



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF HEALTH AND HUMAN SERVICES
LANSING

ELIZABETH HERTEL
DIRECTOR

July 8, 2025

TO: Interested Party

RE: Consultation Summary Project Number 2505 - Clinic

Thank you for your comment(s) to the Health Services Administration relative to Project Number 2505 - Clinic. Your comment(s) 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: How would I find information to see if my clinic is exempt from submitting a Medicaid Cost Report? What is a Medicaid Cost Report?

Response: Only Tribal Health Centers (THCs) are exempt from submitting a Medicaid Cost Report. Federally Qualified Health Centers (FQHCs) and Rural Health Clinics (RHCs) are required to submit a Medicaid Cost Report annually. A Medicaid Cost Report is a financial document submitted by clinics to The Michigan Department of Health and Human Services (MDHHS), the state Medicaid agency.

Comment: I am not enrolled with a clinic but rather provide home healthcare to one client. Do I have a duty to submit a Medicaid Cost Report under this policy?

Response: MDHHS policy currently impacts Federally Qualified Health Centers (FQHCs) and Rural Health Clinics (RHCs) and reminds clinics of their requirement to submit a Medicaid Cost Report. There is no requirement for a home health provider, not enrolled with a clinic, to submit a clinic Medicaid Cost Report. Requirements for Home Health providers can be found in the MDHHS Medicaid Provider Manual.

Comment: We request MDHHS support for targeted policy reform including an automatic 30–60-day extension in the absence of previous non-compliance, grace periods for first-time late filers, and streamlining extension request. We would also like to request improved technical assistance from MDHHS.

Response: MDHHS Hospital and Clinic Reimbursement (HCRD) currently provides a path for clinics to submit extension requests on the Facility Settlement sub-system in CHAMPS. Extension requests are granted for clinics that are operationally impacted by circumstances outside their control. Instructions for completing a Medicaid Cost Report can be found in PDF form in the File Transfer Application (FTA) for FQHCs and RHCs.

- FTA FQHC – General Area – FQHC Facility Settlement Training (sent 11-4-2024) on File Transfer
- FTA RHCI – General Area – RHC Facility Settlement Training (sent 11-4-2024) on File Transfer
- FTA RHCP – General Area – RHC Facility Settlement Training (sent 11-4-2024) on File Transfer

Clinics requiring additional technical assistance are encouraged to contact their clinic auditor.

Comment: We request MDHHS consider extending the required submission timeline for a Medicaid Cost Report to seven months after the fiscal year end, two months after the Medicare Cost Report is due. We would like to see MDHHS provide a path for a 60-day extension for health centers to submit cost reports.

Response: Medicaid Cost Reports are due five months after the fiscal year end. Late Medicaid Cost Reports delay accurate and timely implementation of rate and operational changes. MDHHS HCRD has a path for clinics to submit requests for extension when circumstances beyond the clinic's control impact their operations and ability to meet the deadline for Medicaid Cost Report submission.

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 Abigail Kowalczyk at KowalczykA@Michigan.gov.

Sincerely,



Meghan E. Groen, Chief Deputy Director
Health Services