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State Territory Name: MICHIGAN

State Plan Amendment (SPA) #: 23-0009

This file contains the following documents in the order

listed:1) Approval Letter

2) CMS 179 Form/Summary Form (with 179-like data)

3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services
Center for Medicaid & CHIP Services
233 North Michigan Ave., Suite 600
Chicago, Illinois 60601



Financial Management Group

April 26, 2023

Ms. Farah Hanley
Medicaid Director
Medical Services Administrations
400 South Pine Street 7th Floor
Lansing, MI 48933-2250

RE: TN 23-0009

Dear Ms. Hanley:

We have reviewed the proposed Michigan State Plan Amendment (SPA) to Attachment 4.19-B MI-23-0009, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on March 30, 2023. This plan amendment updates updates rates for Home Help and Personal Care services.

Based upon the information provided by the State, we have approved the amendment with an effective date of May 12, 2023. We are enclosing the approved CMS-179 and a copy of the new state plan pages.

If you have any additional questions or need further assistance, please contact Debi Benson at 1-(312)-886-0360 or Deborah.Benson@cms.hhs.gov.

Sincerely,

Todd McMillion

Todd McMillion
Director
Division of Reimbursement Review

Enclosures

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER <u>23</u> — <u>0009</u>	2. STATE <u>MI</u>
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3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT

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

4. PROPOSED EFFECTIVE DATE
May 12, 2023

5. FEDERAL STATUTE/REGULATION CITATION
42 C.F.R. Part 440

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)
a. FFY 2023 \$21,739,600
b. FFY 2024 \$54,517,200

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 4.19-B, Page 3a

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)
Attachment 4.19-B, Page 3a
(TN# 09-0008)

9. SUBJECT OF AMENDMENT
This SPA updates the rates to continue wages paid to direct care workers during the public health emergency and other payment adjustments, clarifies the fee schedule rate-setting methodology for Home Help, Personal Care, services and incorporates other technical changes to the personal care services payment section of the State Plan.

10. GOVERNOR'S REVIEW (Check One)

GOVERNOR'S OFFICE REPORTED NO COMMENT OTHER, AS SPECIFIED:
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

11. SIGNATURE OF STATE AGENCY OFFICIAL
Farah Hanley

11. TYPED NAME
Farah Hanley

12. TITLE
Chief Deputy Director for Health

13. DATE SUBMITTED
March 30, 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 **March 30, 2023**

17. DATE APPROVED
April 26, 2023

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL
May 12, 2023

19. SIGNATURE OF APPROVING OFFICIAL
Todd McMillion

20. TYPED NAME OF APPROVING OFFICIAL
Todd McMillion

21. TITLE OF APPROVING OFFICIAL
Division of Reimbursement Review

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)***

7. Personal Care Services

Reimbursement is made according to variable rates, depending upon the setting of service delivery, payment levels determined by policy or the legislature, and beneficiary needs.

Basic rates for personal care services provided in a beneficiary's own home, or his/her place of employment, are as established by Medicaid policy. A Medicaid approved case manager performs an assessment of the beneficiary's needs and determines the amount of care required. The case manager is permitted to authorize services up to a specified level. For cases exceeding the specified level, decisions are referred to the single state agency to consider the documented need.

Unless otherwise noted, state-developed fee schedule rates are uniform for private and governmental providers of personal care services provided in a beneficiary's own home or his/her place of employment. The Michigan Medicaid fee schedule effective for dates of service on or after May 12, 2023, may be found at www.michigan.gov/medicaidproviders.

Beneficiaries in general adult foster care facilities or homes for the aged, have, in accordance with a standardized assessment, a documented need for personal care services.

For the majority of beneficiaries, required services are provided on a daily basis. Beneficiary/service care provider encounters occur no less frequently than once a week. Services are provided in weekly units and billed monthly.

The reimbursement methodology for personal care services for beneficiaries in general adult foster care facilities or homes for the aged will end effective September 30, 2009. The agency's rates were set as of October 1, 2008 and are effective for services on or after that date. The rate is uniform for governmental and private providers unless otherwise indicated in the State Plan. The amount of the rate may be found at www.michigan.gov/medicaidproviders.

Personal care in specialized foster care facilities is covered under Michigan's waiver for specialty supports and services for people with developmental disabilities, serious mental illness, serious emotional disturbance and substance use disorder. The service is carved out of the state plan benefit and managed by pre-paid inpatient health plans (PIHPs) that are governmental entities receiving a capitation payment for an array of services that includes personal care as well as other state plan and specialized waiver services. PIHPs purchase personal care services from adult foster care providers whose facilities have been certified by the state to provide specialized services. Personal care in specialized residential settings must be medically necessary for the Medicaid beneficiaries who receive it. PIHPs establish a rate for personal care services based on an assessment of the severity of each individual's needs and the amount, scope and duration of the personal care activities and tasks identified during person-centered planning to meet the individual's needs. Medicaid beneficiaries who receive personal care in specialized residential settings have documented needs that are higher than beneficiaries who receive services in general foster care settings.