

May 28, 2025

<Provider Name>
<Provider Address 1>
<Provider Address 2>
<City> <State> zipcode5-zipcode4

Dear Provider:

RE: Clarification on Entering Level of Care Determinations (LOCD) in the Community Health Automated Medicaid Processing System (CHAMPS)

The purpose of this letter is to provide clarification on the proper entry of LOCDs into the CHAMPS for Nursing Facilities, MI Choice, MI Health Link, and Program of All-Inclusive Care (PACE) providers.

The Michigan Department of Health and Human Services (MDHHS) has received an increasing number of reporting discrepancies with LOCD records for admitted or enrolled beneficiaries. These issues occur when providers fail to enter LOCDs into the CHAMPS production environment.

Per the [MDHHS Medicaid Provider Manual](#), LOCDs must be “entered into CHAMPS to be considered valid for establishing functional eligibility” for Medicaid reimbursed long-term care supports and services. CHAMPS is defined as the production environment utilized as the database of record for the State Medicaid Agency. Please note: LOCDs entered in another site, electronic record management system, or testing environment such as CHAMPS B2B – are not valid for payment, eligibility determinations, or involuntary discharge purposes.

Providers are responsible for ensuring they access the correct CHAMPS environment when entering a LOCD. Failure to do so may result in a denial of payment, and these costs cannot be passed on to the beneficiary.

LOCDs submitted to the improper CHAMPS environment must be sent to Provider support by June 27, 2025, for review and possible correction.

After June 27, 2025, no further corrections will be made for this issue.

For more information on the LOCD, see Nursing Facility Level of Care Determination Chapter of the [MDHHS Medicaid Provider Manual](#) and the [MDHHS LOCD website](#).

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

Sincerely,

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

Meghan E. Groen, Chief Deputy Director
Health Services