoix	RURAL
Cheboygan	RURAL
Chippewa	MICROPOLITAN
Clare	RURAL
Clinton	METROPOLITAN
Crawford	RURAL
Delta	MICROPOLITAN
Dickinson	MICROPOLITAN
Eaton	METROPOLITAN
Emmet	RURAL
Genesee	METROPOLITAN
Gladwin	RURAL
Gogebic	RURAL
Grand Traverse	MICROPOLITAN
Gratiot	MICROPOLITAN
Hillsdale	RURAL
Houghton	MICROPOLITAN
Huron	RURAL
Ingham	METROPOLITAN
Ionia	METROPOLITAN
Iosco	RURAL
Iron	RURAL
Isabella	MICROPOLITAN
Jackson	METROPOLITAN
Kalamazoo	METROPOLITAN
Kalkaska	MICROPOLITAN
Kent	METROPOLITAN
Keweenaw	MICROPOLITAN

County	Designation
Lake	RURAL
Lapeer	METROPOLITAN
Leelanau	MICROPOLITAN
Lenawee	MICROPOLITAN
Livingston	METROPOLITAN
Luce	RURAL
Mackinac	RURAL
Macomb	METROPOLITAN
Manistee	RURAL
Marquette	MICROPOLITAN
Mason	RURAL
Mecosta	MICROPOLITAN
Menominee	MICROPOLITAN
Midland	MICROPOLITAN
Missaukee	MICROPOLITAN
Monroe	METROPOLITAN
Montcalm	RURAL
Montmorency	RURAL
Muskegon	METROPOLITAN
Newaygo	METROPOLITAN
Oakland	METROPOLITAN
Oceana	RURAL
Ogemaw	RURAL
Ontonagon	RURAL
Osceola	RURAL
Oscoda	RURAL
Otsego	RURAL
Ottawa	METROPOLITAN
Presque Isle	RURAL
Roscommon	RURAL
Saginaw	METROPOLITAN
Sanilac	RURAL
Schoolcraft	RURAL
Shiawassee	MICROPOLITAN
St. Clair	METROPOLITAN
St. Joseph	MICROPOLITAN
Tuscola	RURAL
Van Buren	METROPOLITAN
Washtenaw	METROPOLITAN
Wayne	METROPOLITAN
Wexford	MICROPOLITAN

C. Appendix

State and Federal website addresses

1. [45 CFR §146, 147, 155, and 156](#)
2. [DIFS' Bulletins for 2019 Form and Rate Filing Requirements for Medical and Stand-Alone Dental Plans](#)
3. [Essential Community Providers](#)
4. [MDHHS Hospital Access Agreement and accompanying Bulletin MSA 01-28](#)
5. [Michigan Dental EHB services](#)
6. [Michigan Essential Health Benefits](#)
7. [Michigan Insurance Code](#)
8. [Michigan Network Data Template and Instructions](#)
9. [Network Adequacy-Michigan Service Area Maps](#)
10. [Qualified Health Plan Certification Information and Guidance](#)
11. [Letter to Issuers in the Federally-facilitated Marketplaces](#)
12. [HHS Notice of Benefit and Payment Parameters](#)