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State Territory Name: MICHIGAN

State Plan Amendment (SPA) #: 23-0006

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

June 8, 2023

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

RE: TN 23-0006

Dear Director Hanley:

We have reviewed the proposed Michigan State Plan Amendment (SPA) to Attachment 4.19-B MI-23-0006, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on March 13, 2023. This plan amendment allows payment for qualifying audio-only telemedicine visits.

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>0006</u> | 2. STATE <u>MI</u> |
| 3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT | |
| 3. PROPOSED EFFECTIVE DATE May 12, 2023 | |
| 6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars) a. FFY 2023 \$0 b. FFY 2024 \$0 | |
| 7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Attachment 4.19-B Pages 10 & 11 | 8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) Attachment 4.19-B Pages 10 & 11 (TN: 21-0009) |

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

5. FEDERAL STATUTE/REGULATION CITATION
Section 1902(bb)(6) of the Social Security Act
Section 1905(l)(2)(B) of the Social Security Act

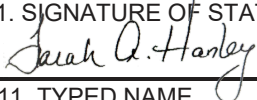
9. SUBJECT OF AMENDMENT

This SPA provides an update to the definition of a visit for Indian Health Centers, which will allow payment for qualifying audio-only telemedicine visits at the all-inclusive rate (AIR).

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


11. TYPED NAME
Farah Hanley

12. TITLE
Chief Deputy Director for Health


13. DATE SUBMITTED
March 13, 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 13, 2023 | 17. DATE APPROVED June 8, 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 Todd McMillion | 21. TITLE OF APPROVING OFFICIAL Director, 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 Hospital and Long Term Care Facilities)***

18. Indian Health Centers (IHC) Services

If eligible, a Tribal 638 facility may choose to participate in the Medicaid Program and receive reimbursement for Medicaid covered services under one of four options. In addition, a Tribal 638 Facility Pharmacy would be reimbursed under Option 5.

Option 1: Fee-For-Service

If the Tribal 638 facility or the urban center chooses to bill as a fee-for-service provider, the provider may receive reimbursement as established in the State Plan's Attachment 4.19-B, Page 1, Item 1.

Option 2: Federally Qualified Health Center (FQHC) Payment Methodology

As a provider of Federally Qualified Health Center (FQHC) services, the IHC may receive reimbursement for FQHC services as established in State Plan Attachment 4.19-B, Item 14. Payments must comply with all requirements set forth within State Plan Attachment 4.19-B, Item 14.

Option 3: All-Inclusive Rate Payment Methodology

The Indian Health Service (IHS) per visit outpatient rate will be reimbursed in accordance with the rate published annually in the federal register. As a Tribal 638 facility, the IHC may, in accordance with the Federal Regulations, receive the IHS per visit outpatient rate when FQHC services are provided to Medicaid beneficiaries by IHC providers during a visit.

A visit is a contact within the IHC between a Medicaid beneficiary and the provider of health care services who exercises independent judgment in the provision of Medicaid covered services. All outpatient ancillary Medicaid services are bundled in the per visit rate and cannot be billed as a separate visit. The IHC provider may be credited with no more than one medical visit, one dental visit, and one behavioral health visit with a given beneficiary per day, except when the beneficiary, after the first visit, suffers illness or injury requiring additional diagnosis or treatment.

Option 4: Tribal FQHC Alternative Payment Methodology

A Tribal 638 facility that operates as a Tribal FQHC will be reimbursed for outpatient visits within the FQHC scope of services provided to Medicaid beneficiaries using an alternative payment methodology (APM). The agency allows reimbursement for the same outpatient services and the same number of encounters per day that Tribal 638 facilities provide under this State Plan. The APM is the IHS per visit outpatient rate published annually in the federal register as described in Option 3 above.

A visit is a contact between a Medicaid beneficiary and the tribal FQHC provider of health care services who exercises independent judgment in the provision of Medicaid covered services. All outpatient ancillary Medicaid services are bundled in the per visit rate and cannot be billed as a separate visit. The IHC provider may be credited with no more than one medical visit, one dental visit, and one behavioral health visit with a given beneficiary per day, except when the beneficiary, after the first visit, suffers illness or injury requiring additional diagnosis or treatment.

TN NO.: 23-0006 Approval Date: June 8, 2023 Effective Date: May 12, 2023

Supersedes

TN No.: 21-0009

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

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***Policy and Methods for Establishing Payment Rates
(Other than Hospital and Long Term Care Facilities)***

The APM results in payment of at least the FQHC PPS. The health centers receiving payment under the APM individually agree to receive it.

Option 5: Tribal 638 Facility Pharmacy Methodology

Prescriptions dispensed by a Tribal 638 Facility Pharmacy constitute a separate encounter per prescription and are reimbursed as described in Attachment 4.19-B, Page 1d - Drug Product Reimbursement.

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