

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



Center for Medicaid, CHIP, and Survey & Certification (CMCS)

Stephen Fitton, Director
Medical Services Administration
Department of Community Health
400 South Pine
Lansing, MI 48933

NOV 15 2010

*11/25/10
10-01
10-01*

*Use
to be
reading*

AP

RE: Michigan State Plan Amendment (SPA) 10-01

Dear Mr. Fitton:

We have reviewed the proposed amendment to Attachment 4.19-D of your Medicaid State plan submitted under transmittal number (TN) 10-01. Effective for services on or after April 1, 2010, this amendment proposes to eliminate coverage for intermediate care facility for the mentally retarded (ICF/MR) services for individuals 65 years of age and older provided in an institution for mental disease (IMD).

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30), and 1903(a) 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 10-01 is approved effective April 1, 2010. We are enclosing the HCFA-179 and the amended plan pages.

If you have any questions, please call Todd McMillion at (608) 441-5344.

Sincerely,

Bill Leonard
Cindy Mann

Director
Center for Medicaid, CHIP, and Survey & Certification

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

FOR: HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER:
10 - 01

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, 2010

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 440.150

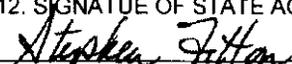
7. FEDERAL BUDGET IMPACT:
a. FFY 2010 \$ -0-
b. FFY 2011 \$ -0-

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:
Attachment 3.1-A, page 6; Supplement to Attachment 3.1-A, page 30 and 31; and, Attachment 4.19-D, Section IV, page 1

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):
Attachment 3.1-A, page 6; Supplement to Attachment 3.1-A, page 30 and 31; and, Attachment 4.19-D, Section IV, page 1

10. SUBJECT OF AMENDMENT:
remove ICF/MR related language from the State Plan. Michigan no longer has any ICF/MRs.

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:
May 18, 2010

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

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

18. DATE APPROVED:
11-15-10

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:
APR - 1 2010

20. SIGNATURE OF REGIONAL OFFICIAL:


21. TYPE NAME:
William Lasowski

22. TITLE:
Deputy Director, CMCS

23. REMARKS:

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State of MICHIGAN

***Amount, Duration and Scope of Medical and Remedial Care
Services Provided to the Categorically and Medically Needy***

b. Screening services

Provided: No limitations With limitations*

Not Provided

c. Preventive services

Provided: No limitations With limitations*

Not Provided

d. Rehabilitative services

Provided: No limitations With limitations*

Not Provided

14. Services for individuals age 65 or older in institutions for mental diseases.

a. Inpatient hospital services

Provided: No limitations With limitations*

Not Provided

b. Skilled nursing facility services

Provided: No limitations With limitations*

Not Provided

c. Intermediate care facility services.

Provided: No limitations With limitations*

Not Provided

*Descriptions provided on attachment

TN NO.: 10-01

Approval Date: NOV 15 2009

Effective Date: 04/01/2010

Supersedes
TN No.: 85-22

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State of MICHIGAN

***Policy and Methods for Establishing Payment Rates
(Long Term Care Facilities)***

IV. Payment Determination

For dates of service on or after June 1, 1981, providers of nursing care will be reimbursed under this plan on the basis of the lower of customary charge to the general public or a payment rate determined in accordance with this section of the State Plan. Aside from specific exceptions, prospective rates are set prior to the provider's rate-setting/cost reporting period and are fixed for that period. There are six classes of long term care facilities and one special type of patient for which there are separate reimbursement methods:

- Class I This class includes proprietary and nonprofit nursing facilities with payment rates determined in accordance with Sections IV.A. through IV.F.
- Class II This class includes proprietary nursing facilities for the mentally ill or developmentally disabled with prospective payment rates negotiated with the Michigan Department of Community Health, within individual facility ceilings based on occupancy. Payments will be retrospectively cost settled in accordance with Sections IV.B. through IV.G.
- Class III This class includes proprietary and nonprofit nursing facilities that are county medical care facilities, hospital long term care units or state owned nursing facilities with payment rates determined in accordance with Sections IV.B. through IV.F.
- Class IV This class includes state owned and operated institutions certified as ICF/MR facilities. Members of this class are reimbursed allowable costs determined in accordance with the Medicare Principles of Reimbursement (42 CFR 413), including the exception listed in Section IV.N.
- Class V This class includes facilities that are a distinct part of special long term care facilities for ventilator-dependent patients, with payment rates determined in accordance with Section IV.G. of this plan.
- Class VI: This class includes hospitals with programs for short-term nursing care (swing beds). Class I and Class III average routine nursing care rate for a respective period determines the prospective payment rate for these beds.

TN NO.: 10-01

Approval Date: NOV 15 2009

Effective Date: 04/01/2010

Supersedes
TN No.: 05-11

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State of MICHIGAN

***Amount, Duration and Scope of Medical and Remedial Care
Services Provided to the Categorically and Medically Needy***

- 14c. Intermediate Nursing Facility Services For Individuals 65 Years of Age or Older in Institutions for Mental Diseases are a non-covered service under Michigan Medicaid.

TN NO.: 10-01

Approval Date: NOV 15 2009

Effective Date: 04/01/2010

Supersedes
TN No.: 94-25

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State of MICHIGAN

***Amount, Duration and Scope of Medical and Remedial Care
Services Provided to the Categorically and Medically Needy***

15. Intermediate Care Facility Services

An intermediate care facility is an institution licensed and/or certified by the appropriate State authority to provide, on a regular basis, health related care and services to individuals who do not require the degree of care and treatment which a hospital or skilled nursing facility is designed to provide, but who because of the mental or physical condition require care and services above the level of room and board that can be made available only in institutional facilities.

- a. Intermediate care services are provided based on the level of care appropriate to the patient's medical needs. Admission to an intermediate care facility must be upon the written direction of a physician, who must periodically recertify the need for care. Admission must also be prior authorized by the Michigan Department of Community Health or its designee. The period of covered services is the minimum period necessary for the proper care and treatment of the patient.
- b. Medical Assistance is provided for individuals who are developmentally disabled (or for persons with related conditions) in properly certified and/or licensed public or private institutions (or distinct part thereof) for the developmentally disabled.

Services regularly provided in these settings are in compliance with the provisions of 42 CFR 440.150 and include health related and programmatic care, supervised personal care, as well as room and board.

TN NO.: 10-01

Approval Date: NOV 15

Effective Date: 04/01/2010

Supersedes
TN No.: 97-11