

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
7500 Security Boulevard, Mail Stop S3-13-15  
Baltimore, Maryland 21244-1850

**CMS**

CENTERS for MEDICARE & MEDICAID SERVICES

**Center for Medicaid and State Operations**

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*original - for file 08/16/06  
Nancy B. B...  
cc Nancy B.*

**AUG 16 2006**

Mr. Paul Reinhart, Director  
Medical Services Administration  
Department of Community Health  
400 South Pine  
Lansing, MI 48933

RE: Michigan State Plan Amendment (SPA) 06-12

Dear Mr. Reinhart:

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid State plan submitted under transmittal number (TN) 06-12. This amendment makes a technical change by re-inserting previously approved inpatient hospital reimbursement language. The proposed effective date for the SPA is July 1, 2006.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30), 1903(a) and 1923 of the Social Security Act and the regulations at 42 CFR 447 Subpart C. We are pleased to inform you that Medicaid State plan amendment 06-12 is approved effective July 1, 2006. We are enclosing the HCFA-179 and the amended plan pages.

If you have any questions, please call Rory Howe at (410) 786-4878.

Sincerely,

*Dennis G. Smith*

Dennis G. Smith  
Director

Enclosures

**TRANSMITTAL AND NOTICE OF APPROVAL OF  
STATE PLAN MATERIAL  
FOR: HEALTH CARE FINANCING ADMINISTRATION**

1. TRANSMITTAL NUMBER:  
06 - 12

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  
~~April 1, 2005~~ JULY 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:  
~~42 CFR 430.20(g)~~

7. FEDERAL BUDGET IMPACT:  
a. FFY 05 \$ -0-  
b. FFY 06 \$ -0-

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:  
Attachment 4.19-A, page 24a.1

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):  
N/A new page

10. SUBJECT OF AMENDMENT:  
re-inserting approved IPH reimbursement language  
~~requesting retro active effective date under 42 CFR 430.20(g)~~

11. GOVERNOR'S REVIEW (Check One):  
 GOVERNOR'S OFFICE REPORTED NO COMMENT       OTHER, AS SPECIFIED:  
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED      Paul Reinhart, Director  
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL      Medical Services Administration

12. SIGNATURE OF STATE AGENCY OFFICIAL:  
13. TYPED NAME: Paul Reinhart  
14. TITLE: Director, Medical Services Administration  
15. DATE SUBMITTED: July 26, 2006

16. RETURN TO:  
Medical Services Administration  
Program/Eligibility Policy Division - Federal Liaison Unit  
Capitol Commons Center - 7<sup>th</sup> Floor  
400 South Pine  
Lansing, Michigan 48933  
Attn: Nancy Bishop

**FOR REGIONAL OFFICE USE ONLY**  
17. DATE RECEIVED: July 27, 2006      18. DATE APPROVED: August 16, 2006

**PLAN APPROVED - ONE COPY ATTACHED**  
19. EFFECTIVE DATE OF APPROVED MATERIAL: JUL - 1 2006      20. SIGNATURE OF REGIONAL OFFICIAL: Dennis G. Smith

21. TYPE NAME: DENNIS G. SMITH      22. TITLE: Director, CMSO

23. REMARKS:  
BOXES 4, 6, +10 - PEN AND INK CHANGE PER 8/10/06  
E-MAIL FROM STATE.

**RECEIVED**  
JUL 27 2006  
DMCH - MI/MN/WI

**STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT**

State of MICHIGAN

***Methods and Standards for Establishing Payment Rates  
Inpatient Hospital Care***

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- 3) Provide psychiatric inpatient services to indigent people who are seriously mentally ill and who require intensive inpatient treatment.

Payments to individual hospitals are limited to uncompensated care costs. In accordance with Section 1923(h)(1)(A) and (B) of the Social Security Act, aggregate

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TN NO.: 06-12

Approval Date: AUG 16 2006

Effective Date:

JUL - 1 2006

Supersedes

TN No.: N/A new page