

Department of Health & Human Services
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-26-12
Baltimore, Maryland 21244-1850



Division of Reimbursement Review

April 17, 2020

Kate Massey, State Medicaid Director
Medical Services Administration
Michigan Department of Health and Human Services
400 south Pine Street, P.O. Box 30479
Lansing, MI 48909-7979

RE: State Plan Amendment 20-0003

Dear Mr. Jones:

We have reviewed the proposed amendment to your Medicaid State plan submitted under transmittal number 20-0003. This amendment proposes to update neonatal services language in response to the MDHHS Fiscal Year 2020 budget, increasing the Medicaid reimbursement percentage from 75% to 95% for specified neonatal intensive and critical care services.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30), 1903(a), and 1923 of the Social Security Act and the implementing Federal regulations at 42 CFR 447 Subpart C. We have found that the proposed reimbursement methodology complies with applicable requirements and therefore have approved them with an effective date of February, 1, 2020.

If you have any questions, please contact Debi Benson at Deborah.Benson@cms.hhs.gov.

Sincerely,

Todd McMillion

Todd McMillion
Director
Division of Reimbursement Review

cc:
Deborah Benson
Keri Toback

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

FOR: HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER:

20 - 0003

2. STATE:

Michigan

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)

TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)

TO: REGIONAL ADMINISTRATOR
HEALTH FINANCING ADMINISTRATION
DEPARTMENT OF HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

February 1, 2020

5. TYPE OF PLAN MATERIAL (*Check One*):

NEW STATE PLAN

AMENDMENT TO BE CONSIDERED AS NEW PLAN

AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (*Separate Transmittal for each amendment*)

6. FEDERAL STATUTE/REGULATION CITATION:

42 C.F.R. Part 440.50

7. FEDERAL BUDGET IMPACT:

a. FFY 2020 \$1,153,100

b. FFY 2021 \$1,735,600

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 4.19-B, Page 1.b.7

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (*If Applicable*):

Attachment 4.19-B, Page 1.b.7

10. SUBJECT OF AMENDMENT:

This SPA will update neonatal services language in response to the MDHHS Fiscal Year 2020 budget. Effective for dates of service on and after February 1, 2020, Medicaid reimbursement rates for specified neonatal intensive and critical care services will be 95% of the Medicare rate.

11. GOVERNOR'S REVIEW (*Check One*):

GOVERNOR'S OFFICE REPORTED NO COMMENT

COMMENTS OF GOVERNOR'S OFFICE ENCLOSED

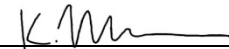
NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

OTHER, AS SPECIFIED:

Kate Massey, Director

Medical Services Administration

12. SIGNATURE OF STATE AGENCY OFFICIAL:



13. TYPED NAME:

Kate Massey

14. TITLE:

Director, Medical Services Administration

15. DATE SUBMITTED:

March 16, 2020

16. RETURN TO:

Medical Services Administration
Actuarial Division - Federal Liaison
Capitol Commons Center - 7th Floor
400 South Pine
Lansing, Michigan 48933

Attn: Erin Black

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

03/16/2020

18. DATE APPROVED:

04/17/2020

PLAN APPROVED – ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

2/1/2020

20. SIGNATURE OF REGIONAL OFFICIAL:



21. TYPE NAME:

Todd McMillion

22. TITLE:

Director, Division of
Reimbursement Review

23. REMARKS:

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State of MICHIGAN

***Policy and Methods for Establishing Payment Rates
Other than Inpatient Hospital and Long-Term-Care Facilities***

Physician Services, Neonatal Critical Care and Intensive Care Services

Neonatal Services Reimbursement Methodology

Reimbursement for neonatal critical care and intensive care services is 95% of the annual Medicare rates published January of each year. Except as otherwise noted in the state plan, Michigan's Medicaid payment rates are uniform for both private and governmental providers. Reimbursement is made in accordance with Medicaid's fee screens or the usual and customary charge for these services, whichever amount is less.

Effective Date of Payment

This reimbursement methodology applies to services rendered on and after February 1, 2020. All rates are published at www.michigan.gov/medicaidproviders.

TN NO.: 20-0003

Approval Date: 04/17/2020

Effective Date: 02/01/2020

Supersedes

TN No.: 18-0007