CENTERS FOR MEDICARE & MEDICAID SERVICES		OMB No. 0938-0193
TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES	TRANSMITTAL NUMBER           3. PROGRAM IDENTIFICATION: TITLE XIX     SECURITY ACT	2. STATE <u>MI</u> OF THE SOCIAL
TO: CENTER DIRECTOR CENTERS FOR MEDICAID & CHIP SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	3. PROPOSED EFFECTIVE DATE February 1, 2023	
5. FEDERAL STATUTE/REGULATION CITATION 42 C.F.R. Part 440	6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars) a. FFY 2023 \$368,100 b. FFY 2024 \$490,800	
7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Attachment 4.19-B, Page 3	<ul> <li>8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTIONOR ATTACHMENT (If Applicable) Attachment 4.19-B, Page 3 (TN# 19-0014) Attachment 4.19-B, Page 13a (TN# 09-0002) - Delete</li> </ul>	
<ol> <li>SUBJECT OF AMENDMENT This SPA provides authority for updated hearing aid dispensing language, including elimination of an existing duplicate page.</li> </ol>	rates and for clarification to existing he	earing aid payment
10. GOVERNOR'S REVIEW (Check One)	✔ OTHER, AS SPECIFIED:	
11. SIGNATURE ØF STATE AGENCY OFFICIAL	RETURN TO	
Jerah Q. Hanley B	havioral and Physical Health and Aging Services	
11. TYPED NAME	Iministration fice of Strategic Partnerships & Medicaid Administrative ervices – Federal Liaison	
Chief Deputy Director for Health 40	ipitol Commons Center – 7 <sup>th</sup> Floor 0 South Pine nsing, Michigan 48933	
January 3, 2023 A	tn: Erin Black	
16. DATE RECEIVED 17	E ONLY 7. DATE APPROVED	
IO. DATE RECEIVED	DATE APPROVED	
PLAN APPROVED - ONE	COPY ATTACHED	
18. EFFECTIVE DATE OF APPROVED MATERIAL	SIGNATURE OF APPROVING OFFICIAL	
20. TYPED NAME OF APPROVING OFFICIAL	. TITLE OF APPROVING OFFICIAL	
22. 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)

6. Dentures, prosthetic devices and eyeglasses/optical house services

#### A. Dentures

The agency's fee schedule rate was set using the same methodology that applies to Item 19, Dental Services.

#### B. Prosthetic Devices

1.) Hearing Aids

#### Hearing Aid Device Reimbursement Methodology

The Michigan Medicaid payment rates established via a multi-state volume purchasing agreement with hearing aid manufacturers rates were set September 1, 2019. Reimbursement rates for most hearing aid devices are established via a multi-state Medicaid volume purchasing agreement directly with hearing aid manufacturers. Michigan meets the certification requirements of section 1902(A)(23) of the Social Security Act to permit the selection of one or more providers, through a competitive bidding process, to deliver hearing aids on a statewide basis under the authority of section 1915(a)(1)(B) of the Social Security Act and 42 CFR 431.54(d). Providers are reimbursed and not allowed to discount or bill more than the contract established prices. Rates were set September 1, 2019. The Michigan Medicaid fee schedule is effective for dates of service on or after November 1, 2019, and may be found at www.michigan.gov/medicaidproviders.

For hearing aids not included in the agreement, that is those reimbursed on a fee for service basis, payment rates and reimbursement are prior authorized and are based on documentation of the manufacturer's invoice price minus any discounts and includes actual shipping costs. The provider's usual and customary charge should be the fee most frequently charged to patients.

Effective November 1, 2002 hearing aid providers were able to split out a dispensing fee from their total charge as a separate billing activity and the Michigan Medical Services Administration (MSA) paid a separate benefit for the service. Other states' Medicaid fee screens and providers' charges for hearing aid dispensing fees were used as guidelines or reference in determining the maximum payment amount. Providers are reimbursed the lesser of the Medicaid fee screen or the provider's usual and customary charge minus any third party payment. The provider's usual and customary charge should be the fee most frequently charged to patients. The payment rate is uniform for private and governmental providers.

Except as otherwise noted in the 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, minus any third party payment. The provider's usual and customary charge should be the fee most frequently charged to patients.

#### Effective Date of Payment

The agency's fee schedule rates were set as of November 1, 2019 and are effective for hearing aid devices dispensed on and after that date. All rates are published on the Agency's website at <u>www.michigan.gov/medicaidproviders</u>.

Hearing Aid Service Reimbursement Methodology

TN NO.: 23-0001

Approval Date:

Effective Date: 2/01/2023

Supersedes TN No.: <u>19-0014</u>

#### 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)

Reimbursement for hearing aid related services including dispensing fees is made in accordance with Medicaid fee screens. Other State Medicaid fee screens and providers' charges were used as guidelines or reference in determining the maximum fee screen for individual services.

Except as otherwise noted in the plan, state-developed payment rates are uniform for both private and governmental providers. Reimbursement is made in accordance with Medicaid's fee screens or the provider's usual and customary charge for these services, whichever amount is less, minus any third party payment. The provider's usual and customary charge should be the fee most frequently charged to patients.

#### Effective Date of Payment

The agency's fee schedule was set as of February 1, 2023 and is effective for hearing aid services rendered on and after that date. All rates are published on the Agency's website at <a href="http://www.michigan.gov/medicaidproviders">www.michigan.gov/medicaidproviders</a>.

#### 1.) Cochlear implants

Payment rates for services related to cochlear implants are based on the rate for the HCPCS/CPT code in the National Physician Fee Schedule multiplied by the conversion factor for Michigan Medicaid, which is currently 21.53 and then minus any other reduction (i.e., 2009 budget reductions).

Approval Date: \_\_\_\_\_

Supersedes TN No.: <u>19-0014</u>

#### 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)

#### 21. Hearing Aids

For most analog and digital and/or programmable hearing aids, payment rates are established via a multi-state Medicaid volume purchasing agreement directly with hearing aid manufacturers. Providers are reimbursed the vendor prices listed in the agreement and are not allowed to discount or bill more than the contract established prices.

For hearing aids not included in the agreement, that is those reimbursed on a fee for service basis, payment rates and reimbursement are prior authorized and are based on documentation of the manufacturer's invoice price minus any discounts and includes actual shipping costs. The provider's usual and customary charge should be the fee most frequently charged to patients. The payment rate is uniform for private and governmental providers. The Michigan Medicaid fee schedule effective February 1, 2009 may be found at www.michigan.gov/medicaidproviders."

Effective November 1, 2002 hearing aid providers were able to split out a dispensing fee from their total charge as a separate billing activity and the Michigan Medical Services Administration (MSA) paid a separate benefit for the service. Other states' Medicaid fee screens and providers' charges for hearing aid dispensing fees were used as guidelines or reference in determining the maximum payment amount. Providers are reimbursed the lesser of the Medicaid fee screen or the provider's usual and customary charge minus any third party payment. The provider's usual and customary charge should be the fee most frequently charged to patients. The payment rate is uniform for private and governmental providers. The Michigan Medicaid fee schedule effective February 1, 2009 may be found at www.michigan.gov/medicaidproviders."

DELETE

TN NO.: 23-0001

Approval Date: \_\_\_\_\_

Supersedes TN No.: 09-02 Ш





WE DO IT ALL!

**Tub Liners** Tub and Shower Replacements

**Tub-to-Shower Conversions** 

10446125-04



# FITS YOUR *life*

With our unique tub-over-tub liners, replacements, and tub-to-shower conversions we can complete your bathroom renovation in as little as a day. At Bath Fitter, we don't just fit your bath, we fit your life. Why have over two million people brought Bath Fitter into their homes? It Just Fits.



### 1-833-822-4200 bath-fitter.com/local24 Book your FREE design CONSULTATION today!

1Tub-to-shower conversions and fiberglass replacements typically require a two-day installation. 2Lifetime warranty valid for as long as you own your home. \*Offer ends 12/31/2022. All offers apply to a complete Bath Fitter system only, and must be presented and used at time of estimate. Minimum purchase required. Terms of promotional financing are 24 months of no interest from the date of installation and minimum deposit. See representative for details. Qualified buyers only. May not be combined with other offers or applied to previous purchases. Valid only at select Bath Fitter locations. Offers and warranty subject to limitations. Fixtures and features may be different than pictured. Accessories pictured are not included. Plumb-ing work done by P.U.L.S.E. Plumbing. MD MPL #17499, NJ MPL #10655, DE MPL #PL-0002303, MD MPL #82842, VA MPL #2710064024, IA MPL #18066, OH MPL #37445, WV MPL #PL07514, MI MPL #8111651. PA HIC #PA017017, NJ HIC #13VH03073000, WV HIC #WV053085, MD HIC #129346, VA HIC #2705155694, MD HIC #122356, VA HIC #2705096759, IA HIC #C112725, WV HIC #WV038808, MD HIC #129995, VA HIC #2705146537, DC HIC #420213000044. Each Franchise Independently Owned And Operated By Bath Saver, Inc, LLC, Iowa Bath Solutions, LLC, Ohio Bath Solutions, LLC, Mid Atlantic Bath Solutions, LLC.



STATE OF MICHIGAN DEPARTMENT OF HEALTH AND HUMAN SERVICES

GRETCHEN WHITMER GOVERNOR LANSING

ELIZABETH HERTEL DIRECTOR

October 28, 2022

NAME TITLE ADDRESS CITY STATE ZIP

Dear Tribal Chair and Health Director:

RE: Reimbursement of Hearing Aid Dispensing Services

This letter, in compliance with Section 1902(a)(73) and Section 2107(e)(1)(C) of the Social Security Act, serves as notice to all Tribal Chairs and Health Directors of the intent by the Michigan Department of Health and Human Services (MDHHS) to submit a State Plan Amendment (SPA) request to the Centers for Medicare & Medicaid Services (CMS).

The purpose of the SPA is to clarify the reimbursement methodology for covered hearing aid services and increase the reimbursement rate for hearing aid dispensing fees and follow up visits. Rates are calculated using other State Medicaid fee screens and providers' charges as guidelines or reference in determining the maximum fee screen for individual services. The anticipated effective date of this SPA is January 1, 2023. MDHHS expects these rate changes to have a positive impact on Native American beneficiaries by improving access to hearing aid services.

There is no public hearing scheduled for this SPA. Input regarding this Amendment is highly encouraged, and comments regarding this notice of intent may be submitted to Lorna Elliott-Egan, MDHHS Liaison to the Michigan tribes. Lorna can be reached at 517-512-4146, or via email at Elliott-EganL@michigan.gov. Please provide all input by December 12, 2022.

In addition, MDHHS is offering to set up group or individual consultation meetings to discuss the SPA, according to the tribes' preference. Consultation meetings allow tribes the opportunity to address any concerns and voice any suggestions, revisions, or objections to be relayed to the author of the proposal. If you would like additional information or wish to schedule a consultation meeting, please contact Lorna Elliott-Egan at the telephone number or email address provided above.

MDHHS appreciates the continued opportunity to work collaboratively with you to care for the residents of our state.

L 22-58 October 28, 2022 Page 2

An electronic copy of this letter is available at <u>www.michigan.gov/medicaidproviders</u> >> Policy, Letters & Forms.

Sincerely,

Jarah Q. Hanley

Farah Hanley Chief Deputy Director for Health

 CC: Keri Toback, CMS Nancy Grano, CMS
 Chasity Dial, CEO, American Indian Health and Family Services of Southeastern Michigan
 Daniel Frye, Director, Indian Health Service - Bemidji Area Office Lorna Elliott-Egan, MDHHS

#### Distribution List for L 22-58 October 28, 2022

Ms. Whitney Gravelle, President, Bay Mills Indian Community Ms. Audrey Breakie, Health Director, Bay Mills (Ellen Marshall Memorial Center) Mr. David M. Arroyo, Chairman, Grand Traverse Band Ottawa & Chippewa Indians Ms. Doris Winslow, Health Director, Grand Traverse Band Ottawa/Chippewa Mr. Kenneth Meshigaud, Tribal Chairman, Hannahville Indian Community Ms. G. Susie Meshigaud, Health Director, Hannahville Health Center Ms. Kim Klopstein, President, Keweenaw Bay Indian Community Ms. Deanna Foucault, Health Director, Keweenaw Bay Indian Community - Donald Lapointe Health/Educ Facility Mr. James Williams, Jr., Tribal Chairman, Lac Vieux Desert Band of Lake Superior Chippewa Indians Ms. Sadie Valliere, Health & Human Services Director, Lac Vieux Desert Band Mr. Larry Romanelli, Ogema, Little River Band of Ottawa Indians Mr. Daryl Wever, Health Director, Little River Band of Ottawa Indians Ms. Regina Gasco-Bentley, Tribal Chairman, Little Traverse Bay Band of Odawa Indians Ms. Jodi Werner, Health Director, Little Traverse Bay Band of Odawa Mr. Bob Peters, Chairman, Match-E-Be-Nash-She-Wish Potawatomi Indians (Gun Lake Band) Ms. Kelly Wesaw, Health Director, Match-E-Be-Nash-She-Wish Potawatomi Mr. Jamie Stuck, Tribal Chairman, Nottawaseppi Huron Band of Potawatomi Indians Ms. Rosalind Johnston, Health Director, Huron Potawatomi Inc.- Tribal Health Department Ms. Rebecca Richards, Tribal Chairwoman, Pokagon Band of Potawatomi Indians Ms. Priscilla Gatties, Interim Health Director, Pokagon Potawatomi Health Services Ms. Theresa Peters-Jackson, Tribal Chief, Saginaw Chippewa Indian Tribe Mrs. Karmen Fox, Executive Health Director, Nimkee Memorial Wellness Center Mr. Austin Lowes, Tribal Vice Chairperson, Sault Ste. Marie Tribe of Chippewa Indians Mr. Leonid Chugunov, Health Director, Sault Ste. Marie Tribe of Chippewa Indians - Health Center

CC: Keri Toback, CMS

Nancy Grano, CMS

Chasity Dial, CEO, American Indian Health and Family Services of Southeastern Michigan

Daniel Frye, Director, Indian Health Service - Bemidji Area Office Lorna Elliott-Egan, MDHHS