Bulletin Number:	MSA 21-39
Distribution:	Behavioral Health and Substance Use Disorder Service Providers, Community Mental Health Services Programs (CMHSPs), Prepaid Inpatient Health Plans (PIHPs)
Issued:	November 1, 2021
Subject:	Establishment of Cost Reporting Requirements for Behavioral Health Service Providers Contracted/Affiliated with CMHSPs/PIHPs
Effective:	December 1, 2021
Programs Affected:	Medicaid, Healthy Michigan Plan, MIChild

The purpose of this policy is to establish cost reporting requirements for behavioral health service providers contracted/affiliated with CMHSPs/PIHPs (hereafter referred to as network providers) to comply with state and federal requirements, including:

- Adherence to federal regulations under 42 CFR Part 438.66, and;
- The development and maintenance of a behavioral health fee schedule per Section 964 of the Michigan Department of Health and Human Services (MDHHS) budget boilerplate in Michigan Public Act 166 of 2020.

To comply with this requirement, and under the authority of U.S.C. §1396a(a)(30)(A) and 42 CFR. §438.66, the Behavioral Health & Developmental Disabilities Administration (BHDDA) is requiring the reporting of cost and other information from behavioral health service providers beginning December 1, 2021 to be completed annually.

Beginning December 1, 2021 and required annually thereafter, CMHSP/PIHP network behavioral health service providers (providers who contract with PIHPs and CMHSPs) must provide all relevant information for the provision of covered services delivered to Medicaid beneficiaries to MDHHS using standard reporting templates that are provided by MDHHS. (NOTE: MDHHS may change the elements within the templates at its discretion with proper advance notice to providers).

All CMHSP/PIHP network providers must report information that includes, but is not limited to: salary and wages, employee related expenses (e.g., fringe benefits), paid time off, training expenses, employee turnover, and other information determined necessary by MDHHS to

execute this policy. Moreover, all providers who meet a specific expenditure threshold established by MDHHS must submit more detailed information, such as the following:

   a) Direct labor costs, including direct and indirect time spent providing for patients;
   b) Direct service supervisory labor costs;
   c) Employee related expenses associated with direct service staff and first line supervisors;
   d) Travel related expenses associated with direct service staff and first line supervisors;
   e) Clinical-related supplies and other expenses;
   f) Provider administrative costs, and;
   g) Costs defined as managed care administration.

CMHSPs are required to comply with the Standard Cost Allocation methodology, which will fulfill the detailed reporting requirement for providers above a certain expenditure threshold.

Specific reporting templates, instructions, and further guidance will be provided by MDHHS through additional communications in advance of the reporting due date.

More information regarding reporting requirements is available here on the MDHHS website.

An electronic version of this document is available at www.michigan.gov/medicaidproviders >> Policy, Letters & Forms.

Manual Maintenance

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

Questions

Any questions regarding this bulletin should be e-mailed to Provider Inquiry, Department of Health and Human Services, at ProviderSupport@michigan.gov. When you submit questions, be sure to include your name, affiliation, NPI number, and phone number so you may be contacted if necessary. Providers may phone toll-free 1-800-292-2550.

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Approved

Kate Massey, Director
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