

MEDICAID POLICY INFORMATION SHEET

Policy Analyst: Tyler Wise

Phone Number:

Initial

Public Comment

Final

Brief description of policy:

Implementation of portions of this policy are contingent upon approval of applicable State Plan Amendments by the Centers for Medicare & Medicaid Services. This bulletin is being issued in response to the Michigan Department of Health and Human Services (MDHHS) Fiscal Year (FY) 2025 budget appropriations provided in Public Act 121 of 2024 and to announce reimbursement changes to vaccines provided by Federally Qualified Health Centers (FQHCs). Effective for dates of service on and after October 1, 2024, Medicaid will increase reimbursement rates for the following services: Individual Professional Services (vaccine administration for beneficiaries under 19 years of age), Outpatient Behavioral Health Services by Specified Providers (90% of the Medicaid Practitioner Rate), Orthotic and Prosthetic Devices (74% of Medicare Orthotics & Prosthetics Rates), Speech and Oral Function Therapy and Related Services (23%), and Private Duty Nursing (25%).

FQHCs providing Advisory Committee on Immunization Practices (ACIP) recommended vaccines for beneficiaries 19 years of age and older in the FQHC setting will be reimbursed outside of the Prospective Payment System (PPS) methodology.

Reason for policy (problem being addressed):

The purpose of this bulletin is to support beneficiary access to services. Increased reimbursement will encourage provider participation in the Medicaid program and support in providing quality services to the Medicaid population.

Budget implication:

budget neutral

will cost MDHHS \$ 45.4 million gross/\$13,851,300 general fund, 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?

No.

Does policy have operational implications on other departments?

None anticipated.

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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: <input type="checkbox"/> Approved <input checked="" type="checkbox"/> Pending <input type="checkbox"/> Denied	If yes, Submission Date:
Date: Approval	Date:

DRAFT FOR PUBLIC COMMENT

Michigan Department of Health and Human Services

Project Number: 2441-Budget

Date: August 29, 2024

Comments Due: October 3, 2024

Proposed Effective Date: As Indicated

Direct Comments To: Tyler Wise

Address:

E-Mail Address: WiseT2@michigan.gov

Phone:

Fax:

Policy Subject: Medicaid Program Rate Updates Fiscal Year (FY) 2025; Federally Qualified Health Center (FQHC) Reimbursement Update

Affected Programs: Medicaid, Healthy Michigan Plan, MI Health Link, Children’s Special Health Care Services (CSHCS), Maternity Outpatient Medical Services (MOMS), Plan First

Distribution: All Providers

Summary: Implementation of portions of this policy are contingent upon approval of applicable State Plan Amendments by the Centers for Medicare & Medicaid Services. This bulletin is being issued in response to the Michigan Department of Health and Human Services (MDHHS) FY 2025 budget appropriations provided in Public Act 121 of 2024 and to announce reimbursement changes to vaccines provided by FQHCs. Effective for dates of service on and after October 1, 2024, Medicaid will increase reimbursement rates for the following services:

- Individual Professional Services (vaccine administration increased to \$23.03 for beneficiaries under 19 years of age)
- Outpatient Behavioral Health Services by Specified Providers (Reimbursed at 90% of the Medicaid Practitioner Rate)
- Orthotic and Prosthetic Devices (Reimbursed at 74% of Medicare Orthotics & Prosthetics Reimbursement Rates)
- Speech and Oral Function Therapy and Related Services (23%)
- Private Duty Nursing (25%)

FQHCs providing Advisory Committee on Immunization Practices (ACIP) recommended vaccines for beneficiaries 19 years of age and older in the FQHC setting will be reimbursed outside of the Prospective Payment System (PPS) methodology.

Purpose: The purpose of this bulletin is to support beneficiary access to services. Increased reimbursement will encourage provider participation in the Medicaid program and support in providing quality services to the Medicaid population.

Cost Implications: \$45.4 million gross/\$13,851,300 general fund and is budgeted in the current appropriation.

Potential Hearings & Appeal Issues: None anticipated.

State Plan Amendment Required: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If yes, date submitted: Various, based on rate change.	Public Notice Required: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Submitted date: Various, based on rate change.
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Tribal Notification: Yes No - Date: Various, based on rate change.

THIS SECTION COMPLETED BY RECEIVER

<input type="checkbox"/> Approved	<input type="checkbox"/> No Comments
<input type="checkbox"/> Disapproved	<input type="checkbox"/> See Comments Below
	<input type="checkbox"/> See Comments in Text

Signature:	Phone Number
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Signature Printed:

Bureau/Administration <i>(please print)</i>	Date
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BULLETIN

Bulletin Number: MMP 24-39

Distribution: All Providers

Issued: August 29, 2024

Subject: Medicaid Program Rate Updates Fiscal Year (FY) 2025; Federally Qualified Health Center (FQHC) Reimbursement Update

Effective: As Indicated

Programs Affected: Medicaid, Healthy Michigan Plan, MI Health Link, Children’s Special Health Care Services (CSHCS), Maternity Outpatient Medical Services (MOMS), Plan First

Note: Implementation of portions of this policy are contingent upon approval of applicable State Plan Amendments by the Centers for Medicare & Medicaid Services.

This bulletin is being issued in response to the Michigan Department of Health and Human Services (MDHHS) FY 2025 budget appropriations provided in Public Act 121 of 2024 and to announce reimbursement changes to vaccines provided by FQHCs.

I. Public Act 121 of 2024 Rate Updates

Effective for dates of service on and after October 1, 2024, Medicaid will increase reimbursement rates for specific services as noted in the table below.

Provider/Service Type	Rate Increase	Comments
Individual Professional Services	See Comment	Reimbursement for Current Procedural Terminology (CPT) and Healthcare Common Procedure Coding System (HCPCS) codes for vaccine administration will be increased to \$23.03 when services are provided to beneficiaries under 19 years of age. Reimbursement for beneficiaries 19 years of age and older will remain at the current rates reflected on the practitioner fee screen. This change impacts codes 90460, 90471-90474, 96380-96381, G0008-G0010, and future covered vaccine administration codes.

Provider/Service Type	Rate Increase	Comments
Outpatient Behavioral Health Services Performed by Master's and Doctorate Level Psychologists, Professional Counselors, Family and Marriage Therapists, and Social Workers	Reimbursed at 90% of the Medicaid Practitioner Rate	Applies to outpatient behavioral health services not included under the beneficiary's Prepaid Inpatient Health Plan (PIHP) specialty services and supports benefit for dates of services on and after October 1, 2024.
Orthotic and Prosthetic (O & P) Devices	Reimbursed at 74% of Medicare O & P Reimbursement Rates	Rates will apply to dates of services on and after October 1, 2024, and will be reviewed and updated annually, according to the January Medicare Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS) fee schedule.
Speech and Oral Function Therapy and Related Services	23%	<p>Applies to the following procedure codes: 31579, 92507, 92508, 92520, 92521, 92522, 92523, 92524, 92526, 92597, 92607, 92608, 92609, 92610, 92630, 92633, 92700, 94010, 97129, 97130, 97533, 97799, G2250, G2251, and S9152. Effective for dates of services on and after October 1, 2024, when performed by a private practice, outpatient, or nursing facility provider.</p> <p>MDHHS aligns with Medicare guidelines for procedure codes covered through the Outpatient Prospective Payment System/Ambulatory Payment Classification (OPPS/APC) as closely as possible. When provided by Outpatient Hospitals, Comprehensive Outpatient Rehabilitation Facilities, Outpatient Rehabilitation Agencies, Commission on Accreditation of Rehabilitation Facilities (CARF)-Accredited Medical Rehabilitation Programs, and Council on Academic Accreditation (CAA)-Accredited University Graduate Education Programs, some of the services noted above will be paid under OPPS/APC methodology as applicable. For the subset of services not paid under OPPS, MDHHS will consider these as covered differently than Medicare and identify the codes on the OPPS Wrap-Around Code List with the corresponding fee screen.</p> <p>Private practice and nursing facility providers should refer to the MDHHS Therapies fee schedule.</p>

Provider/Service Type	Rate Increase	Comments
Private Duty Nursing	25%	Increase applies to Private Duty Nursing services, effective on and after October 1, 2024.

II. FQHC Vaccine Reimbursement

Effective for dates of services on or after October 1, 2024, FQHCs providing Advisory Committee on Immunization Practices (ACIP) recommended vaccines for beneficiaries 19 years of age and older in the FQHC setting will be reimbursed outside of the Prospective Payment System (PPS) methodology. Reimbursement for ACIP recommended vaccines will be made up to the applicable Medicaid fee screen rates. Providers should refer to the MDHHS FQHC fee schedule.

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 Tyler Wise at WiseT2@michigan.gov.

Please include “Medicaid Program Rate Updates FY 2025” in the subject line.

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

Manual Maintenance

Providers may choose to either retain or discard this bulletin after review. Code coverage information is available on the MDHHS website at www.michigan.gov/medicaidproviders >> Billing and Reimbursement >> Provider Specific Information. Community Health Automated Medicaid Processing System (CHAMPS) information is available on the MDHHS website at www.michigan.gov/medicaidproviders >> CHAMPS.

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 style with a large initial 'M' and 'G'.

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