



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF HEALTH AND HUMAN SERVICES  
LANSING

ELIZABETH HERTEL  
DIRECTOR

April 16, 2024

**TO:** Interested Party

**RE:** Consultation Summary Project Number 2346-Eligibility - Medicare Savings Program Eligibility

Thank you for your comment(s) to the Behavioral and Physical Health and Aging Services Administration relative to Project Number 2346-Eligibility. Your comment(s) regarding this specific policy only, has been considered in the preparation of the final publication, a copy of which is attached for your information.

Responses to specific comments are addressed below.

**Comment:** We urge the Michigan Department of Health and Human Services (MDHHS) to proceed with early implementation of the requirements in the recently published final rule for streamlining MSP eligibility and enrollment, 88 FR 65230-65271 (September 21, 2023) ("the final streamlining rule"), by using the flexibility to adopt less restrictive methodologies under 42 USC 1396a(r)(2).

**Response:** This project does not include changes to the current methodology for determining income and or assets for the individuals listed in 42 USC 1396a(r)(2) but rather covers changes in how the department captures individuals eligible for the Medicare Savings Program (MSP) when said individual applies for Medicaid and has potential eligibility for MSP. Changes to the income and or resource methodologies for MSP eligibility are under review.

**Comment:** We are concerned about the MDHHS's intention to implement the State Plan Amendment ("SPA") requiring application for Medicare as a condition of Medicaid ("MA") eligibility, as discussed below. MDHHS must make good on the SPA promise that it will "pay any applicable premiums and cost sharing... for individuals required to apply for Medicare."

**Response:** To continue that same citation from the SPA, which was approved in 2006, the state will require application for Medicare as a condition of eligibility unless the person is applying for a Medicaid eligibility group under which the state does not pay the Medicare premiums. As you are aware the state plan aligns with 42 CFR 435.608, which requires the applicant to take all necessary steps to obtain any benefits to which they

are entitled, unless they can show good cause for not doing so. Federal benefits include Medicare. While not all groups are eligible for enrollment, all individuals who are eligible for Medicaid under the state plan and potentially eligible for Medicare are included in this requirement under the state plan. A denial of Medicare by the Social Security Administration will not negatively affect the individual's application for Medicaid.

**Comment:** The Proposed Policy Project Number 2436-Eligibility does not explain which groups of individuals will be automatically enrolled through the new "streamlined enrollment". We hope that, at a minimum, the changes will ensure timely, automatic enrollment for all MA recipients who become eligible for Medicare because they reach (a) age 65 or (b) the end of their 24 month waiting period.

**Response:** MDHHS anticipates the MSP policy changes will better facilitate the enrollment of all such individuals who are newly eligible for Medicare. In addition, the department believes these changes will decrease the number of individual cases which require manual review.

**Comment:** Imposing unnecessary requirements on applicants or recipients can result in denial of coverage to eligible individuals. Therefore, MDHHS must not require Medicaid applicants and recipients to apply for Medicare when MDHHS can automatically enroll them in Medicare through its buy-in agreement with the Center for Medicare & Medicaid Services (CMS), as discussed in Sections 1 and 2, below.

**Response:** MDHHS concurs that unnecessary requirements should not be imposed on applicants, however, please note that MDHHS does not automatically enroll an individual in Medicare. An individual must apply for Medicare before they may receive Medicare.

**Comment:** There were additional comments relative to the low-income subsidy.

**Response:** The low-income subsidy is not part of this project. Responses cannot address the low-income subsidy.

Thank you for your inquiry. We trust that previous responses addressed the concerns and questions noted. If you wish to comment further, send your comments to Bridget Heffron at [heffronb@michigan.gov](mailto:heffronb@michigan.gov).

Sincerely,



Meghan Groen, Director  
Behavioral and Physical Health and Aging Services Administration