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State/Territory Name: MI

State Plan Amendment (SPA) #: 14-0017

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form (with 179-like data)
- 3) Approved SPA Pages

March 18, 2015

Stephen Fitton, Medicaid Director
Medical Services Administration
Federal Liaison Unit
Michigan Department of Community Health
400 South Pine
Lansing, Michigan 48933

ATTN: Erin Black

Dear Mr. Fitton:

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

- Transmittal #: 14-0017- MI PCT
- Effective: January 1, 2015

If you have any questions, please contact Leslie Campbell at (312) 353-1557 or Leslie.Campbell@cms.hhs.gov.

Sincerely,

/s/

Alan Freund
Acting Associate Regional Administrator
Division of Medicaid & Children's Health Operations

Enclosures

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

1. TRANSMITTAL NUMBER:
1 4 - 0017

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, 2015

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 447.204

7. FEDERAL BUDGET IMPACT:
a. FFY 2015 \$ 11,502,000
b. FFY 2016 \$ 16,519,000

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:
Attachment 4.19-B, Page 22
Attachment 4.19-B, Appendix A, Page 1

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (*If Applicable*):
Attachment 4.19-B, Page 22
Attachment 4.19-B, Appendix A, Page 1

10. SUBJECT OF AMENDMENT:
Extends Michigan's multi-payer demonstration project (MiPCT) through December 31, 2016.

11. GOVERNOR'S REVIEW (*Check One*):

GOVERNOR'S OFFICE REPORTED NO COMMENT OTHER, AS SPECIFIED:
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED Stephen Fitton, Director
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL Medical Services Administration

12. SIGNATURE OF STATE AGENCY OFFICIAL:

13. TYPED NAME:
Stephen Fitton

14. TITLE:
Director, Medical Services Administration

15. DATE SUBMITTED:
December 19, 2014

16. RETURN TO:
Medical Services Administration
Actuarial Division
Capitol Commons Center - 7th Floor
400 South Pine Street
Lansing, Michigan 48933
Attn: Erin Black

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:
December 19, 2014

18. DATE APPROVED:
March 18, 2015

PLAN APPROVED – ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:
January 1, 2015

20. SIGNATURE OF REGIONAL OFFICIAL:
/s/

21. TYPE NAME:
Alan Freund

22. TITLE:
Acting Associate Regional Administrator

23. REMARKS:

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State of MICHIGAN

***Policy and Methods for Establishing Payment Rates
(Other than Inpatient Hospital and Long Term Care Facilities)***

MiPCT Administrative Claiming Assurances

The State of Michigan assures there is an agreement in place with the University of Michigan to perform administrative functions on behalf of the State Medicaid Agency and that this agreement was in effect prior to the State Medicaid Agency claiming federal matching funds for expenditures incurred under the agreement. Also identified in the agreement is the mechanism for the University of Michigan to file a claim with the State Medicaid Agency.

The agreement identifies the administrative activities and services the University of Michigan provides and includes provisions related to Medicaid reimbursement and funding mechanisms. Oversight activities and monitoring responsibilities are defined for the State of Michigan regarding the University of Michigan. Maintenance of records, participation in audits, designation of local project coordinators, training timetables and criteria, and submission of fiscal information are also described and defined.

The sunset date for MiPCT is December 31, 2016

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State of MICHIGAN

Policy and Methods for Establishing Payment Rates (Other than Inpatient Hospital and Long Term Care Facilities)

On a monthly basis, the MDCH posts the enrollee lists on a secure web site and notifies the PO/PHO that the enrollee lists are available.

The MDCH calculates the care coordination payment amounts quarterly for each PO/PHO by adding the enrollee counts for the applicable PO/PHO for each of the three months in the quarter and multiplying by \$4.50.

MDCH transmits quarterly payments to each PO and practice through a gross adjustment payment using the Medicaid payment system. The payments are processed approximately the last month of the quarter. Overpayments and/or underpayments regarding provider and beneficiary eligibility are handled as debits or credits during the following quarter payment cycle.

POs are required to submit quarterly narrative and financial reports to assure that revenues spent are in alignment with the MiPCT Clinical Model. The report will include the progress of each practice and provide an accounting for the funds received and the distribution and use of those funds by participating Practices. The report will include an accounting of care manager activity according to the MiPCT reporting specifications.

State assurances for claiming administrative expenditures related to MiPCT can be found in Attachment 4.19-B, Appendix A, Page 1 of the State Plan.

The sunset date for MiPCT is December 31, 2016.