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State/Territory Name: Michigan

State Plan Amendment (SPA) #: 23-0003

This file contains the following documents in the order listed:

- 1) Approval Letter
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DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-26-12
Baltimore, Maryland 21244-1850



April 5, 2023

Ms. Farah Hanley
Medicaid Director
Medical Services Administration
400 S. Pine St., 7th Floor
Lansing, MI 48933-2250

Re: Michigan State Plan Amendment (SPA) 23-0003

Dear Ms. Hanley:

The Centers for Medicare & Medicaid Services (CMS) reviewed the proposed Medicaid State Plan Amendment (SPA) submitted under transmittal number (TN) MI-23-0003. This amendment proposes to temporarily extend provisions for specific specimen collection and clinic vaccine administration payments originally approved in Disaster Relief SPAs MI-20-0009 and MI-21-0011.

CMS conducted our review of your submittal according to statutory requirements in Title XIX of the Social Security Act and implementing regulations. This letter is to inform you that Michigan's SPA Transmittal Number MI-23-0003 is approved effective May 12, 2023.

If you have any questions, please contact Christine Davidson at 312-886-3642 or via email at Christine.Davidson@cms.hhs.gov.

Sincerely,

Alissa Mooney DeBoy
On Behalf of Anne Marie Costello, Deputy Director
Center for Medicaid and CHIP Services

Enclosures

cc: Erin Black, MDHHS
Keri Toback, CMCS

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

FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES

1. TRANSMITTAL NUMBER

23 — 0003

2. STATE

MI

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

TO: CENTER DIRECTOR
CENTERS FOR MEDICAID & CHIP SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

3. PROPOSED EFFECTIVE DATE

May 12, 2023

5. FEDERAL STATUTE/REGULATION CITATION

Sections 201 and 301 of the National Emergencies Act (50 U.S.C.1601 et seq.)
Section 1135 of the Social Securing Act

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 2023 \$179,900
b. FFY 2024 \$363,100

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Section 7.4.B Temporary Extension to the Disaster Relief Policies for the COVID-19 National Emergency

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)

New

9. SUBJECT OF AMENDMENT

This SPA provides a temporary extension to specific COVID-19 disaster relief provisions for specific clinic specimen collection and clinic vaccine administration payments currently authorized in DR SPAs 20-0009 and 21-0011.

10. 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:

11. SIGNATURE OF STATE AGENCY OFFICIAL

Farah Hanley

11. TYPED NAME

Farah Hanley

12. TITLE

Chief Deputy Director for Health

13. DATE SUBMITTED

January 9, 2023

15. RETURN TO

Behavioral and Physical Health and Aging Services Administration
Office of Strategic Partnerships & Medicaid Administrative Services – Federal Liaison
Capitol Commons Center – 7th Floor
400 South Pine
Lansing, Michigan 48933

Attn: Erin Black

FOR CMS USE ONLY

16. DATE RECEIVED

January 9, 2023

17. DATE APPROVED

04/05/2023

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL

May 12, 2023

19. SIGNATURE OF APPROVING OFFICIAL

20. TYPED NAME OF APPROVING OFFICIAL

Alissa Mooney DeBoy
On Behalf of Anne Marie Costello

21. TITLE OF APPROVING OFFICIAL

Deputy Director, Center for Medicaid & CHIP Services

22. REMARKS

State/Territory: Michigan

Section 7 – General Provisions

7.4. B. Temporary Extension to the Disaster Relief Policies for the COVID-19 National Emergency

Effective May 12, 2023 until September 30, 2024, the agency temporarily extends the following election(s) of section 7.4 (approved 11/19/2020 in SPA number MI-20-0009 and approved 11/09/2021 in SPA number MI-21-0011) of the state plan:

Payments:

X The agency makes the following adjustments to payment rates currently covered in the state plan:

COVID-19 Specimen Collection

Allow Federally Qualified Health Centers (FQHC), Rural Health Clinics (RHC), Tribal FQHCs, and Tribal Health Centers (THC) to be reimbursed for COVID-19 specimen collection when no other eligible qualifying clinic visit is provided on the same date of service. Payment for stand-alone specimen collections in FQHCs, RHCs, Tribal FQHCs, and THCs will be made through an Alternative Payment Methodology (APM). The APM provides a separate service reimbursement pursuant to the payment methodology described under Attachment 4.19-B, Individual practitioner services. The APM is separate from the Prospective Payment System for FQHCs and RHCs and from the All-Inclusive Rate reimbursement methodology for Tribal FQHCs and THCs.

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. All rates are published at www.michigan.gov/medicaidproviders.

The State of Michigan is requesting authority to allow for COVID-19 laboratory specimen collection to be reimbursed when provided by a licensed Pharmacist or Pharmacy Technician under the supervision of a Pharmacist as authorized by the State within their scope of practice. 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. All rates are published at www.michigan.gov/medicaidproviders.

COVID-19 Vaccine Administration

Federally Qualified Health Centers, Rural Health Clinics and Tribal Federally Qualified Health Centers

Allow Federally Qualified Health Centers (FQHC), Rural Health Clinics (RHC), and Tribal FQHCs to be reimbursed for COVID-19 vaccine administration when no other eligible qualifying clinic visit is provided on the same date of service. Payment for stand-alone vaccine administration in FQHCs, RHCs, and Tribal FQHCs will be made through an Alternative Payment Methodology (APM). The APM provides a separate service reimbursement using a cost-based payment methodology. The supplemental amounts made under this APM are in addition to the Prospective Payment System

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(PPS) paid to FQHCs, RHCs, and Tribal FQHCs for an encounter. The amount in total paid to FQHC, RHC, and Tribal FQHC providers is at least their provider-specific PPS rate. (1) The APM for stand-alone COVID-19 vaccine administration is a supplemental cost-based payment greater than the amount reimbursed for stand-alone vaccines in the PPS methodology for FQHCs, RHCs, and Tribal FQHCs. (2) The supplemental cost calculation is based on average clinic COVID-19 vaccine administration costs. Stand-alone vaccines provided in clinics are reimbursed at \$0 in the PPS reimbursement methodology. The APM will reimburse clinics above what is currently paid under the PPS for stand-alone COVID-19 vaccine administration. (3) A survey was utilized to collect vaccination administration cost data for these providers. Based upon survey information, a weighted average rate of \$39.52 will be issued per stand-alone vaccine administration for this APM. The rate is for additional costs associated with the COVID-19 vaccine. (4) An interim rate will be paid for this APM. The interim rate is the Medicare rate, and it is to be paid at claim adjudication for stand-alone COVID-19 vaccine administration codes delivered by clinics. On a yearly basis, stand-alone COVID-19 vaccine administration codes will be multiplied by the difference between the Medicare rate and the cost-based rate determined by the State. The difference will be paid on yearly basis during cost reconciliation to each clinic that accepts the APM. (5) The supplemental payments under this APM are only for COVID-19 vaccine-only visits. If the COVID-19 vaccine is administered as part of a billable encounter visit, then the FQHC, RHC, or Tribal FQHC will only receive their provider-specific PPS/APM rate. (6) All FQHCs, RHCs, and Tribal FQHCs must explicitly agree to accept the APM for COVID-19 vaccine administration.

Tribal Health Centers

Increase the payment rate for the administration of COVID-19 vaccines to the cost-based payment rate of \$39.52 for Tribal Health Centers (THCs). THCs will be reimbursed at this rate for COVID-19 vaccine administration when no other eligible qualifying clinic visit is provided on the same date of service. A survey was utilized to collect vaccination administration cost data for these providers. Based upon survey information, a weighted average rate of \$39.52 will be issued per stand-alone vaccine administration. The rate is for additional costs associated with the COVID-19 vaccine. An interim rate will be paid for this cost-based methodology. The interim rate is the Medicare rate, and it is to be paid at claim adjudication for stand-alone COVID-19 vaccine administration codes delivered by clinics. On a yearly basis, stand-alone COVID-19 vaccine administration codes will be multiplied by the difference between the Medicare rate and the cost-based rate determined by the State. The difference will be paid on a yearly basis during cost reconciliation to each THC. The cost-based payment for this reimbursement methodology is for COVID-19 vaccine-only visits. If the COVID-19 vaccine is administered as part of a billable encounter visit, then the THC will only receive the AIR.

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