

**Michigan Department of Health and Human Services (MDHHS)
Short Hospital Stay Rate of Reimbursement**

Rate History

The State utilizes a Short Hospital Stay (SHS) rate of reimbursement for certain outpatient and inpatient hospital stays. The SHS encompasses funding for both operating and capital costs. The SHS rate will be identical for inpatient and outpatient services and will apply to all services billed on the claim.

The SHS rate of reimbursement does not modify billing requirements for hospitals. If the patient meets criteria for an inpatient admission, the claim must be submitted as an inpatient claim. Conversely, if the patient does not meet criteria for an inpatient admission, the claim must be submitted as an outpatient claim. In either case, if the criteria for the SHS rate are met, the hospital will receive the same reimbursement for services rendered.

The SHS rate only applies to discharges from a facility, and does not apply to transfers, leaving against medical advice (AMA), or other discharge statuses. The SHS logic will apply to both emergent and elective claims. Criteria for the SHS rate is maintained in the Medicaid Provider Manual Hospital Reimbursement Appendix. Below is a historical listing of the MDHHS Short Hospital Stay Rate of Reimbursement.

Effective Dates	Short Hospital Stay Rate	Transmittal Bulletin
07/01/2015 – 12/31/2017	\$1,314.00	MSA 15-17
01/01/2018 – ongoing	\$1,608.00	MSA 17-47