



STATE OF MICHIGAN  
DEPARTMENT OF HEALTH AND HUMAN SERVICES  
LANSING

GRETCHEN WHITMER  
GOVERNOR

ROBERT GORDON  
DIRECTOR

May 22, 2020

To: CEOs of Pre-paid Inpatient Health Plans

From: Jeffery L. Wieferich MA, LLP, Director *juw*  
Bureau of Community Based Services

Re: Additional Guidance on Premium Pay Increase

This communication serves as further guidance to the information that was provided on 5-18-2020 about the premium pay increase for direct care workers.

Regarding the expectations surrounding this statement:

*“PIHPs should update/submit encounters for the service codes outlined in L 20-28 to reflect the actual amount paid, including Premium Pay, for the aforementioned dates of service.”* – from the 5-18-20 communication.

It is the expectation from the Michigan Department of Health and Human Services that any encounters already submitted that reflect services provided by the impacted direct care workers be voided and resubmitted with the actual amount paid as a result of the Premium Pay. We realize there have been other methods used to reflect direct care wage increases in the past, however those methods cannot be used as the correct information needs to be recorded with the encounter.

We recognize that the application of the Premium Pay to the SUD residential and withdrawal management area is more complex due to the codes in question being per diem codes. As the intent of the increase is to support the direct care workers, the Premium Pay must be directed to the “residential aides”, clinical staff and nursing staff who are providing services within these programs. This will exclude medical and administrative staff in those programs.