

Bulletin Number: MSA 15-58

Distribution: Hospitals, Ambulatory Surgical Centers, Hospital-Owned Ambulance, Comprehensive Outpatient Rehabilitation Facilities, Rehab Agencies, Freestanding Dialysis Centers, Medicaid Health Plans

Issued: December 1, 2015

Subject: Outpatient Prospective Payment System and Ambulatory Surgical Center Reduction Factor Update

Effective: January 1, 2016

Programs Affected: Medicaid, Children's Special Health Care Services, Maternity Outpatient Medical Services (MOMS)

The purpose of this bulletin is to update the Outpatient Prospective Payment System (OPPS) and Ambulatory Surgical Center (ASC) statewide budget-neutrality reduction factor.

In November 2015 the Centers for Medicare and Medicaid Services (CMS) finalized changes to the Calendar Year 2016 Medicare OPPS. To maintain budget neutrality for the Medicaid program, the Medicaid OPPS and ASC reduction factor will be adjusted effective for dates of services on or after January 1, 2016 in accordance with the CMS final rule. The reduction factor will be adjusted from its prior rate of 52.3% to a new rate of 52.5%.

Bulletin MSA 06-47 stated that the Michigan Department of Health and Human Services (MDHHS) may adjust its reduction factor to maintain expenditures within appropriated levels if Medicare implements a general rate increase. In addition, MSA 07-12 stated that the MDHHS reserves the right to adjust the reduction factor if budget concerns are evident and changing significantly prior to the end of the State's fiscal year.

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 in writing to:

Attn: Jason Jorkasky
MDHHS/MSA
PO Box 30479
Lansing, Michigan 48909-7979
Or
E-mail: jorkaskyj@michigan.gov

If responding by e-mail, please include "OPPS/ASC Reduction Factor" in the subject line.

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

Manual Maintenance

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

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-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

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

Chris Priest, Director
Medical Services Administration