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MEDICAID MANAGED CARE ENROLLMENT ACTIVITY

As of December 1, 2018, there were **1,750,668 Medicaid beneficiaries**, including **534,457 Healthy Michigan Plan (HMP) beneficiaries**, enrolled in the 11 Michigan Medicaid Health Plans (HMOs). As the table below shows, this is an overall decrease of **5,041** since November. While the number of HMP beneficiaries enrolled in HMOs decreased by 5,641, this decrease was offset by an increase of 600 non-HMP enrollees.

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</tr>
</thead>
<tbody>
<tr>
<td>• Total HMP Enrollees</td>
<td>551,337</td>
<td>554,203</td>
<td>544,167</td>
<td>550,742</td>
<td>543,570</td>
<td>540,098</td>
<td>534,457</td>
</tr>
<tr>
<td>• Total CSHCS/Medicaid Enrollees</td>
<td>17,501</td>
<td>18,687</td>
<td>21,056</td>
<td>21,416</td>
<td>19,683</td>
<td>19,040</td>
<td>18,498</td>
</tr>
<tr>
<td>• Total Medicare/Medicaid Enrollees (Duals)</td>
<td>38,815</td>
<td>39,166</td>
<td>39,273</td>
<td>39,563</td>
<td>39,445</td>
<td>38,965</td>
<td>39,472</td>
</tr>
<tr>
<td>• Total MIChild Enrollees</td>
<td>33,962</td>
<td>34,434</td>
<td>34,319</td>
<td>34,873</td>
<td>35,043</td>
<td>34,847</td>
<td>35,079</td>
</tr>
</tbody>
</table>

The number of individuals identified as mandatory managed care enrollees but not yet enrolled in a Medicaid HMO has fluctuated significantly in recent months, from a low of 45,305 in July 2018 to 50,755 as of October 1, 2018, and a high of 66,859 as of November 1, 2018. The number dipped slightly as of December 1, 2018, to 66,552. This increase in the number of individuals not yet assigned to a health plan has contributed to a drop in total Medicaid HMO enrollment.

As the enrollment reports for December (pdf, xls) reflect, every county in the state is served by at least one Medicaid HMO. Auto-assignment of beneficiaries into the HMOs is available in every county, and in addition to the HMOs with smaller service areas, there are three HMOs – McLaren Health Plan, Meridian Health Plan of Michigan and Molina Healthcare of Michigan – authorized to serve all counties in the Lower Peninsula and a fourth – UnitedHealthcare Community Plan – authorized to serve all but three of the Lower Peninsula counties. Beneficiaries in all 15 counties in the Upper Peninsula are auto-assigned, through federal “Rural Exception” authority, to the one HMO serving the counties, Upper Peninsula Health Plan.

The plans with the highest total enrollment in December were Meridian Health Plan of Michigan with just over 28 percent of the total, Molina Healthcare of Michigan with almost 20 percent, and UnitedHealthcare Community Plan with 14 percent of the total number of enrollees.
Healthy Michigan Plan (HMP)

There were **534,457 HMP beneficiaries enrolled as of December 1, 2018** in the Medicaid HMOs. This is a decrease of **5,041 since November 1, 2018**. As the table above reflects, HMP enrollment totals have been fluctuating over the last several months, with increases in some months and decreases in others. All Medicaid HMOs have HMP beneficiaries enrolled, although the numbers vary across plans. The plans with the highest enrollment in December were Meridian Health Plan of Michigan with more than 27 percent of the total, Molina Healthcare of Michigan with almost 17 percent, and Blue Cross Complete with more than 15 percent of the total enrollees.

CSHCS/Medicaid

The Michigan Department of Health and Human Services (MDHHS) requires children (and a few adults) receiving services from both the Children’s Special Health Care Services (CSHCS) program and the Medicaid program to enroll in Medicaid HMOs. There were **18,498 joint CSHCS/Medicaid beneficiaries enrolled as of December 1, 2018** in the Medicaid HMOs, a decrease of **542 since November 1, 2018**.

All Medicaid HMOs have CSHCS/Medicaid enrollees, although the numbers vary across plans. The plans with the highest enrollment in December were Meridian Health Plan of Michigan with almost 25 percent of the total, Molina Healthcare of Michigan with almost 23 percent, and UnitedHealthcare Community Plan with more than 13 percent of the total enrollees.

MIChild

There were **35,079 MIChild beneficiaries enrolled as of December 1, 2018** in Medicaid HMOs. As the table above reflects, the number of enrolled MIChild beneficiaries increased by **232 between November 1, 2018 and December 1, 2018**.

All Medicaid HMOs have MIChild beneficiaries enrolled, although the numbers vary dramatically across plans. The plans with the highest enrollment in December were Meridian Health Plan of Michigan with almost 29 percent of the total, Molina Healthcare of Michigan with almost 17 percent, and UnitedHealthcare Community Plan with more than 13 percent of the total enrollees.
Medicare/Medicaid

Aside from Michigan’s Medicare/Medicaid financial alignment demonstration, MI Health Link, there were an additional **39,472 Medicaid beneficiaries dually eligible for Medicare (duals) enrolled as of December 1, 2018** in Medicaid HMOs for their acute care Medicaid benefits. As the table above reflects, the number of enrolled duals **increased by 507 between November 1, 2018 and December 1, 2018**.

All Medicaid HMOs have duals enrolled, although the numbers vary significantly across plans. The plans with the highest enrollment in December were Meridian Health Plan of Michigan with more than 30 percent of the total, Molina Healthcare of Michigan with almost 25 percent, and McLaren Health Plan with more than 15 percent of the total enrollees.

**For additional information, contact Eileen Ellis, Senior Advisor Emeritus, or Esther Reagan, Senior Consultant, at (517) 482-9236.**

**MI HEALTH LINK**

In previous editions of *The Michigan Update* we have written about Michigan’s implementation of an integrated health care delivery system for adults dually eligible for Medicare and Medicaid (duals). The demonstration, called MI Health Link, is approved for five years (through 2019) and operates in four regions of the state. The entire Upper Peninsula is one region; eight counties in the southwest corner of the state (Barry, Berrien, Branch, Calhoun, Cass, Kalamazoo, St. Joseph, and Van Buren) form another region; and Macomb County and Wayne County are two single-county regions. Medicaid and Medicare physical health care services (including long-term services and supports) are provided by HMOs that have contracts as Integrated Care Organizations (ICOs) to serve the duals.

Over the last year, the number of MI Health Link enrollees has fluctuated, with increases in some months and decreases in others. The Michigan Department of Health and Human Services (MDHHS) reports that **as of December 1, 2018, the MI Health Link enrollment total was 34,655, a decrease of 172 enrollees since November.**
The table below illustrates the MI Health Link enrollment fluctuation by month during 2018. Note that the enrollment total for December is the lowest for the year, more than 4,000 below the total for May, which was the highest monthly total for the year.

<table>
<thead>
<tr>
<th></th>
<th>Jan.</th>
<th>Feb.</th>
<th>March</th>
<th>April</th>
<th>May</th>
<th>June</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>38,045</td>
<td>38,571</td>
<td>38,562</td>
<td>37,798</td>
<td>39,021</td>
<td>38,327</td>
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</tbody>
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<tbody>
<tr>
<td></td>
<td>37,518</td>
<td>37,103</td>
<td>36,394</td>
<td>35,651</td>
<td>34,827</td>
<td>34,655</td>
</tr>
</tbody>
</table>

There are seven ICOs serving one or more of the demonstration regions. The table below provides enrollment information by region for each ICO as of December 1, 2018.

<table>
<thead>
<tr>
<th>MI Health Link Enrollment</th>
<th>Upper Pen. Region</th>
<th>SW MI Region</th>
<th>Macomb Region</th>
<th>Wayne Region</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aetna Better Health of MI</td>
<td></td>
<td>3,129</td>
<td>744</td>
<td>2,716</td>
<td>6,589</td>
</tr>
<tr>
<td>AmeriHealth Michigan</td>
<td></td>
<td>559</td>
<td>2,109</td>
<td></td>
<td>2,668</td>
</tr>
<tr>
<td>HAP Midwest Health Plan</td>
<td></td>
<td>902</td>
<td>3,473</td>
<td></td>
<td>4,375</td>
</tr>
<tr>
<td>Meridian Health Plan of MI</td>
<td></td>
<td>4,897</td>
<td>1,756</td>
<td></td>
<td>4,897</td>
</tr>
<tr>
<td>MI Complete Health / Fidelis</td>
<td></td>
<td>436</td>
<td>1,756</td>
<td></td>
<td>2,192</td>
</tr>
<tr>
<td>Molina Healthcare of MI</td>
<td></td>
<td>1,707</td>
<td>8,272</td>
<td></td>
<td>9,979</td>
</tr>
<tr>
<td>Upper Peninsula Health Plan</td>
<td></td>
<td>3,955</td>
<td></td>
<td></td>
<td>3,955</td>
</tr>
<tr>
<td>Total</td>
<td>3,955</td>
<td>8,026</td>
<td>4,348</td>
<td>18,326</td>
<td>34,655</td>
</tr>
</tbody>
</table>

As of December 1, 2018, Molina Healthcare of Michigan had the most enrollees, both voluntarily and passively enrolled (almost 29 percent of the combined total); Aetna Better Health of Michigan came in second with 19 percent; and Meridian Health Plan of Michigan was third with just over 14 percent of the total enrollees.

At present, just over 95 percent of the MI Health Link enrollees are living in a community setting, and a little less than 5 percent of the enrollees live in a nursing facility. About 5 percent of the total enrollees living in a community setting are receiving home and community-based long-term services and supports through the MI Health Link program waiver; however, a significant number of the enrollees living in a community setting receive in-home services and supports from the ICOs through the Medicaid State Plan personal care benefit.
While all plans have enrollees receiving care in nursing facilities, the Upper Peninsula Health Plan (UPHP) had the largest share during December 2018; almost 22 percent of the total enrollees residing in nursing facilities were part of UPHP. Aetna Better Health of Michigan ranked second, with just over 19 percent of the total. Molina Healthcare of Michigan was third, with 18 percent of the total enrollees residing in nursing facilities.

Although the majority of MI Health Link enrollees are passively enrolled, the percentage that voluntarily joined the demonstration has grown significantly over time. As of December 1, 2018, the voluntary enrollment percentage was 27.7.

MDHHS also reports that more than 59,000 duals eligible for participation in the demonstration have chosen to opt out. These individuals receive their Medicaid benefits on a fee-for-service basis but retain the option to voluntarily enroll in the demonstration at any time.

More than half of the MI Health Link enrollees are individuals under the age of 65. These younger individuals qualified for Medicare and Medicaid based on a disability.

For additional information, contact Esther Reagan, Senior Consultant, at (517) 482-9236.

**MICHIGAN D-SNPS**

Three of the 11 Medicaid HMOs in Michigan (or their parent organizations) are also federally contracted as D-SNPs (Medicare Advantage Special Needs Plans for persons dually eligible for Medicare and Medicaid [duals]) to provide Medicare benefits: Meridian Health Plan of Michigan, Molina Healthcare of Michigan, and UnitedHealthcare Community Plan. As of December 1, 2018, these three D-SNPs had a combined enrollment of 20,564 duals for whom they provide Medicare services.

About 60 percent of the duals enrolled in a Michigan D-SNP (12,338 individuals) are enrolled with Molina; almost 37 percent (7,584 duals) are enrolled with Meridian; and 642 duals are enrolled with United. None of these duals are participating in the MI Health Link demonstration.

Not all duals enrolled in these D-SNPs are eligible to receive full Medicaid benefits. Some only receive assistance from the Medicaid program with their Medicare coinsurance and deductible payments and/or monthly Medicare premiums.

For additional information, contact Esther Reagan, Senior Consultant, at (517) 482-9236.
HEALTHY MICHIGAN PLAN ENROLLMENT

The Michigan Department of Health and Human Services reports enrollment counts for the Healthy Michigan Plan (HMP), its Medicaid expansion program for low-income non-elderly adults who do not meet eligibility criteria for traditional program coverage, at the beginning of each week on its website. Enrollment stood at **680,874 as of December 24, 2018**, the last counting day of the month.

Although the HMP caseload drops at the beginning of each month because of an annual eligibility redetermination requirement, it generally rebounds by the end of the month.

For additional information, contact Eileen Ellis, Senior Advisor Emeritus, or Esther Reagan, Senior Consultant, at (517) 482-9236.

WORKFORCE/COMMUNITY ENGAGEMENT REQUIREMENT APPROVED

In previous issues of *The Michigan Update*, we have reported on Michigan Department of Health and Human Services (MDHHS) activities related to implementation of a workforce or other community engagement requirement. This requirement results from the enactment of Public Act 208 of 2018 and will become a condition of eligibility for health care benefits under Medicaid beginning in 2020 for some beneficiaries. The requirement will apply to able-bodied adults age 19 through age 62 enrolled in the Healthy Michigan Plan (HMP). Beneficiaries receiving Medicaid through “traditional” coverage categories will not be impacted by this requirement nor will HMP beneficiaries who meet exception criteria.

The law required MDHHS to submit a new Section 1115 Waiver application, or an amendment to an appropriate existing waiver, to the U.S. Department of Health & Human Services (HHS). The law also specified that failure to receive federal approval of the waiver/amendment would result in the HMP being terminated, which would end health care benefits for more than 680,000 non-elderly adults in Michigan.

On December 21, 2018, Governor Rick Snyder announced that federal approval of the waiver amendment has been received, thus continuing the HMP through December 2023.

For additional information, contact Eileen Ellis, Senior Advisor Emeritus, or Esther Reagan, Senior Consultant, at (517) 482-9236.
WHITMER ANNOUNCES KEY MEMBERS OF HER ADMINISTRATION

On December 21, 2018, Michigan Governor-elect Gretchen Whitmer announced a few of her key staff. JoAnne Huls will be Chief of Staff, Rachel Eubanks will be the State Treasurer, former State Representative Chris Kolb will be the Budget Director, and Liza Estlund Olsen will head the Office of the State Employer.

Whitmer also named Mark Burton as Chief Strategist, Mark Totten as Chief Legal Counsel, former State Treasurer Jay Rising as Cabinet Secretary, Zack Pohl as Communications Director, Corina Peña Andorfer as Chief Compliance Officer, Melanie Brown as Community Affairs Director, Jen Flood as Public Affairs Director, and Shaquila Myers as Chief of Staff to Lieutenant Governor-elect Garlin Gilchrist.

On December 27, 2018, Whitmer announced the appointment of key department directors:

- Paul Ajegba will serve as director of the Department of Transportation
- Liesl Eichler Clark will lead the Department of Environmental Quality
- Daniel Eichinger will serve as director of the Department of Natural Resources
- Gary McDowell will lead the Department of Agriculture and Rural Development
- Captain Joe Gasper will lead the Michigan State Police
- Heidi Washington will continue to serve as director of the Department of Corrections
- Brigadier General Paul Rogers will lead the Department of Military and Veterans Affairs
- Orlene Hawks will serve as director of the Department of Licensing and Regulatory Affairs
- Anita Fox will lead the Department of Insurance and Financial Services (DIFS)
- Lisa McCormick will lead the Office of the Children’s Ombudsman

On December 28, 2018, Whitmer announced the appointment of Tricia Foster as director of the Department of Technology, Management and Budget. She also appointed Stephanie Beckhorn as acting director of the Department of Talent and Economic Development, Farah Hanley as acting director of the Department of Health and Human Services, and Judy Weaver as acting director of DIFS until January 14, 2019 when the appointment of Anita Fox is effective.

Additional information about each of these appointees appears in the announcements.

For additional information, Esther Reagan, Senior Consultant, at (517) 482-9236.
MDHHS TO REMAIN INTACT

After mentioning earlier that she was contemplating a breakup of the Michigan Department of Health and Human Services (MDHHS), Governor-elect Gretchen Whitmer told the media in late December that she will not split up the department after concluding such a breakup could adversely impact the delivery of social services to the state’s poorest residents. The MDHHS was formed in 2015 when the Departments of Community Health and Human Services were merged, creating a mega-department of 14,000 employees with an annual budget of $25 billion. Instead, Whitmer’s plan will be to hire a new MDHHS director who will “inspire confidence” in frontline workers who handle issues for many health and social service programs. She indicated that efforts will focus on streamlining their work to “ensure that people are getting the kind of wraparound support they need and leverage federal dollars in a smart way.” She acknowledged that this was the goal of Governor Snyder’s administration but that it “didn’t happen as well as it could have.”

For additional information, Esther Reagan, Senior Consultant, at (517) 482-9236.

MEDICAL ASSESSMENT OF PSYCHIATRIC PATIENTS

On December 20, 2018, the Michigan Department of Health and Human Services and the Michigan Health & Hospital Association announced that they are seeking feedback on guidelines designed to standardize the process of evaluating emergency department patients in psychiatric crisis and reduce barriers to accessing inpatient psychiatric services. There is a link in the announcement to the Michigan Psychiatric Care Improvement Project where additional information can be found as well as the survey instrument through which feedback can be submitted before February 1, 2019. (Click on the “Medical Clearance Workgroup” button).

For additional information, Esther Reagan, Senior Consultant, at (517) 482-9236.

MEDICAID POLICIES

The Michigan Department of Health and Human Services (MDHHS) has released two final policies that merit mention. They are available for review on the department’s website.

- **MSA 18-51** notifies Bridges Eligibility Manual (BEM) Holders of a change in Medicaid eligibility policy as it relates to consideration of the proceeds from the sale of an individual’s homestead.
- **MSA 18-52** clarifies for Practitioners, Health Departments, Clinics and others appropriate timeframes for testing children for potential blood lead poisoning.
MDHHS has also released five L-letters of potential interest, which are available for review on the same website.

- **L 18-61** was released on November 7, 2018 to clarify previously published policy regarding Home Help Agency Provider Standards.
- **L 18-70** was released on December 3, 2018 as a notice to Tribal Chairs and Health Directors of the department’s intent to submit a State Plan Amendment to permit an alternate payment methodology for Rural Health Clinics.
- **L 18-66** was released on December 4, 2018 as a reminder to Nursing Facilities of their responsibility to arrange for and provide non-emergency non-ambulance transportation for their Medicaid residents, including those with both Medicaid and Medicare coverage, when necessary to obtain covered health care services. The letter goes on to clarify that the cost of such services may not be passed on to the residents and is not billable to the Medicaid program by any ancillary providers.
- **L 18-71** was released on December 13, 2018 as a notice to Tribal Chairs and Health Directors of the department’s intent to submit a State Plan Amendment to add the MIDocs Consortium to the State of Michigan’s Graduate Medical Education Innovations Sponsoring Institution Program.
- **L 18-75** was released on December 20, 2018 as a notice to Tribal Chairs and Health Directors of the department’s intent to submit a State Plan Amendment to expand nursing and non-physician behavioral health services in schools. The letter provides additional information regarding the proposed amendments.

For additional information, contact Esther Reagan, Senior Consultant, at (517) 482-9236.
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