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State/Territory Name: Michigan

State Plan Amendment (SPA) #: MI 25-0008

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S3-14-28
Baltimore, Maryland 21244-1850



Financial Management Group

July 8, 2025

Meghan Groen
Senior Deputy Director
State of Michigan, Department of Community Health
400 South Pine Street
Lansing, Michigan 48933

RE: TN 25-0008

Dear Director Groen:

The Centers for Medicare & Medicaid Services (CMS) has reviewed the proposed Michigan state plan amendment (SPA) to Attachment 4.19-A MI 25-0008, which was submitted to CMS on April 21, 2025. This plan amendment extends the MIDocs Consortium within the State of Michigan's Graduate Medical Education (GME) Innovations Sponsoring Institution Program.

We reviewed your SPA submission for compliance with statutory requirements, including in sections 1902(a)(2), 1902(a)(13), 1902(a)(30), 1903 as it relates to the identification of an adequate source for the non-federal share of expenditures under the plan, as required by 1902(a)(2), of the Social Security Act and the applicable implementing Federal regulations.

Based upon the information provided by the state, we have approved the amendment with an effective date of April 1, 2025. 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 Tom Caughey at 517-487-8598 or via email at tom.caughey@cms.hhs.gov.

Sincerely,

A handwritten signature in black ink that reads "Rory Howe". The signature is written in a cursive, flowing style.

Rory Howe
Director
Financial Management Group

Enclosures

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

1. TRANSMITTAL NUMBER

25 — 0008

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
April 1, 2025

5. FEDERAL STATUTE/REGULATION CITATION
42 CFR 447

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)
a. FFY 2025 \$16,000,000
b. FFY 2026 \$0

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT
Attachment 4.19-A, Page 28c

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)
Attachment 4.19-A, Page 28c (TN# 24-0002)

9. SUBJECT OF AMENDMENT

This SPA extends the MIDocs Consortium within the State of Michigan's Graduate Medical Education (GME) Innovations Sponsoring Institution Program.

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

Meghan E Groen

11. TYPED NAME

Meghan Groen

12. TITLE

Senior Chief Deputy

13. DATE SUBMITTED

April 21, 2025

15. RETURN TO

Health Services Administration— Federal Liaison
Capitol Commons Center – 7th Floor
400 South Pine
Lansing, Michigan 48933

Attn: Erin Black

FOR CMS USE ONLY

16. DATE RECEIVED
April 21, 2025

17. DATE APPROVED
July 8, 2025

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL
April 1, 2025

19. SIGNATURE OF APPROVING OFFICIAL

Rory Howe

20. TYPED NAME OF APPROVING OFFICIAL

Rory Howe

21. TITLE OF APPROVING OFFICIAL

Director, FMG

22. REMARKS

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State of MICHIGAN

Methods and Standards for Establishing Payment Rates – Inpatient Hospital Care

GME Innovations MIDOCs Program

The GME MIDOCs Program supports the expansion of residencies and subsequent retention efforts for approved high need specialties in underserved areas of the state, where current and future physician shortages undermine the health and well-being of Medicaid beneficiaries. The MIDOCs program offers physician training in integrated and patient-centered care for underserved populations that will further the state's Medicaid quality goals. To be eligible for MIDOCs GME funding, the MIDOCs participating medical school must enter into an agreement with the state agency specifying the number of MIDOCs residents to be supported, the total annual cost of such residencies, any post-residency expenditures to retain physicians in underserved areas of Michigan and the amount of other sources of funding available for the program, if any. Sponsoring institutions may receive funding from other sources but Medicaid will act as a payer of last resort to only cover costs not reimbursed through other sources. The state agency will pay the MIDOCs participating medical school an amount equal to the amount of otherwise unreimbursed costs.

The single state agency will approve four (4) agreements with MIDOCs participating medical schools statewide each state fiscal year (SFY), covering residencies for the academic year (July-June (AY)) beginning within the SFY. The agreements will total \$1.52 million in Fiscal Year 2019, \$10.73 million in Fiscal Year 2020, \$19.98 million in Fiscal Year 2021, \$27.75 million in Fiscal Year 2022, \$28.5 million in Fiscal Year 2023, \$22.8 million in Fiscal Year 2024, AND \$32 MILLION IN FISCAL YEAR 2025.

In addition, the following requirements must be met:

- The MIDOCs participating medical school must have submitted to the state agency its MIDOCs program proposal for new or expanded residency program(s) to promote access in underserved areas of the state
- The new or expanded program(s) must possess appropriate accreditation credentials
- The new or expanded program(s) must meet the MIDOCs curriculum standards, including those related to didactic education on patient centered medical homes, interprofessional education, behavioral and physical health integration, and continuous quality improvement
- The MIDOCs participating medical school must be the sponsoring institution of the residency program(s) or have an approved agreement with the sponsoring institution
- The MIDOCs participating medical school or the sponsoring institution (if not the medical school) must have agreements with all training sites for the MIDOCs residents
- If GME distributions exceed the expenses incurred by the MIDOCs participating medical school, their affiliated sponsoring institution and/or the clinical training sites related to the MIDOCs residencies, the size of the payment will be reduced to bring these elements into alignment.