

MEDICAID POLICY INFORMATION SHEET

Policy Analyst: Laura Kilfoyle

Phone Number:

Initial ☐

Public Comment ☒

Final ☒

Brief description of policy:

This policy establishes a methadone service reimbursement rate of not less than \$19.00 per unit. The increase is a Michigan State Legislative mandate. The rate increase is intended to maintain and potentially increase access to methadone services. Additionally, it may address workforce shortages and allow substance use disorder treatment providers to attract and retain qualified staff to increase timely access to opioid treatment program services.

Reason for policy (problem being addressed):

To comply with the legislatively mandated reimbursement rate increase for methadone services and increase access to services.

Budget implication:

☐ budget neutral

☒ will cost MDHHS \$ 10 million, and is budgeted in current appropriation

☐ will save MDHHS \$

Is this policy change mandated per federal requirements?

No.

Does policy have operational implications on other parts of MDHHS?

Yes, Actuarial, Contracts Payment Unit, and Legislative Affairs.

Does policy have operational implications on other departments?

No.

Summary of input:

☐ controversial (Explain)

☒ acceptable to most/all groups

☐ limited public interest/comment

Supporting Documentation:

State Plan Amendment Required: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Public Notice Required: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If Yes, please provide status:	If yes,
<input type="checkbox"/> Approved <input type="checkbox"/> Pending <input type="checkbox"/> Denied	Submission Date:
Date: Approval Date:	

**DRAFT FOR PUBLIC
COMMENT**

**Michigan Department of
Health and Human Services**

Project Number: 2440-BH

Date: November 19, 2024

Comments Due: December 26, 2024

Proposed Effective Date: As Indicated

Direct Comments To: Laura Kilfoyle

Address:

E-Mail Address: KilfoyleL@michigan.gov

Phone:

Fax:

Policy Subject: Implementation of the Legislatively Mandated Methadone Services Rate Increase

Affected Programs: Medicaid, Healthy Michigan Plan

Distribution: Prepaid Inpatient Health Plans (PIHPs), Community Mental Health Services Programs (CMHSPs)

Summary: This policy establishes a methadone service reimbursement rate of not less than \$19.00 per unit. The increase is a Michigan State Legislative mandate. The rate increase is intended to maintain and potentially increase access to methadone services. Additionally, it may address workforce shortages and allow substance use disorder treatment providers to attract and retain qualified staff to increase timely access to opioid treatment program services.

Purpose: To comply with the legislatively mandated reimbursement rate for methadone services and increase access to services.

Cost Implications: \$28 million per year, \$10 million of which is non-federal share

Potential Hearings & Appeal Issues:

State Plan Amendment Required: Yes ☒ No ☐
If yes, date submitted:

Public Notice Required: Yes ☒ No ☐
Submitted date:

Tribal Notification: Yes ☒ No ☐ - Date:

THIS SECTION COMPLETED BY RECEIVER

☐ **Approved**

☐ **No Comments**

☐ **See Comments Below**

☐ **Disapproved**

☐ **See Comments in Text**

Signature:

Phone Number

Signature Printed:	
Bureau/Administration <i>(please print)</i>	Date

Comment001

Revised 6/16

BULLETIN

Bulletin Number: MMP 24-52

Distribution: Prepaid Inpatient Health Plans (PIHPs), Community Mental Health Services Programs (CMHSPs)

Issued: November 19, 2024

Subject: Implementation of the Legislatively Mandated Methadone Services Rate Increase

Effective: As Indicated

Programs Affected: Medicaid, Healthy Michigan Plan

NOTE: Implementation of this policy is contingent upon approval of a State Plan Amendment (SPA) by the Centers for Medicare & Medicaid Services (CMS).

This bulletin is issued in response to the Michigan Department of Health and Human Services (MDHHS) fiscal year (FY) 2025 budget appropriations of Public Act 121 of 2024. The Act directs MDHHS to increase the administration rate of methadone to maintain and increase access to services for Medicaid enrolled beneficiaries.

Consistent with 42 CFR §438.6(c)(1)(iii)(B), effective October 1, 2024, the contracted Prepaid Inpatient Health Plans (PIHP) will pay for the bundled rate H0020 for the administration and services of methadone at not less than \$19.00/unit. The increase will come from the state general fund with federal match and be paid to the PIHPs through an increase to their capitation payments.

Public Comment

The public comment portion of the policy promulgation process is being conducted concurrently with the implementation of the change noted in this bulletin. Any interested party wishing to comment on the change may do so by submitting comments to Laura Kilfoyle at KilfoyleL@michigan.gov.

Please include “Methadone Services Rate Increase” in the subject line.

Comments received will be considered for revisions to the change implemented by this bulletin.

Manual Maintenance

Retain this bulletin until the information is incorporated into the MDHHS Medicaid Provider Manual.

Questions

Any questions regarding this bulletin should be directed to Provider Inquiry, Department of Health and Human Services, P.O. Box 30731, Lansing, Michigan 48909-8231, or e-mailed to ProviderSupport@michigan.gov. When you submit an e-mail, be sure to include your name, affiliation, NPI number, and phone number so you may be contacted if necessary. Typical Providers may phone toll-free 800-292-2550. Atypical Providers may phone toll-free 800-979-4662.

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

Approved

A handwritten signature in black ink that reads "Meghan E. Groen". The signature is written in a cursive, flowing style.

Meghan E. Groen, Director
Behavioral and Physical Health and Aging Services Administration