

September 26, 2025

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

Dear Provider:

RE: Reiterating the Calendar Year (CY) 2022 Changes to the Quality Assurance Supplemental (QAS) Calculation and Payment Methodology for MI Health Link (MHL)

The purpose of this letter is to clarify the updates made to the QAS payment methodology for MHL members and the QAS payment process when a MHL member is receiving hospice services.

On April 19, 2022, MDHHS issued [Numbered Letter L 22-17](#) to Medicaid providers outlining changes to the QAS calculation and payment methodology for MHL members starting on January 1, 2022. The letter detailed that consistent with 42 CFR §438.6(c)(1)(iii)(B), Integrated Care Organizations (ICOs) will provide a QAS payment to Medicaid-certified nursing facility (NF) providers in addition to the per diem rate negotiated with Michigan NFs for ICO Medicaid NF days provided to MHL beneficiaries. This letter reiterates the CY2022 payment calculation and payment methodology changes for MHL and further clarifies that ICOs will provide QAS directly to NF providers for MHL beneficiaries for traditional Medicaid NF days of care, even in cases when the ICO passes room and board payments to NF providers through hospice providers.

NF providers should not be collecting duplicate QAS payments from both a hospice provider and ICO, as QAS payments always flow from the ICO to the NF provider. QAS payments made for MI Health Link beneficiaries outside this methodology since January 1, 2022, must be recouped and reconciled to comply with the state-directed payment process. Additionally, contracts between NF and hospice providers must be amended to remove any provisions for QAS payments from hospice providers, as QAS payments follow the approved state-directed payment process.

On December 31, 2025, the MHL program will end, and the MI Coordinated Health (MICH) program will begin on January 1, 2026, contingent upon the Centers for Medicare and Medicaid Services approval of 1915(b) and 1915(c) waivers. For NF providers contracted with a Highly Integrated Dual Eligible Special Needs Plan (HIDE SNP) for the MICH program, the QAS payment calculation and methodology will follow the same state directed payment process as outlined in [L Letter 22-17](#), which is consistent with the methodology in the approved State Plan.

L 25-47

For questions on this issue, contact the MHL program at integratedcare@michigan.gov.

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