STATE OF MICHIGAN
DEPARTMENT OF HEALTH AND HUMAN SERVICES
LANSING

GRETCHEN WHITMER
GOVERNOR

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DIRECTOR

March 14, 2025

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

Dear Provider:

The Michigan Department of Health and Human Services (MDHHS) is providing the following information related to the Waiver for Children with Serious Emotional Disturbances (SEDW). This L Letter also rescinds the earlier numbered letter L 24-63 that MDHHS issued on October 1, 2024. The L letter can also be accessed at www.michigan.gov/medicaidproviders >> Policy, Letters and Forms.

POLICY, CONTRACTUAL, AND WAIVER REQUIREMENTS

Effective October 1, 2024, MDHHS will require Prepaid Inpatient Health Plans (PIHP), Community Mental Health Services Programs (CMHSP), and Certified Community Behavioral Health Clinics (CCBHC) to use the Michigan Child and Adolescent Needs and Strengths (MichiCANS) tool to support eligibility determinations for services, assist with initial determination of needs and strengths, and provide information for appropriate referrals for behavioral health services. MDHHS established specific requirements for the use of the MichiCANS in bulletin MMP 24-38. Please refer to bulletin MMP 24-38 for additional information. You can also access the bulletin at www.michigan.gov/medicaidproviders >> Policy, Letters and Forms.

MDHHS and the Centers for Medicare & Medicaid Services (CMS) also established several additional requirements for the use of the MichiCANS:

- MDHHS established contractual requirements for the PIHPs to specifically use the MichiCANS to support eligibility determinations for the SEDW.
- The Centers for Medicare and Medicaid Services (CMS) also recently approved the renewal application for the SEDW program, and CMS has authorized MDHHS to use the MichiCANS to support eligibility determinations.
- MDHHS amended the Bridges Eligibility Manual to require the use of the MichiCANS to support eligibility determinations for the SEDW.

MDHHS will promulgate a policy bulletin this year to integrate the new requirements related to the MichiCANS into Medicaid policy for the SEDW. The requirements within the PIHP contract, Medicaid policy, and the Bridges Eligibility Manual will align with the effective date

for the bulletin. PIHPs and CMHSPs should use the following information to support the administration of eligibility for the SEDW until the effective date of the new policy bulletin.

SPECIFIC REQUIREMENTS FOR ASSESSMENT TOOLS

PIHPs and CMHSPs should use the Child and Adolescent Functional Assessment Scale (CAFAS), Preschool and Early Childhood Functional Assessment Scale (PECFAS), and Devereaux Early Childhood Assessment (DECA) to support eligibility determinations for the SEDW until the new policy bulletin is effective. PIHPs and CMHSPs must follow current policy in the Medicaid Provider Manual for the use of the CAFAS, PECFAS, and DECA until the new policy bulletin is effective. These requirements for the SEDW only apply to the initial assessment and annual re-evaluation/certification. PIHPs are not required and should not complete quarterly assessments for SEDW enrollees. PIHPs are also not required or should not complete the MichiCANS, CAFAS, PECFAS, or DECA when disenrollment for the SEDW occurs outside of the annual recertification.

This requirement will remain in place until (a) the Maintenance of Effort requirement for Home and Community-Based Services (HCBS) Medicaid funding under the American Rescue Plan Act (ARPA) expires or (b) MDHHS provides updated guidance. States must comply with certain conditions called “Maintenance of Effort” (MOE) requirements to receive the enhanced Federal funding. This means that state Medicaid agencies cannot make certain changes to their Medicaid or HCBS programs until 2026, or until the state expends the enhanced Federal funds. MDHHS included additional guidance on the requirements for using MichiCANS, CAFAS, PECFAS, and DECA below.

Applicant Status	Prior to the Policy Effective Date	After the Policy Effective Date and During the Maintenance of Effort Time Period	After the Maintenance of Effort Time Period
New Applicant	The CAFAS/PECFAS/DECA should be used based upon the age of the child, youth, or young adult for the purpose of waiver enrollment. Children, youth, and young adults will still receive the MichiCANS screener and comprehensive in alignment with contractual and policy requirements.	The MichiCANS and CAFAS/PECFAS/DECA should be used concurrently. If one of the tools indicates that the child, youth, or young adult is determined eligible, that youth is eligible for the waiver.	The MichiCANS will be used exclusively.

Current Enrollee	The CAFAS/PECFAS/DECA should be used based upon the age of the child, youth, or young adult for the purpose of waiver enrollment. Children, youth, and young adults will still receive the MichiCANS screener and comprehensive in alignment with contractual and policy requirements.	The MichiCANS will be used during re-evaluation. If the results of the MichiCANS indicates that an enrollee is not eligible, loss of eligibility will be confirmed with the use of the CAFAS/PECFAS/DECA. If the CAFAS/PECFAS/DECA indicates that the child, youth, or young adult is eligible, they are eligible for ongoing enrollment.	The MichiCANS will be used exclusively.

ADDITIONAL INFORMATION

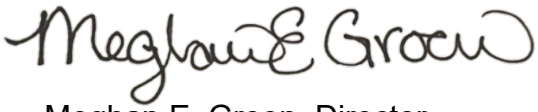
To continue the temporary use of the CAFAS and PECFAS, MDHHS entered into an agreement with Multi-Health Systems (MHS) to allow for continued, but limited, electronic use of the CAFAS and PECFAS. Data will not be exported from the FAS system and the use of these tools will be used for SEDW eligibility determinations.

- PIHPs must enter MichiCANS, CAFAS, PECFAS, and DECA data into the Waiver Support Application (WSA) for these programs as outlined below. The PIHPs must continue to fulfill all other contractual requirements.
- The PIHPs are only required to submit MichiCANS, CAFAS, PECFAS, and DECA data into WSA when the child, youth, or young adult is disenrolled as part of the annual determination process and is not required for other types of disenrollments (e.g. beneficiary moves out of state).
- The PIHPs are required to submit the MichiCANS, CAFAS, PECFAS, and DECA into the WSA for the initial enrollment process
- For the CAFAS, PECFAS, and DECA, the PIHP should submit the numeric score.
- For the MichiCANS, the PIHP should indicate whether the beneficiary met the SEDW MichiCANS eligibility criteria with a “Yes” or “No”.

If a MichiCANS Comprehensive was completed by the PIHP or its contractor within the last year, the information from the completed MichiCANS should be used to support eligibility determinations for the SEDW. This includes completed MichiCANS records created during the access and intake process at the PIHPs. Questions about this L Letter can be sent to MDHHS-MichiCANS@michigan.gov.

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

Sincerely,



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