

**MICHIGAN DEPARTMENT OF HEALTH AND HUMAN SERVICES**

**NOTICE OF PROPOSED POLICY**

Public Act 280 of 1939, as amended, and consultation guidelines for Medicaid policy provide an opportunity to review proposed changes in Medicaid policies and procedures.

Please review the policy summary and the attached materials that describe the specific changes being proposed. Let us know why you support the change or oppose the change.

Submit your comments to the analyst by the due date specified. Your comments must be received by the due date to be considered for the final policy bulletin.

Thank you for participating in the consultation process.



Director, Program Policy Division  
Bureau of Medicaid Policy, Operations, and Actuarial Services

**Project Number:** 2301-NF    **Comments Due:** February 27, 2023    **Proposed Effective Date:** March 1, 2023

**Mail Comments to:** Kristi Barron

**Telephone Number:**

**Fax Number:**

**E-mail Address:** [BarronK2@michigan.gov](mailto:BarronK2@michigan.gov)

**Policy Subject:** COVID-19 Response: Update to MSA 20-76 COVID Relief Facilities, Tier II 85% Occupancy Limitation

**Affected Programs:** Medicaid

**Distribution:** Nursing Facilities

**Policy Summary:** This policy rescinds the 85% occupancy limitation to Tier II COVID Relief Facilities that was authorized in bulletin MSA 20-76.

**Purpose:** Nursing facilities are currently holding beds for COVID-positive patients, which is resulting in beds remaining empty and causing placement issues.

**Bulletin Number:** MMP 23-09

**Distribution:** Nursing Facilities

**Issued:** January 23, 2023

**Subject:** COVID-19 Response: Update to MSA 20-76 COVID Relief Facilities, Tier II 85% Occupancy Limitation

**Effective:** March 1, 2023

**Programs Affected:** Medicaid

Bulletin [MSA 20-76](#), issued December 8, 2020, addressed the application of the 85% occupancy limitation to Tier II COVID Relief (CR) Facilities. (Refer to the [Michigan Department of Health and Human Services \[MDHHS\] Medicaid Provider Manual](#), Nursing Facility Chapter, Cost Reporting and Reimbursement Appendix, Section 2, Definitions, Per Resident Day Cost.)

The purpose of this bulletin is to rescind the application of the 85% occupancy limitation for Tier II CR Facilities that was authorized in bulletin MSA 20-76. Effective March 1, 2023, CR Facilities with beds holding a Tier II designation are no longer exempt from the 85% occupancy limitation. The 85% occupancy limitation for Care and Recovery Centers (CRCs) will remain in place until further notice.

Questions can be sent to [DARS@michigan.gov](mailto:DARS@michigan.gov).

## Public Comment

The public comment portion of the policy promulgation process is being conducted concurrently with the implementation of the change noted in this bulletin. Any interested party wishing to comment on the change may do so by submitting comments to Kristi Barron via e-mail at [BarronK2@michigan.gov](mailto:BarronK2@michigan.gov).

Please include “COVID-19 Response: Update to MSA 20-76 COVID Relief Facilities, Tier II 85% Occupancy Limitation” in the subject line.

Comments received will be considered for revisions to the change implemented by this bulletin.

## Manual Maintenance

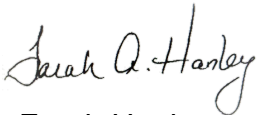
Information is time-limited and will not be incorporated into any policy or procedure manuals.

## Questions

Any questions regarding this bulletin should be directed to Provider Inquiry, Department of Health and Human Services, P.O. Box 30731, Lansing, Michigan 48909-8231, or e-mailed to [ProviderSupport@michigan.gov](mailto:ProviderSupport@michigan.gov). When you submit an e-mail, be sure to include your name, affiliation, NPI number, and phone number so you may be contacted if necessary. Typical Providers may phone toll-free 1-800-292-2550. Atypical Providers may phone toll-free 1-800-979-4662.

An electronic copy of this document is available at [www.michigan.gov/medicaidproviders](http://www.michigan.gov/medicaidproviders) >> Policy, Letters & Forms.

## Approved



Farah Hanley  
Chief Deputy Director for Health