

**Bulletin Number:** MSA 15-57

**Distribution:** Tribal Health Centers

**Issued:** December 1, 2015

**Subject:** All-Inclusive Rate for Managed Care Encounters

**Effective:** As Indicated

**Programs Affected:** Medicaid, Healthy Michigan Plan, MICHild

In compliance with Section 5006(d) of the American Recovery and Reinvestment Act of 2009, the Michigan Department of Health and Human Services (MDHHS) will allow Tribal Health Centers (THCs) to receive the Indian Health Services (IHS) all-inclusive rate for American Indian and Alaska Native Medicaid, Healthy Michigan Plan, and Children's Health Insurance Program (CHIP) managed care encounters. The IHS all-inclusive rate was established through the Indian Health Care Improvement Act and is published yearly in the Federal Register for the applicable calendar year. The THC is not required to have a contract with the managed care entity to receive the IHS all-inclusive rate. In accordance with Section 1932(h) of the Social Security Act, the THC is not required to seek authorization from a managed care entity for payment of covered managed care services provided to American Indian and Alaskan Natives who are eligible to receive services from these providers.

To be eligible to receive the IHS all-inclusive rate for managed care encounters, the THC must report the details of those encounters and health plan payments received for services provided to American Indian and Alaska Native Medicaid, Healthy Michigan Plan, and CHIP managed care enrollees. The information must be submitted in electronic format on a Michigan Medicaid Health Plan Detail Report, supplied by the MDHHS Hospital and Clinic Reimbursement Division (HCRD). The report must include the following information for each service:

- Provider Rendering NPI (Type 1 – Individual)
- Billing NPI (Type 2 – Organization)
- Date of service
- Beneficiary ID number (Medicaid ID or MICHild Client ID)
- Beneficiary name
- Healthcare Common Procedure Coding System (HCPCS), Current Procedural Terminology (CPT), or American Dental Association (ADA) procedure code
- Payment received for the procedure

Individual payment information is not required if payments are made on a capitated basis; however, a separate summary of the monthly capitated payments must be provided. Upon review and audit, MDHHS will reimburse the THC for the difference between the IHS all-inclusive rate and the amount received from the Medicaid Health Plans.

The IHS all-inclusive rate for managed care encounters will not be processed by the HCRD without the required Michigan Medicaid Health Plan Detail Report. HCRD staff is available to provide technical assistance and initial training to the THCs to facilitate submission of the report. THCs should contact their HCRD auditor directly for assistance or questions.

## Settlement of Retroactive Medicaid Health Plan Encounters

Upon receipt, validation, and acceptance of the applicable health plan detail reports, the HCRD will begin processing retroactive reimbursements from July 1, 2009 to the present. For retroactive settlements, the Michigan Medicaid Health Plan Detail Report must be submitted to HCRD by December 31, 2016.

## Other THC Reimbursement Options

THCs that do not wish to receive the IHS all-inclusive may elect, in writing, one of the following reimbursement options described in the Michigan Medicaid State Plan:

1. Upon federal approval by the Health Resources and Services Administration, THCs may be reimbursed as a Federally Qualified Health Center (FQHC) by signing the FQHC Memorandum of Agreement. THCs choosing this option will receive the FQHC encounter rate set by the State in accordance with the Michigan Medicaid State Plan and federal regulations. The FQHC encounter rate applies to encounters for both native and non-native beneficiaries. A THC electing to be reimbursed as an FQHC is not required to have a contract with the managed care entity.

If a THC chooses to be reimbursed as a FQHC, the entity would be required to adhere to the same requirements specified in the Federally Qualified Health Centers Chapter of the Michigan Medicaid Provider Manual. The Medicaid Provider Manual is published on the MDHHS website at [www.michigan.gov/medicaidproviders](http://www.michigan.gov/medicaidproviders) >> Policy and Forms >> Medicaid Provider Manual.

2. The THC may be reimbursed as a fee-for-service provider. THCs choosing this option receive payment for covered services. No additional reimbursement or settlement is made.

## Allowable Places of Service

The THC may bill for covered services that are not provided at the THC. These services must be billed with the appropriate Place of Service (POS) code in compliance with the coverages and limitations specified in the Practitioner Chapter of the Michigan Medicaid Provider Manual.

Covered services provided off-site to beneficiaries temporarily homebound because of a medical condition that prevents the beneficiary from traveling to the THC are eligible to receive the all-inclusive rate. The services must be provided by a practitioner employed by the THC, and the appropriate POS code must be used on the claim form when billing. A complete list of POS codes can be found in the Billing & Reimbursement for Professionals Chapter of the Medicaid Provider Manual.

## Manual Maintenance

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

## Questions

Any questions regarding this bulletin should be directed to Provider Inquiry, Department of Health and Human Services, P.O. Box 30731, Lansing, Michigan 48909-8231, or e-mail at [ProviderSupport@michigan.gov](mailto: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



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