

Michigan Department of Community Health

Bulletin Number: MSA 07-42

Distribution: Nursing Facilities (Provider Types: 60, 61, 62, and 63)

Issued: August 2, 2007

Subject: Quality Assurance Supplement Reduction

Effective: September 1, 2007

Programs Affected: Quality Assurance Assessment Program

In order to comply with sections 18.1395 and 18.1453 from PA 431 of 1984, the Department of Community Health will reduce Quality Assurance Supplement (QAS) payments to accommodate the state and federal share of unpaid Quality Assurance Assessment Program (QAAP) taxes. Applicable language in this public act states that, "Appropriation line items in a budget act financed from federal, state restricted, local, or private funding authorized spending only for the amount of the funds actually received up to the amount appropriated. When an appropriation line item that is financed from federal, state restricted, local, or private funding sources is receiving funds less than the appropriated amount, the department shall reduce the overall level of expenditures from the appropriation line item to reflect the estimated funding shortfall."

Individual facilities receiving QAS payments financed from state restricted funds (QAS) should anticipate a decrease in the amount of their QAS payment in the final month(s) of the state's fiscal year. QAS payments will be reduced by the amount of restricted funding revenue written off during the current fiscal year. This reduction will be allocated across all providers participating in the QAAP program who receive QAS payments. QAS payments will be reduced by both the state and federal share of the unpaid QAAP revenues. Any QAAP payments that are subsequently paid after being included in a QAS reduction will be restored to providers.

QAS payments will be reduced by the QAAP shortage and implemented within a given month, as a per diem reduction. The QAS reduction will be equal to: the total QAAP shortage divided by the total number of Medicaid days used in the QAS payment calculation multiplied by the number of Medicaid days in each facility.

Manual Maintenance

Retain this bulletin until the information has been incorporated into the Michigan 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. 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



Paul Reinhart, Director
Medical Services Administration