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State/Territory Name: MI

State Plan Amendment (SPA) #: 16-0012

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

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Chicago Regional Office
233 N. Michigan
Suite 600
Chicago, Illinois 60601



November 22, 2016

Chris Priest, State Medicaid Director
Medical Services Administration
Michigan Department of Health and Human Services
400 South Pine Street, P.O. Box 30479
Lansing, Michigan 48909-7979

ATTN: Erin Black

Dear Mr. Priest:

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

- Transmittal #: 16-0012: Update Practitioner Payment Pages
- Effective Date: July 1, 2016

If you have any questions, please contact Keri Toback at (312) 353-1754 or keri.toback@cms.hhs.gov.

Sincerely,

/s/

Ruth A. Hughes
Associate Regional Administrator
Division of Medicaid & Children's Health Operations

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

FOR: HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER:

16 - 0012

2. STATE:

Michigan

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)

TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)

TO: REGIONAL ADMINISTRATOR
HEALTH FINANCING ADMINISTRATION
DEPARTMENT OF HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE
July 1, 2016

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 440.60

7. FEDERAL BUDGET IMPACT:

a. FFY 2016 \$0

b. FFY 2017 \$0

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 4.19-B, Introduction

Attachment 4.19-B, Page 1

Attachment 4.19-B, Page 5a

Attachment 4.19-B, Page 5b

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (*If Applicable*):

Attachment 4.19-B, Introduction

Attachment 4.19-B, Introduction-continuation

Attachment 4.19-B, Page 1

Attachment 4.19-B, Page 5a

10. SUBJECT OF AMENDMENT:

Updates current practitioner payment language per companion letter dated April 26, 2016 for SPA 16-0003.

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

GOVERNOR'S OFFICE REPORTED NO COMMENT

COMMENTS OF GOVERNOR'S OFFICE ENCLOSED

NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

OTHER, AS SPECIFIED:

Chris Priest, Director

Medical Services Administration

12. SIGNATURE OF STATE AGENCY OFFICIAL:

13. TYPED NAME:

Chris Priest

14. TITLE:

Director, Medical Services Administration

15. DATE SUBMITTED:

September 29, 2016

16. RETURN TO:

Medical Services Administration
Actuarial Division - Federal Liaison
Capitol Commons Center - 7th Floor
400 South Pine
Lansing, Michigan 48933

Attn: Erin Black

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

September 29, 2016

18. DATE APPROVED:

November 22, 2016

PLAN APPROVED – ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

July 1, 2016

20. SIGNATURE OF REGIONAL OFFICIAL:

/s/

21. TYPE NAME:

Ruth A. Hughes

22. TITLE:

Associate Regional Administrator

23. REMARKS:

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State of MICHIGAN

Section 4 – General Program Administration

Provider payment rates are not applicable for Other Provider-Preventable Conditions (OPPC) that are identified as non-payable as indicated below. This applies to all Medicaid reimbursement provisions contained in Attachment 4.19-B.

No payment shall be made for Other Provider-Preventable Conditions that are identified as non-payable by Medicaid:

- 1) wrong surgical or other invasive procedure performed on a patient;
- 2) surgical or other invasive procedure performed on the wrong body part;
- 3) surgical or other invasive procedure performed on the wrong patient.

In compliance with 42 CFR 447.26(c), the state provides:

- 1) that no reduction in payment for a Provider Preventable Condition (PPC) will be imposed on a provider when the condition defined as a PPC for a particular patient existed prior to the initiation of treatment for that patient by that provider.
- 2) that reductions in provider payment may be limited to the extent that the following apply:
 - (A) the identified PPC would otherwise result in an increase in payment.
 - (B) the state can reasonably isolate for nonpayment the portion of the payment directly related to treatment for, and related to, the PPC.
- 3) Assurance that non-payment for PPCs does not prevent access to services for Medicaid beneficiaries.

This applies to all Medicaid reimbursement provisions contained in Attachment 4.19-B.

Specific payment methodologies and effective dates are listed in the Attachment 4.19-B payment pages that follow.

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)

1. Individual Practitioner Services

Payment rates are established by the Medical Services Administration as a fee screen for each procedure. The fee schedule is designed to enlist the participation of an adequate number of providers. The Medicare prevailing fees, the Resource Based Relative Value Scale (RBRVS) and other relative value information, other state Medicaid fee screens, and providers' charges may be utilized as guidelines or reference in determining the maximum fee screens for individual procedures. The state assures that both public and private providers are paid under the same fee screens for the same services. Fee schedules are updated annually using the Resource Based Relative Value Scale (RBRVS) Medicare January release. The Medicaid fee screens can be found at www.michigan.gov/medicaidproviders.

For the following practitioners, the Agency's fee schedule rate was set as of 7/1/2009 and is effective for services provided on or after that date.

- Physicians (MD and DO)
- Ophthalmologists
- Oral Surgeons
- Physician's Assistants
- Nurse Practitioners
- Certified Nurse Midwives

For beneficiaries with no Medicare or commercial insurance coverage, providers are reimbursed the lesser of:

- the Medicaid fee screen minus any applicable Medicaid co-payment, patient pay, or spend-down amounts.
- the provider's usual and customary charge minus any applicable Medicaid co-payment, patient pay, or spend-down amounts.

For beneficiaries with Medicare and/or commercial insurance coverage, providers are reimbursed the lesser of:

- the Medicaid beneficiary's liability for Medicare/commercial insurance coinsurance, co-payments, and/or deductibles minus any applicable Medicaid co-payment, patient pay, or spend-down amounts.
- the Medicaid fee screen minus any third party payments, contractual adjustments, and any applicable Medicaid co-payment, patient pay, or spend-down amounts.

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***

12. Medical care furnished by practitioners within the scope of their practice as defined by state law.
- A. Certified Registered Nurse Anesthetists (CRNAs)
Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of CRNA services. The Agency's fee schedule rate was set as of 7/1/2009 and is effective for services provided on or after that date. All rates are published on the Agency's website at www.michigan.gov/medicaidproviders.
 - B. Chiropractors
Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of chiropractic services. The Agency's fee schedule rate was set as of 7/1/2009 and is effective for services provided on or after that date. All rates are published on the Agency's website at www.michigan.gov/medicaidproviders.
 - C. Podiatrists
Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of podiatry services. The Agency's fee schedule rate was set as of 7/1/2009 and is effective for services provided on or after that date. All rates are published on the Agency's website at www.michigan.gov/medicaidproviders.
 - D. Optometrist
Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of optometry services. The Agency's fee schedule rate was set as of 7/1/2009 and is effective for services provided on or after that date. All rates are published on the Agency's website at www.michigan.gov/medicaidproviders.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

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***Policy and Methods for Establishing Payment Rates
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E. Registered/Licensed Dental Hygienists (RDHs)

Unless otherwise noted, Michigan's Medicaid payment rates are uniform for private and governmental providers. The Michigan Medicaid fee schedule effective for dates of service on or after October 1, 2010, may be found at www.michigan.gov/medicaidproviders.

For services reimbursed under the fee for service methodology as administered by the Michigan Department of Health and Human Services, providers are reimbursed the lesser of the Medicaid fee screen or the provider's usual and customary charge minus any third party payment. A provider's usual and customary charge should be the fee they most frequently charge their patients with regard to special considerations or financial status.

F. Psychologists

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of behavioral health services. The Agency's fee schedule rate was set as of 9/1/2015 and is effective for services provided on or after that date. All rates are published on the Agency's website at www.michigan.gov/medicaidproviders.

G. Social Workers

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of behavioral health services. The Agency's fee schedule rate was set as of 9/1/2015 and is effective for services provided on or after that date. All rates are published on the Agency's website at www.michigan.gov/medicaidproviders.

H. Professional Counselors

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of behavioral health services. The Agency's fee schedule rate was set as of 9/1/2015 and is effective for services provided on or after that date. All rates are published on the Agency's website at www.michigan.gov/medicaidproviders.

I. Marriage and Family Therapists

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of behavioral health services. The Agency's fee schedule rate was set as of 9/1/2015 and is effective for services provided on or after that date. All rates are published on the Agency's website at www.michigan.gov/medicaidproviders.
