

# BULLETIN

Michigan Medicaid Policy (MMP) | Health Services

**Bulletin Number:** MMP 25-30

**Distribution:** Local Health Departments (LHD)

**Issued:** August 29, 2025

**Subject:** Timely Submission of Medicaid Cost Reports; Payment Suspension

**Effective:** October 1, 2025

**Programs Affected:** Medicaid

The purpose of this bulletin is to remind providers of the Medicaid timely submission requirements for Local Health Department (LHD) Medicaid Cost Reports and to update the process of suspending selected Medicaid payments when cost reports are not submitted by the required due date. The information in this bulletin is effective October 1, 2025.

Each LHD, unless specifically exempt, is required to submit a Medicaid Cost Report to the Facility Settlement sub-system in the Community Health Automated Medicaid Processing System (CHAMPS) on or before the last day of the fifth month following the close of its cost reporting period. The Michigan Department of Health and Human Services (MDHHS) Hospital and Clinic Reimbursement Division (HCRD) grants extensions only when an LHD's operation is adversely affected due to circumstances beyond its control (e.g., staffing turnovers are considered within the control of the LHD, whereas fires and floods would be considered beyond its control).

If an LHD fails to submit a completed Medicaid Cost Report via the MDHHS Facility Settlement system on time and has not been granted an extension of the time limit, a notice of delinquency is issued. If a complete and acceptable Medicaid Cost Report is not submitted within 30 calendar days from the date of the notice of delinquency, the LHD's Fee-for-Service (FFS) payments and gross adjustment payments are suspended until the Medicaid Cost Report is accepted by MDHHS HCRD in the Facility Settlement system. Payments withheld due to late submission are paid upon acceptance of the Medicaid Cost Report. Managed care encounters are not subject to payment suspension.

## Manual Maintenance

Retain this bulletin until the information is incorporated into the MDHHS 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-mailed to [ProviderSupport@michigan.gov](mailto:ProviderSupport@michigan.gov). When you submit an e-mail, be sure to include your name, affiliation, NPI number, and phone number so you may be contacted if necessary. Typical Providers may phone toll-free 800-292-2550. Atypical Providers may phone toll-free 800-979-4662.

An electronic copy of this document is available at [www.michigan.gov/medicaidproviders](http://www.michigan.gov/medicaidproviders) >> Policy, Letters & Forms.

## Approved

A handwritten signature in black ink that reads "Meghan E. Groen". The signature is written in a cursive, flowing style.

Meghan E. Groen, Chief Deputy Director  
Health Services