

**Bulletin Number:** MSA 06-55

**Distribution:** Nursing Facilities (Provider Type 60)  
County Medical Care Facilities (Provider Type 61)  
Hospital Long Term Care Units (Provider Type 62)  
Swing Beds (Provider Type 63)

**Issued:** August 16, 2006

**Subject:** Swing Beds Rate Determination Methodology

**Effective:** October 1, 2006

**Programs Affected:** Medicaid

Medicaid is modifying rate-setting factors for Medicaid authorized hospital Swing Beds (Class VI) that provide post-acute extended care services. The rate period and the rate data collection period used to determine the reimbursement rate for Swing Beds are modified for dates of service on and after the effective date of this bulletin.

Medicaid determines a uniform statewide per diem rate for swing beds, which will apply to dates of service between October 1<sup>st</sup> and September 30<sup>th</sup> concurrent with the State fiscal year.

The rate will be re-determined annually based on Medicaid payments and Medicaid service days for Class I and Class III facilities during the previous State fiscal year. The rate is the weighted statewide average per diem rate paid for routine nursing care. The rate calculation sums Medicaid per diem payments and divides the sum by the number of Medicaid service days paid to Class I and Class III facilities as reflected on the State's prior fiscal year's Medicaid report of services and payments.

Payments will not be made for swing bed days which occur before the combined length of stay in the acute care hospital bed and the hospital swing bed exceeds the average length of stay for the Medicaid diagnosis related group (DRG) for the admission.

The public comment portion of the policy promulgation process is being conducted concurrently with the implementation of the changes. Any interested party wishing to comment on the changes may do so by submitting comments in writing to:

Attn: Denise Morrow  
MDCH  
PO Box 30479  
Lansing, MI 48909  
Or  
E-mail: [MorrowD@michigan.gov](mailto:MorrowD@michigan.gov)

If responding by e-mail, please include "Swing Beds Rate Determination Methodology" in the subject line.

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

## Manual Maintenance

Retain this bulletin until the information is incorporated in the Medicaid Provider Manual.

## Questions

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

Approved

A handwritten signature in black ink that reads "Susan Moran". The signature is written in a cursive style with a large initial "S" and a long, sweeping underline.

Susan Moran, Acting Deputy Director  
Medical Services Administration