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**State/Territory Name: MI**

**State Plan Amendment (SPA) #: 16-0003**

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) Additional Companion letter
- 3) CMS 179 Form/Summary Form (with 179-like data)
- 4) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
Chicago Regional Office  
233 N. Michigan  
Suite 600  
Chicago, Illinois 60601

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April 26, 2016

Chris Priest, Medicaid Director  
Medical Services Administration  
Federal Liaison Unit  
Michigan Department of Community Health  
400 South Pine  
Lansing, Michigan 48933

ATTN: Erin Black

Dear Mr. Priest:

Enclosed for your records is an approved copy of the following State Plan Amendment:

- Transmittal #: 16-0003 – Marriage and Family Counselor
- Effective: April 1, 2016

If you have any questions, please contact Leslie Campbell at (312) 353-1557 or [Leslie.Campbell@cms.hhs.gov](mailto:Leslie.Campbell@cms.hhs.gov).

Sincerely,

/s/ Alan Freund, Acting ARA

Ruth A. Hughes  
Associate Regional Administrator  
Division of Medicaid & Children's Health Operations

Enclosures

April 26, 2016

Chris Priest, Michigan Medicaid Director  
Medical Services Administration  
Michigan Department of Health and Human Services  
400 South Pine Street, P.O. Box 30479  
Lansing, Michigan 48909-7979

ATTN: Erin Black, SPA Coordinator

RE: Transmittal Number (TN) 16-0003

Dear Mr. Priest:

This letter is being sent as a companion to our approval of the Michigan State Plan Transmittal Notice (TN) 16-0003 that allows enrollment of marriage and family therapists as Medicaid Providers. During our review of this State Plan Amendment (SPA), we determined that there are companion issues with comprehensiveness and effective date language as a result of the state using an introduction to the 4.19b pages.

Section 1902(a)(4) of the Act requires that states have methods of administration that the secretary deems necessary for the proper and efficient administration of the state plan. Our regulation at 42 Code of Federal Regulations (CFR) 430.10 and 447.252(b) requires the state plan be a comprehensive description of the methods and standards used to set payment rates and is the basis for our request to add effective date language for practitioner payment rates and clarification of the fee schedules on pages 1 and 5a of the 4.19b pages. We are requesting a SPA submission to resolve the issues indicated below.

1. Effective Date Language for Individual Practitioner Services

For items 12A-D and 12F-I on 4.19b page 5a, we require a comprehensive description in the State plan that includes effective date language. Though the Centers for Medicare & Medicaid Services (CMS) has approved the use of effective date language on the 4.19b introduction page, the effectiveness of this approach is contingent on the introduction page being updated each time provider payment rates are modified. There is concern, since MI-16-0003, MI-16-0004, and MI-16-0008 were submitted without an updated 4.19b introduction page, that the effective date on the introduction page is not being updated as rates are changed.

There are three methods which the state may use to update the effective date language for practitioner payment rates.

**A. Revise the 4.19b introduction page to include effective dates for all payment rates**

- The 4.19b introduction page would need to include a comprehensive list of all payment rates listed in the state plan 4.19b pages and the effective date for each rate. The current page does not.
- Once completed, the 4.19b introduction page would need to be updated and submitted with each SPA that modifies a payment rate.

**B. Include effective date language under each payment methodology on 4.19b pages**

- All fee schedule effective date language would be removed from the 4.19b introduction page and inserted into the 4.19b pages under each payment methodology.

**C. Utilize a combination of an introduction page or pages plus fee schedule effective date language on individual payment methodologies.** While we are concerned that this could lead to a failure to update the introduction page when rates are changed, this hybrid approach would permit the state to phase-in fee schedule effective date language on individual methodologies.

2. Clarification of Fee Schedules

To be comprehensive, CMS requests that the state modify language on page 1 of Attachment 4.19b under Item 1, Individual Practitioner Services to clarify which fee schedule is being referred to for the payment rates for the listed practitioners. Often, practitioners are paid at a percentage or 100% of the physician fee schedule. CMS requests that the state amend mentions of the “fee schedule” on page 1 of Attachment 4.19b to specifically indicate which fee schedule or rate is being used (i.e., at 75% of physician fee schedule) for all instances of “fee schedule on page 1 of Attachment 4.19b.

The State has 90 days from the date of this letter to respond to this letter. Within that period, the State may submit SPAs to address the inconsistencies or submit a corrective action plan describing in detail how the State will resolve the issues identified above in a timely manner. Failure to respond may result in the initiation of a formal compliance process. During the 90 days, CMS will provide any required technical assistance.

Please contact Leslie Campbell, of my staff, at (312) 353-1577 or via email at [Leslie.Campbell@cms.hhs.gov](mailto:Leslie.Campbell@cms.hhs.gov), if you have any questions.

Sincerely,

/s/ Alan Freund, Acting ARA

Ruth A. Hughes  
Associate Regional Administrator  
Division of Medicaid and Children's Health Operations

**TRANSMITTAL AND NOTICE OF APPROVAL OF  
STATE PLAN MATERIAL  
FOR: HEALTH CARE FINANCING ADMINISTRATION**

1. TRANSMITTAL NUMBER: 16 – 0003	2. STATE: Michigan
3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID) TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
4. PROPOSED EFFECTIVE DATE April 1, 2016	

TO: REGIONAL ADMINISTRATOR  
HEALTH FINANCING ADMINISTRATION  
DEPARTMENT OF HUMAN SERVICES

5. TYPE OF PLAN MATERIAL (*Check One*):

☐ NEW STATE PLAN ☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN ☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (*Separate Transmittal for each amendment*)

6. FEDERAL STATUTE/REGULATION CITATION: 42 CFR 440.60	7. FEDERAL BUDGET IMPACT: a. FFY 2016 \$0 b. FFY 2017 \$0
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Supplement to Attachment 3.1-A, Page 17 Supplement to Attachment 3.1-A, Page 17a.1 Attachment 4.19-B, Page 1 Attachment 4.19-B, Page 5a	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT ( <i>If Applicable</i> ): Supplement to Attachment 3.1-A, Page 17 Supplement to Attachment 3.1-A, Page 17a.1 Attachment 4.19-B, Page 1 Attachment 4.19-B, Page 5a

10. SUBJECT OF AMENDMENT:

Allows enrollment of marriage and family therapists as Medicaid providers. A corresponding ABP SPA 16-1000 has been submitted as well.

11. GOVERNOR'S REVIEW (*Check One*):

☐ GOVERNOR'S OFFICE REPORTED NO COMMENT  
☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED  
☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

☒ OTHER, AS SPECIFIED:  
Chris Priest, Director  
Medical Services Administration

12. SIGNATURE OF STATE AGENCY OFFICIAL:	16. RETURN TO:  Medical Services Administration Actuarial Division - Federal Liaison Capitol Commons Center - 7 <sup>th</sup> Floor 400 South Pine Lansing, Michigan 48933  Attn: Erin Black
13. TYPED NAME: Chris Priest	
14. TITLE: Director, Medical Services Administration	
15. DATE SUBMITTED: February 11, 2016	

**FOR REGIONAL OFFICE USE ONLY**

17. DATE RECEIVED: February 11, 2016	18. DATE APPROVED: April 26, 2016
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**PLAN APPROVED – ONE COPY ATTACHED**

19. EFFECTIVE DATE OF APPROVED MATERIAL: April 1, 2016	20. SIGNATURE OF REGIONAL OFFICIAL: /s/
21. TYPE NAME: Alan Freund	22. TITLE: Acting Associate Regional Administrator

23. REMARKS:

**STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT**

State of Michigan

***Amount, Duration and Scope of Medical and Remedial Care  
Services Provided to the Categorically and Medically Needy***

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6. Medical Care Furnished by Practitioners within the Scope of their Practice as Defined by State Law  
(continued)

b. Optometry Services:

- i) Covered services as limited by the department, are those provided to individuals under the EPSDT program.
- ii) Covered for beneficiaries 21 years of age and older are limited to those services relating to eye trauma and eye disease and low vision evaluations, services and aids (which must be prior authorized).
- iii) Vision/Optomtrist Services are covered for adults. Certain services and supplies may be subject to meeting stipulated criteria and/or prior authorization. Routine eye exam once every two years; non-routine exams limited to those services relating to eye trauma and eye disease and low vision evaluations, services and aids (which must be prior authorized). Authorization required in excess of limitation.

c. Chiropractor Services:

Covered services are limited to those allowed under the Chiropractor's scope of practice as defined by state law. Chiropractic benefits are limited to 18 visits per calendar year. Chiropractic services are limited to spinal manipulation. Benefit includes one set of spinal x-rays per beneficiary, per year. Authorization required in excess of limitation.

d. Other Practitioner Services:

~ Certified Nurse Anesthetists (CRNAs)

Services provided by registered nurses certified by the council on Certification of Nurse Anesthetists or re-certified by the Council on Re-certification of Nurse Anesthetists are covered. Services are limited to those provided on an inpatient or outpatient basis and reimbursement is directed through to the provider or the provider's employer.

~ Registered/Licensed Dental Hygienists (RDHs)

Services provided by registered dental Hygienists (RDHs) are covered when those services are rendered on behalf of an organization, clinic or group practice. Covered services are limited to those allowed under the RDH's scope of practice as defined by State law. Prior authorization is generally not required. However, authorization required in excess of limitation.

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TN NO.: 16-0003

Approval Date: 4/26/16

Effective Date: 04/01/2016

Supersedes  
TN No.: 12-11

**STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT**

State of MICHIGAN

***Amount, Duration and Scope of Medical and Remedial Care  
Services Provided to the Categorically and Medically Needy***

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6. Medical Care Furnished by Practitioners within the Scope of their Practice as Defined by State Law  
(continued)

d. Other Practitioner Services (continued)

Pharmacists - Effective June 1, 2015, the administration of vaccines is covered when provided by a licensed pharmacist as authorized by the State within their scope of practice. Limited to administration of vaccines and toxoids as allowed by applicable state authority. Prior authorization is generally not required.

Psychologists – Effective September 1, 2015, limited licensed, Master's level Psychologists and fully licensed, Doctoral level Psychologists will be enrolled to provide behavioral health services. Psychologist services limited to 20 visits per calendar year. Covered services are limited to those under the Psychologist's scope of practice as defined by State law. Authorization required in excess of limitation.

Social Workers – Effective September 1, 2015, fully licensed, Master's level Social Workers will be enrolled to provide behavioral health services. Social worker services limited to 20 visits per calendar year. Covered services are limited to those under the Social Worker's scope of practice as defined by State law. Authorization required in excess of limitation.

Professional Counselors - Effective September 1, 2015, fully licensed, Master's or Doctoral level Professional Counselors will be enrolled to provide behavioral health services. Professional counselor's services limited to 20 visits per calendar year. Covered services are limited to those under the Professional Counselor's scope of practice as defined by State law. Authorization required in excess of limitation.

Marriage and Family Therapists – Effective April 1, 2016, fully licensed, Master's level Marriage and Family Therapists will be enrolled to provide behavioral health services. Marriage and Family Therapists services limited to 20 visits per calendar year. Covered services are limited to those under the Marriage and Family Therapist's scope of practice as defined by State law. Marriage Counseling is not a Medicaid covered service. Authorization required in excess of limitation.

## STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State of MICHIGAN

### ***Policy and Methods for Establishing Payment Rates (Other than Inpatient Hospital and Long Term Care Facilities)***

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#### 1. Individual Practitioner Services

Payment rates are established by the Medical Services Administration as a fee screen for each procedure. The fee schedule is designed to enlist the participation of an adequate number of providers. The Medicare prevailing fees, the Resource Based Relative Value Scale (RBRVS) and other relative value information, other state Medicaid fee screens, and providers' charges may be utilized as guidelines or reference in determining the maximum fee screens for individual procedures. The state assures that both public and private providers are paid under the same fee screens for the same services. Fee schedules are updated annually using the Resource Based Relative Value Scale (RBRVS) Medicare January release.

These payment rates apply to the following practitioners:

- Physicians (MD and DO)
- Ophthalmologists
- Oral Surgeons
- Podiatrists
- Physician's Assistants
- Nurse Practitioners – Up to 100% of fee schedule except assistant at surgery at 85% of fee schedule
- Certified Nurse Midwives
- Certified Registered Nurse Anesthetists
- Optometrists
- Chiropractors
- Psychologists - At 75% of fee schedule
- Social Workers - At 75% of fee schedule
- Professional Counselors - At 75% of fee schedule
- Marriage and Family Therapists – At 75% of fee schedule

For beneficiaries with no Medicare or commercial insurance coverage, providers are reimbursed the lesser of:

- the Medicaid fee screen minus any applicable Medicaid co-payment, patient pay, or spend-down amounts.
- the provider's usual and customary charge minus any applicable Medicaid co-payment, patient pay, or spend-down amounts.

For beneficiaries with Medicare and/or commercial insurance coverage, providers are reimbursed the lesser of:

- the Medicaid beneficiary's liability for Medicare/commercial insurance coinsurance, co-payments, and/or deductibles minus any applicable Medicaid co-payment, patient pay, or spend-down amounts.
- the Medicaid fee screen minus any third party payments, contractual adjustments, and any applicable Medicaid co-payment, patient pay, or spend-down amounts.

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TN NO.: 16-0003

Approval Date: 4/26/16

Effective Date: 04/01/2016

Supersedes  
TN No.: 15-0008



**STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT**

State of MICHIGAN

***Policy and Methods for Establishing Payment Rates  
Other than Inpatient Hospital and Long-Term-Care Facilities***

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12. Medical care furnished by practitioners within the scope of their practice as defined by state law.

A. Certified Registered Nurse Anesthetists (CRNAs)

The agency's fee schedule rate was set using the same methodology that applies to Certified Registered Nurse Anesthetists in Item 1. Individual Practitioner Services.

B. Chiropractors

The agency's fee schedule rate was set using the same methodology that applies to Chiropractors in Item 1. Individual Practitioner Services.

C. Podiatrists

The agency's fee schedule rate was set using the same methodology that applies to Podiatrists in Item 1. Individual Practitioner Services.

D. Optometrist

The agency's fee schedule rate was set using the same methodology that applies to Optometrists in Item 1. Individual Practitioner Services.

E. Registered/Licensed Dental Hygienists (RDHs)

Unless otherwise noted, Michigan's Medicaid payment rates are uniform for private and governmental providers. The Michigan Medicaid fee schedule effective for dates of service on or after October 1, 2010, may be found at [www.michigan.gov/medicaidproviders](http://www.michigan.gov/medicaidproviders).

For services reimbursed under the fee for service methodology as administered by the Michigan Department of Community Health, providers are reimbursed the lesser of the Medicaid fee screen or the provider's usual and customary charge minus any third party payment. A provider's usual and customary charge should be the fee they most frequently charge their patients with regard to special considerations or financial status.

F. Psychologists

The agency's fee schedule rate was set using the same methodology that applies to Psychologists in Item 1. Individual Practitioner Services.

G. Social Workers

The agency's fee schedule rate was set using the same methodology that applies to Social Workers in Item 1. Individual Practitioner Services.

H. Professional Counselors

The agency's fee schedule rate was set using the same methodology that applies to Professional Counselors in Item 1. Individual Practitioner Services.

I. Marriage and Family Therapists

The agency's fee schedule rate was set using the same methodology that applies to Marriage and Family Therapists in Item 1. Individual Practitioner Services.

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TN NO.: 16-0003

Approval Date: 4/26/16

Effective Date: 04/01/2016

Supersedes

TN No.: 15-0008