

Bulletin Number: MSA 07-35

Distribution: Nursing Facilities (Provider Type 60)
County Medical Care Facilities (Provider Type 61)
Hospice

Issued: July 1, 2007

Subject: FIDS Program for Inpatient LTC Facilities

Effective: August 1, 2007

Programs Affected: Medicaid

The purpose of this bulletin is to outline the reimbursement criteria for the Facility Innovation Design Supplemental (FIDS) program. Medicaid participating facilities in Michigan have an opportunity to receive a reimbursement incentive for construction and renovation projects that meet the FIDS criteria for quality improvement and culture change.

Participation Requirements

Michigan Medicaid participating providers are eligible to participate in the FIDS program. Reimbursement under the FIDS program requires construction of a new Long Term Care (LTC) inpatient facility or the renovation and/or partial replacement of an existing LTC inpatient facility. Providers are required to complete the LTC Innovative Design Supplemental Application in order to be considered for participation in the FIDS program. All FIDS projects must be pre-approved by the Department.

The application for the FIDS program is available on the Michigan Department of Community Health, Bureau of Health Systems website. Additionally, providers are encouraged to review the General Information Sheet accessible on the website. The General Information Sheet outlines project requirements such as facility eligibility, certificate of need, ongoing expectations, funding stipulations and culture initiatives.

Medicaid Provider Reimbursement Options

Medicaid participating facilities are eligible for increased reimbursement up to five dollars per Medicaid day for care provided in a facility or section of a facility approved for the FIDS program. FIDS program participants will be allowed increases to the facility's Capital Asset Value (CAV) for Class I facilities, and the Plant Cost Limit (PCL) for Class III facilities in order to ensure the inclusion of all qualifying costs for reimbursement. Participating facilities will have the option to plant cost certify qualifying costs using the increased CAV and PCL for reimbursement. The supplemental payments for FIDS program costs are limited to the lesser of the number of years it takes the facility to recover the Medicaid allocated program costs or a 20-year period.

Manual Maintenance

Retain this bulletin until the information has been incorporated into the Michigan Medicaid Provider Manual.

Questions

Any questions regarding this bulletin should be directed to Provider Inquiry, Department of Community Health, P.O. Box 30731, Lansing, Michigan 48909-8231, or e-mail at ProviderSupport@michigan.gov. When you submit an e-mail, be sure to include your name, affiliation, and phone number so you may be contacted if necessary. Providers may phone toll-free 1-800-292-2550.

Approved

A handwritten signature in black ink that reads "Paul Reinhart". The signature is written in a cursive style with a large initial "P" and "R".

Paul Reinhart, Director
Medical Services Administration