Michigan's Comprehensive Health Care Program: Optional In Lieu of Services (ILOS) Provider Readiness Checklist

Michigan Department of Health and Human Services

September 30, 2025

Overview of In Lieu of Services (ILOS) Provider Readiness Checklist

Introduction

As a part of the Michigan Department of Health & Human Services' (MDHHS') continuous commitment to deliver Michigan residents equitable, coordinated and person-centered care, MDHHS introduced In Lieu of Services (ILOS), which allow Medicaid Health Plans to pay for services that address eligible Enrollees' health-related social needs. ILOS are medically appropriate and cost-effective services provided by Medicaid Health Plans as substitutes for covered services and settings required by the Michigan Medicaid State Plan.

MDHHS introduced four (4) nutrition-focused ILOS during the 2025 CHCP contract year. These ILOS, listed below, are further defined in the ILOS Policy Guide (refer to Section II. Service Definitions). Medicaid Health Plans are encouraged to begin offering ILOS as soon as they are prepared to do so.

- Medically Tailored Home Delivered Meal
- Healthy Home Delivered Meal
- Healthy Food Pack
- Produce Prescription

Purpose of ILOS Provider Readiness Checklist

The implementation of ILOS will require Medicaid Health Plans to contract with ILOS Providers that can deliver ILOS to eligible Enrollees. Medicaid Health Plans are responsible for ILOS Provider oversight to ensure compliance with Medicaid policies and program requirements. This ILOS Provider Readiness Checklist is intended to help guide organizations through a self-assessment and provide actionable steps to determine if they can comply with the ILOS Policy Guide as required to be an ILOS Provider. **Use of this checklist is not required**.

This checklist includes three sections to help ensure potential ILOS Providers can adhere to the ILOS Policy Guide requirements:

1. Meet Qualifications to Deliver ILOS;
2. Contract to Deliver ILOS; and
3. Comply with the ILOS Billing and Data Sharing Requirements.

Organizations interested in becoming ILOS Providers should review the resources available on the ILOS webpage to gain a full understanding of the requirements and expectations set forth by MDHHS.

Please note that this checklist is intended to help organizations ensure they can adhere to requirements outlined in the ILOS Policy Guide; however, this checklist may not encompass all aspects of readiness to become an ILOS Provider.

ILOS Provider Readiness Checklist

1. Meet Qualifications to Deliver ILOS

Each ILOS is defined in detail in the ILOS Policy Guide. Potential ILOS Providers may leverage the service-specific checklist(s) below to assess whether they are prepared to deliver an ILOS. If a potential ILOS Provider intends to provide more than one type of ILOS, they may leverage multiple of the service-specific checklists to assess readiness.

The column titled "Illustrative Next Steps for ILOS Delivery" outlines steps an organization may engage in to ready itself for ILOS. Please note that these steps are intended as examples to help organizations prepare for service delivery.

Medically Tailored Home Delivered Meal		
ILOS Provider Requirements	**Yes / No**	**Illustrative Next Steps for ILOS Delivery Preparation**
Does your organization have experience or expertise providing Medically Tailored Home Delivered Meals or similar services?	☐Yes ☐No	• Compare the service currently offered by your organization with the service as defined in the ILOS Policy Guide. Understand what modifications are needed to adhere to the ILOS service definition and develop a plan for implementing them. • Understand your organization's historic experience providing healthy meals delivered to community members (e.g., through the MI Choice Waiver Program or other meal services tailored to individuals' medical need), describing how meals are tailored, who they are provided to and the volume of services delivered.
Does your organization have a certified nutrition professional on staff and/or contract with a certified nutrition professional to conduct the initial evaluation included in the service?	☐Yes ☐No	• Enter into a contract agreement with a certified nutrition professional or document that a certified nutrition professional is employed at the organization.

Medically Tailored Home Delivered Meal		
ILOS Provider Requirements	**Yes / No**	**Illustrative Next Steps for ILOS Delivery Preparation**
Note: Illustrative examples of certified nutrition professionals are provided in the ILOS Policy Guide.		
Does your organization currently have sufficient capacity to deliver Medically Tailored Home Delivered Meals or can it scale capacity if requested by a Medicaid Health Plan?	☐Yes ☐No	• Consider what capacity your organization currently has by developing a detailed schedule showing capacity for daily or weekly meal preparation and meal delivery for a defined number of Medicaid Enrollees. This should be informed by your historic implementation experience. • Consider the maximum volume of meals you could reasonably deliver by outlining what you would need to do to scale up your operations to deliver a higher volume of meals if it was requested by a Medicaid Health Plan.
Does your organization comply with the Michigan Food Code including holding any/all required food licenses?	☐Yes ☐No	• Obtain inspection records, certificates and/or licenses showing compliance with the Michigan Food Code.
Can your organization ensure meals are delivered at safe temperatures?	☐Yes ☐No	• Ensure access to refrigerator trucks or containers, insulated materials (e.g., Styrofoam or thermal liners), dry ice or gel packs to transport frozen meals, as well as packaging with protective materials and ventilation (e.g., crates or padded boxes) to transport fresh foods.
Does your organization have a process for documenting meals served or delivered to Enrollees?	☐Yes ☐No	• Develop a digital or manual system to track meal delivery and receipt by Medicaid Enrollees by date and time.

Medically Tailored Home Delivered Meal		
ILOS Provider Requirements	**Yes / No**	**Illustrative Next Steps for ILOS Delivery Preparation**
Can your organization comply with the Food is Medicine nutrition guidelines?[1]	☐Yes ☐No	• Develop processes that ensure the Food is Medicine guidelines are followed for all meals provided to Enrollees.
Are there written plans for continuing services during emergencies (e.g., short term natural disasters like snowstorms), loss of power or physical plant malfunctions?	☐Yes ☐No	• Develop emergency response plans outlining backup power systems and alternative meal delivery methods.
Are staff and volunteers trained on procedures to follow in the event of severe weather or natural disasters? Are they trained on the county emergency plan?	☐Yes ☐No	• Facilitate staff training sessions on severe weather or natural disasters procedures. • Maintain records of training session dates and attendees/completion. • Ensure written emergency plans are available to all staff.
Does your organization have written protocols for communicating with Enrollees and resolving issues (e.g., delays and emergency situations) that impact service delivery?	☐Yes ☐No	• Establish a dedicated customer service phone number or email. • Develop written policies addressing communication and resolution delays.
Can your organization accommodate Enrollee preferences in relation to specific food items, portion size, dietary needs, allergy restrictions, and cultural and/or religious preferences?	☐Yes ☐No	• Develop written policies or procedures demonstrating how Enrollee preferences are identified. • Establish procedures to identify menu alternatives based on cultural or religious preferences and allergy restrictions.
Can your organization accommodate individuals with disabilities, limited English proficiency and/or low health literacy?	☐Yes ☐No	• Develop translated materials and additional translation resources (e.g., contract with telephonic translating services) if needed.

[1] Please refer to the ILOS Policy Guide to access information on the Food is Medicine program and nutrition guidelines.

Medically Tailored Home Delivered Meal		
ILOS Provider Requirements	**Yes / No**	**Illustrative Next Steps for ILOS Delivery Preparation**
		• Facilitate training of staff providing services to individuals with disabilities, limited English proficiency and/or low health literacy.

Healthy Home Delivered Meal		
ILOS Provider Requirements	**Yes / No**	**Illustrative Next Steps for ILOS Delivery Preparation**
Does your organization have experience or expertise providing Healthy Home Delivered Meals or similar services?	☐Yes ☐No	• Compare the service currently offered by your organization with the service as defined in the ILOS Policy Guide. Understand what modifications are needed to adhere to the ILOS service definition and develop a plan for implementing them. • Understand your organization's historic experience providing healthy meals delivered to community members (e.g., through the MI Choice Waiver Program or other meal services tailored to individuals' medical need), describing how meals are tailored, who they are provided to and the volume of services delivered.
Does your organization currently have sufficient capacity to deliver Medically Tailored Home Delivered Meals or can it scale capacity if requested by a Medicaid Health Plan?	☐Yes ☐No	• Consider what capacity your organization currently has by developing a detailed schedule showing capacity for daily or weekly meal preparation and meal delivery for a certain number of Medicaid Enrollees. This should be informed by your historic implementation experience.

Healthy Home Delivered Meal		
ILOS Provider Requirements	**Yes / No**	**Illustrative Next Steps for ILOS Delivery Preparation**
		• Consider the maximum volume of meals you could reasonably deliver by outlining what you would need to do to scale up your operations to deliver a higher volume of meals if it was requested by a Medicaid Health Plan.
Does your organization have an established process to ensure meals provided are at least one-third of the recommended Dietary Reference Intakes established by the Food and Nutrition Board of the Institute of Medicine of the National Academy of Sciences, except where inappropriate given an Enrollee's nutrition-sensitive condition?	☐Yes ☐No	• Develop written policies demonstrating the involvement of a nutrition professional in meal planning / development. • Establish processes for regular menu reviews by a nutrition professional and for documenting the occurrences.
Does your organization have a process to document which nutrition-related national guidelines or evidence-based practice guidelines meals adhere to?	☐Yes ☐No	• Develop procedures to document which guidelines are used for individual meals.
Does your organization comply with the Michigan Food Code, including holding any/all required food licenses?	☐Yes ☐No	• Obtain inspection records, certificates and/or licenses showing compliance with the Michigan Food Code.
Can your organization ensure meals are delivered at safe temperatures?	☐Yes ☐No	• Ensure access to refrigerator trucks or containers, insulated materials (e.g., Styrofoam or thermal liners), dry ice or gel packs to transport frozen meals, as well as packaging with protective materials and ventilation (e.g., crates or padded boxes) to transport fresh foods.
Does your organization have a process for documenting meals served or delivered to Enrollees?	☐Yes ☐No	• Develop a digital or manual system to track meal delivery and receipt by Medicaid Enrollees by date and time.

Healthy Home Delivered Meal		
ILOS Provider Requirements	**Yes / No**	**Illustrative Next Steps for ILOS Delivery Preparation**
Are there written plans for continuing services during emergencies (e.g., short term natural disasters like snowstorms), loss of power or physical plant malfunctions?	☐Yes ☐No	• Develop emergency response plans outlining backup power systems and alternative meal delivery methods.
Are staff and volunteers trained in procedures to follow in the event of severe weather or natural disasters? Are they trained on the county emergency plan?	☐Yes ☐No	• Facilitate staff training sessions on severe weather or natural disasters procedures. • Maintain records of training session dates and attendees/completion. • Ensure written emergency plans are available to all staff.
Does your organization have written protocols for communicating with Enrollees and resolving issues (e.g., delays and emergency situations) that impact service delivery?	☐Yes ☐No	• Establish a dedicated customer service phone number or email. • Develop written policies addressing communication and resolution delays.
Can your organization accommodate Enrollee preferences in relation to specific food items, portion size, dietary needs, allergy restrictions, and cultural and/or religious preferences?	☐Yes ☐No	• Develop written policies or procedures demonstrating how Enrollee preferences are identified. • Establish procedures to identify menu alternatives based on cultural or religious preferences and allergy restrictions.
Can your organization accommodate individuals with disabilities, limited English proficiency and/or low health literacy?	☐Yes ☐No	• Develop translated materials and additional translation resources (e.g., contract with telephonic translating services) if needed. • Facilitate training of staff providing services to individuals with disabilities, limited English proficiency and/or low health literacy.

Healthy Food Pack		
ILOS Provider Requirements	**Yes / No**	**Illustrative Next Steps for ILOS Delivery Preparation**
Does your organization have experience or expertise providing Healthy Food Packs or similar services?	☐Yes ☐No	• Compare the service currently offered by your organization with the service as defined in the ILOS Policy Guide. Understand what modifications are needed to adhere to the ILOS service definition and develop a plan for implementing them. • Understand the historic volume of healthy food your organization distributed in the last year, including types of food distributed.
Does your organization have the capacity to provide weekly food packs equivalent to less than three (3) meals per day for each Enrollee?	☐Yes ☐No	• Create processes for regular food pack reviews by a nutrition professional to ensure food provided is equivalent to less than three meals per day.
Does your organization have processes in place to ensure food is high-quality and fresh when it is provided to Enrollees?	☐Yes ☐No	• Develop procedures for routine quality checks, such as a “first-in, first-out” inventory system to ensure food items are fresh. • Facilitate staff trainings in proper food handling and packaging to preserve the quality of the food. • Maintain records of training session dates and attendees. • As available, keep audit records demonstrating food is fresh and high-quality when distributed.
Does your organization have processes in place to ensure ultra-processed foods or foods with excessive sugar or salt are not included in the Healthy Food Packs?	☐Yes ☐No	• Develop and maintain a list of foods that cannot be included in Healthy Food Packs. • Have a process to periodically audit and document results of audit to ensure foods included in Health Food Packs are free from ultra-processed foods or foods with excessive sugar or salt.

Healthy Food Pack		
ILOS Provider Requirements	**Yes / No**	**Illustrative Next Steps for ILOS Delivery Preparation**
Does your organization have a process to evaluate and provide foods that Enrollees can process and safely store?	☐Yes ☐No	• Incorporate processes for Medicaid Enrollee intake that include questions on Enrollee food storage.
Does your organization have written protocols for communicating with Enrollees and resolving issues (e.g., delays and emergency situations) that impact service delivery?	☐Yes ☐No	• Establish a dedicated customer service phone number or email. • Develop written policies addressing communication and resolution delays.
Can your organization accommodate Enrollee preferences in relation to specific food items, portion size, dietary needs, allergy restrictions, and cultural and/or religious preferences?	☐Yes ☐No	• Develop written policies or procedures demonstrating how Enrollee preferences are identified. • Establish procedures to identify menu alternatives based on cultural or religious preferences and allergy restrictions.
Can your organization accommodate individuals with disabilities, limited English proficiency and/or with low health literacy?	☐Yes ☐No	• Develop translated materials and additional translation resources (e.g., contract with telephonic translating services) if needed. • Facilitate training of staff providing services to individuals with disabilities, limited English proficiency and/or low health literacy. • If an Enrollee will pick up food packs, ensure that physical facilities are ADA complaint.

Produce Prescription		
ILOS Provider Requirements	**Yes / No**	**Illustrative Next Steps for ILOS Delivery Preparation**
Does your organization have experience or expertise providing Produce Prescriptions or similar services?	☐Yes ☐No	• Compare the service currently offered by your organization with the service as defined in the ILOS Policy Guide. Understand what

Produce Prescription		
ILOS Provider Requirements	**Yes / No**	**Illustrative Next Steps for ILOS Delivery Preparation**
		modifications are needed to adhere to the ILOS service definition and develop a plan for implementing them. • Understand the historic volume of Produce Prescriptions provided by your organization in the last year.
Does your organization have procedures in place to ensure Enrollees can only purchase allowable food items with their voucher(s)?	☐Yes ☐No	• In collaboration with participating food retailers where vouchers will be redeemed, create mechanisms to ensure Enrollees can only purchase allowable food items. • Set parameters to restrict spending if electronic voucher or gift/ debit card is used. • Develop dedicated customer service supports (e.g. phone line or email) and written protocols to address any question related to allowable food items and or resolving voucher issues (e.g., voucher(s) not received, debit technology not working, issue with the retail site).
Can your organization accommodate individuals with disabilities, limited English proficiency and/or with low health literacy?	☐Yes ☐No	• Develop translated materials and additional translation resources (e.g., contract with telephonic translating services) if needed. • Facilitate training of staff providing services to individuals with disabilities, limited English proficiency and/or low health literacy. • If an Enrollee will pick up food packs, ensure that physical facilities are ADA compliant.

2. Contract to Deliver ILOS

Potential ILOS Providers may leverage the checklist below to confirm whether they are ready to engage with Medicaid Health Plans, or other organizations, to contract for delivery of ILOS.

The column titled "Illustrative Next Steps for ILOS Delivery" outlines steps an organization may engage in to ready itself for ILOS. Please note that these steps are intended as examples to help organizations prepare for service delivery.

Contract to Deliver ILOS		
Readiness Activity	**Yes / No**	**Illustrative Next Steps for ILOS Delivery Preparation**
Has your organization enrolled in the Community Health Automated Medicaid Processing System (CHAMPS), MDHHS' comprehensive system for provider enrollment?	☐Yes ☐No	• Review ILOS Provider Enrollment Introduction Recording and ILOS Provider Enrollment Comprehensive Instructions to support enrollment in CHAMPS. • Complete CHAMPS enrollment.
Has your organization identified which Medicaid Health Plans are in your service area?	☐Yes ☐No	• Review Medicaid Health Plans by Region.
Has your organization reviewed MDHHS documents developed to support contracting between ILOS Providers and Medicaid Health Plans?	☐Yes ☐No	• Review ILOS Standard Agreement Terms. • Review Optional ILOS Pricing Guidance.
Has your organization determined what volume of services it can provide on a regular basis to Medicaid Enrollees?	☐Yes ☐No	• Assess current volume of services provided and potential to increase capacity. • Develop a financial business plan to assist your organization in understanding feasibility and financial risk.
Has your organization determined the price point and payment approach at which it can deliver ILOS?	☐Yes ☐No	• Assess direct and indirect costs of delivering services. Costs should be representative of expected volumes and reflect the effort needed to partner with Medicaid Health Plans,

Contract to Deliver ILOS		
Readiness Activity	**Yes / No**	**Illustrative Next Steps for ILOS Delivery Preparation**
		including but limited to billing, contracting, and data sharing.
As needed, can your organization navigate the risk assessment and/or negotiation of contracts with MHPs?	☐Yes ☐No	• Consult with the organization's internal expert(s), existing legal counsel and/or retain counsel to assist with navigating contracting procedures.
Has your organization determined whether to contract directly with Medicaid Health Plans or join a network of ILOS Providers, if available in your region?	☐Yes ☐No	• Review sample contract agreements from Medicaid Health Plans and/or organizations managing ILOS Provider networks to determine the arrangement that works for your organization. • Assign a staff member or team to oversee outreach to and ongoing engagement with Medicaid Health Plans and/or organizations managing ILOS Provider networks.

3. Comply with ILOS Billing and Data Sharing Requirements

Potential ILOS Providers may leverage the checklist below to confirm whether they have the administrative capacity to maintain and exchange required data and bill for the delivery of ILOS.

The column titled "Illustrative Next Steps for ILOS Delivery" outlines steps an organization may engage in to ready itself for ILOS. Please note that these steps are intended as examples to help organizations prepare for service delivery.

Comply with ILOS Billing and Data Sharing Requirements		
Readiness Activity	**Yes / No**	**Illustrative Next Steps for ILOS Delivery Preparation**
Does your organization understand the data sharing and billing requirements outlined in the ILOS Policy Guide?	☐Yes ☐No	• Review the ILOS Policy Guide.
Has your organization developed processes to document and maintain required ILOS data elements?	☐Yes ☐No	• Conduct an internal assessment of billing and data processes and ensure compliance with requirements noted in the ILOS Policy Guide.
Are there established processes to securely store and share Enrollee information in your organization?	☐Yes ☐No	• Develop policies outlining HIPAA compliance, IT security protocols, and proof of secure systems like encryption or firewalls.[2] •
Is there an assigned staff member or team within your organization to oversee data sharing, including facilitating transmission of data to Medicaid Health Plans consistent with mutually agreed upon formats, timing and methods?	☐Yes ☐No	• Assign a staff member or team to be the point of contact (internally and externally) for any data and billing items.
As needed, has your organization sought legal counsel to ensure compliance with all state and	☐Yes ☐No	• Consult with the organization's legal counsel or retain counsel to assist with navigating data sharing laws.

[2] The exchange of Enrollee information is intended to facilitate effective ILOS service delivery. However, Produce Prescription ILOS Providers may not need to share the same level of data as other ILOS Providers to effectively deliver the Produce Prescription ILOS due to the distinct structure of the Produce Prescription ILOS (i.e., the provision of a voucher rather than the direct provision of food). Please refer to the ILOS Policy Guide for information on data sharing.

Comply with ILOS Billing and Data Sharing Requirements		
Readiness Activity	**Yes / No**	**Illustrative Next Steps for ILOS Delivery Preparation**
federal laws for data collection, storage and sharing?		
Is your organization able to submit invoices or claims that include the required data elements outlined in the ILOS Policy Guide? Note: MDHHS developed several resources, including templates, available on the ILOS webpage that Medicaid Health Plans and ILOS Providers can use to support billing and data sharing activities. For additional guidance, please refer to the ILOS Policy Guide.	☐Yes ☐No	• Conduct a comprehensive review of current billing processes to identify gaps in meeting ILOS requirements, and develop a plan for updating procedures and systems to include required data elements. • Train and/or distribute all billing-related materials (e.g., coding guides, invoice templates and billing workflows) to team members who will have a role in billing for ILOS.
Did your organization participate in the MDHHS ILOS Learning Collaborative to learn about best practices for ILOS implementation?	☐Yes ☐No	• Sign up for the MDHHS listserv to be notified of future ILOS Learning Collaborative sessions. • Review materials from previous ILOS Learning Collaborative sessions.