

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b> FOR: HEALTH CARE FINANCING ADMINISTRATION	1. TRANSMITTAL NUMBER: 1 4 - 02	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 July 1, 2014	

5. TYPE OF PLAN MATERIAL (Check One):

NEW STATE PLAN       AMENDMENT TO BE CONSIDERED AS NEW PLAN       AMENDMENT

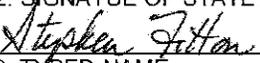
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION: 42 CFR 447	7. FEDERAL BUDGET IMPACT: a. FFY 2014 _____ \$ 1,856,960 b. FFY 2015 _____ \$ 1,835,120
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-A, Page 28a	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Attachment 4.19-A, Page 28a

10. SUBJECT OF AMENDMENT:  
This SPA modifies the Graduate Medical Education (GME) Innovations Grant to include Pine Rest Christian Mental Health Services.

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: 	16. RETURN TO: Medical Services Administration Actuarial Division Capitol Commons Center - 7th Floor 400 South Pine Street Lansing, Michigan 48933
13. TYPED NAME: Stephen Fitton	Attn: Loni Hackney
14. TITLE: Director, Medical Services Administration	
15. DATE SUBMITTED: February 24, 2014	

**FOR REGIONAL OFFICE USE ONLY**

17. DATE RECEIVED:	18. DATE APPROVED:
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**PLAN APPROVED - ONE COPY ATTACHED**

19. EFFECTIVE DATE OF APPROVED MATERIAL:	20. SIGNATURE OF REGIONAL OFFICIAL:
21. TYPE NAME:	22. TITLE:

23. REMARKS:

## 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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In FY, 2007 the Primary Care Pool size will be \$10,285,100. For FY 2008 through FY 2011, the Primary Care Pool size will be \$7,548,400. For FY 2012 and each subsequent year, the primary care pool size will be \$10,322,700.

#### Definitions/Notes

Title V & Title XIX Days – includes fee-for-service days. Days will include those from distinct-part psychiatric and distinct-part rehabilitation units.

Title V & Title XIX Outpatient Charges – includes fee-for-service outpatient charges. Charges will include those from distinct-part psychiatric units.

Hospital's Case Mix – the sum of the relative weights for all Medicaid admissions divided by the number of Medicaid admissions during the period covered.

# of Hospital Eligible Resident FTEs – for the GME Funds and Primary Care Pools FTE data will be drawn from hospital cost reports as indicated above.

#### GME Payment Schedule

Payments from the GME funds and the Primary Care Pools are made quarterly, in four equal payments. The dental and podiatry pool payment is made once annually during the final quarter of the state fiscal year.

#### GME Innovations Pool

The GME Innovations Pool is established to support innovative GME programs that emphasize the importance of coordinated care, health promotions and psychiatric care in integrated systems. The purpose of this training is to develop the skills and experience necessary to provide psychiatric services utilized by Michigan Medicaid patient groups. This pool will be \$10,947,878 \$13,747,878.

The single state agency will approve two (2) THREE (3) agreements statewide each fiscal year. One agreement will be with Detroit Receiving Hospital for \$8,929,800. The second agreement will be with Edward W. Sparrow Hospital for \$2,018,078. THE THIRD AGREEMENT WILL BE WITH PINE REST CHRISTIAN MENTAL HEALTH SERVICES FOR \$2,800,000. To be eligible for the pool, a hospital must meet the following criteria:

- The hospital must be a Medicaid enrolled provider.
- The hospital must have in place an approved agreement between itself, a university psychiatric residency training program and one or more community mental health services programs to provide accredited psychiatric residency training.
- The hospital must provide assurances that all training will take place in Michigan and prepare health care professionals to provide care to populations with the special characteristics of Michigan Medicaid patient groups.

#### Upper Payment Limit

In the event that GME distributions would result in aggregate Medicaid payments exceeding the upper payment limit (UPL), the size of the pool(s) and/or additional payments will be reduced to bring aggregate Medicaid payments within the UPL.

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TN NO.: 14-02

Approval Date: \_\_\_\_\_

Effective Date: 07/01/2014

Supersedes

TN No.: 11-16



STATE OF MICHIGAN  
DEPARTMENT OF COMMUNITY HEALTH  
LANSING

RICK SNYDER  
GOVERNOR

JAMES K. HAVEMAN  
DIRECTOR

December 2, 2013

NAME  
TITLE  
ADDRESS  
CITY STATE ZIP

Dear Tribal Chair and Health Director:

**RE:** Graduate Medical Education (GME) Innovations Grant

This letter, in compliance with Section 6505 of the Affordable Care Act, serves as notice of intent to all Tribal Chairs and Health Directors of the request by the Michigan Department of Community Health (MDCH) to submit a State Plan Amendment.

The Michigan Department of Community Health (MDCH) is notifying you of its intent to submit a State Plan Amendment that will modify the GME Innovations Grant to include \$2.8 million for Pine Rest Mental Health Services. This change is effective July 1, 2014.

You may submit comments regarding this Notice of Intent to [msapolicy@michigan.gov](mailto:msapolicy@michigan.gov). If you would like to discuss the Notice of Intent, please contact Lorna Elliott-Egan, Medicaid Liaison to the Michigan Tribes. Lorna can be reached at (517) 373-4963 or via e-mail at [elliott-eganl@michigan.gov](mailto:elliott-eganl@michigan.gov).

There is no public hearing scheduled for this State Plan Amendment.

Sincerely,

  
Stephen Fitton, Director  
Medical Services Administration

cc: Leslie Campbell, Region V, CMS  
Pamela Carson, Region V, CMS  
Ashley Tuomi, MHPA, Executive Director, American Indian Health and Family Services of Southeastern Michigan  
L. John Lufkins, Executive Director, Inter-Tribal Council of Michigan, Inc.  
Jenny Jenkins, Acting Area Director, Indian Health Service - Bemidji Area Office  
Mary Anne Tribble, MDCH