

August 25, 2022

<Provider Name>
<Provider Address 1>
<City> <State> zipcode5-zipcode4

Dear Provider:

RE: COVID-19 Response: Update to Bulletins MSA 20-76, MSA 21-43 and
HASA 22-04

The purpose of this letter is to provide additional guidance and clarification to nursing facilities (NF) on the 85% occupancy limitation exemption for Tier I and Tier II Covid Relief (CR) Facilities for reporting requirements and to provide clarification on what is considered “related to COVID-19” in regard to returning beds to service.

Bulletin [MSA 20-76](#) provides direction that for dates that a nursing facility (NF) is designated as a Care and Recovery Center (CRC) or a CR Facility approved for and accepting new COVID-positive admissions, the 85% occupancy limitation exemption will not be applied to the distinct CRC or CR Facility unit but will continue to apply to areas of the NF not part of the CRC or CR Facility unit. We have received several questions from providers asking us to clarify the impact of this policy on designated CR Facility beds. **To clarify, for cost reporting purposes, the CR Facility beds that hold a Tier I designation are not exempt from the 85% occupancy limitation exemption. Beds holding a Tier II designation will be exempt from the 85% occupancy limitation exemption.**

Returning Beds to Service for Reasons Not Related to COVID-19

In accordance with bulletin [MSA 20-16](#) and bulletin [HASA 22-04](#), NFs with a non-available bed plan may return beds to service without prior approval from the MDHHS Long Term Care Reimbursement and Rate Setting Section (RARRS). The provider must notify MDHHS RARRS in writing within 30 days of the use of non-available beds. Returning beds to service for reasons not related to COVID-19 will negate the non-available bed plan.

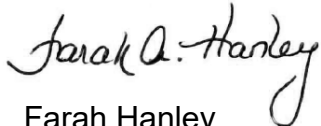
To clarify, “reasons related to COVID-19” would include the quarantining of newly admitted residents with unknown exposure to COVID-19 based on individual vaccination status or residents potentially exposed to or showing symptoms of COVID-19 who do not otherwise require transmission-based precautions. Note that the use of beds for COVID-19 care and purposes related to COVID-19 should follow all applicable infection prevention guidance

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from the Centers for Disease Control and Prevention and the Centers for Medicare & Medicaid Services.

An electronic version of this document is available at www.michigan.gov/medicaidproviders
>> Policy, Letters & Forms.

Sincerely,

A handwritten signature in black ink that reads "Farah A. Hanley". The signature is written in a cursive style with a large, looping initial "F".

Farah Hanley
Chief Deputy for Health