

## *The Michigan Update*

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### **Medicaid Managed Care Enrollment Activity**

As of November 1, 2015, there were **1,612,476 Medicaid beneficiaries, including Healthy Michigan Plan (HMP) beneficiaries, enrolled** in 12 Medicaid Health Plans (HMOs); this is an **increase of 11,464** since October. The enrollment total reflects a **decrease of 685 HMP enrollees** since October and an **increase of 12,149 non-HMP Medicaid enrollees**. The uptick in non-HMP enrollment is consistent with recent Medicaid caseload trends.

As the enrollment reports ([pdf](#)) ([xls](#)) reflect, every county in the state is served by at least one Medicaid Health Plan. Auto-assignment of beneficiaries into the HMOs is available in every county, and there are at least two HMOs serving every county in the Lower Peninsula. 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.

For more information, contact [Esther Reagan](#), Senior Consultant, at (517) 482-9236.

### **Medicaid Managed Care Rebid Results**

In a Special Edition of *The Michigan Update*, released October 14, 2015, we reported the results of the state's re-procurement of Medicaid managed care contracts. In that edition we provided a table showing technical evaluation results and the successful and unsuccessful bidders by region. Subsequent correction of scoring errors resulted in an announcement on October 15th of one change to the initial announcement of successful bidders by county: Meridian Health Plan replaced Molina Healthcare of Michigan in Region 7 (the three counties in and around Michigan's capital city of

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Lansing). Since that time, six of the bidders submitted protests, the state corrected a number of scoring errors, and the State Administrative Board approved contract awards on November 17, 2015, paving the way for a January 1, 2016 implementation of the new contracts.

Some of the bidders that proposed to serve new regions were successful but others were not. Aetna Better Health and Priority Health Choice proposed service area expansions but were only approved for some of the new regions. These plans did not file protests. Centene's MI Complete Health (also called Fidelis SecureCare), not a current Medicaid managed care plan but a contractor in the state's demonstration program for Medicaid beneficiaries dually eligible for Medicare ("duals"), proposed to serve Regions 9 and 10 in southeast Michigan but was not selected. Sparrow PHP, a long-time health plan serving primarily Region 7, was not selected either. HAP Midwest Health Plan, also a long-time Medicaid health plan and a contractor in the state's demonstration program for duals proposed to serve Regions 6, 9 and 10 where it currently serves Medicaid members. HAP Midwest was only recommended for a contract in Region 6; that region does not include the area HAP Midwest serves for the duals demonstration.

MI Complete Health, Sparrow PHP and HAP Midwest submitted protests but their protests did not reverse the state's earlier decisions. Meridian Health Plan asked in a protest that the state reconsider scoring on a few of its narrative responses but was already approved in all of the Regions of the Lower Peninsula. Total Health Care's protest letter was essentially a placeholder to preserve further appeal rights should it be unseated by another plan in Region 10 where it received an award; it was not unseated. Only Molina Healthcare of Michigan was successful in gaining enough points through its protest to oust UnitedHealthcare Community Plan in Region 7 and receive an award.

On November 17, 2015 the state's Administrative Board (preceded by the Finance and Claims Committee) met to authorize the new contracts. The Committee and Board heard comments from representatives of two of the unsuccessful bidders - HAP Midwest Health Plan and Sparrow PHP - who asked for an exception to the scoring and contract awards. Their testimony did not affect the outcome.

The table below indicates the regions for which each bidder was and was not successful. If a health plan is a current contractor for *all counties* in a region, their result is shaded **green**. If the health plan is a current contractor *for some but not all* counties in a region, their result is shaded **yellow**. If the health plan *does not currently serve Medicaid* members in

a region, their result is shaded **blue**. Blank cells indicate that a plan did not bid on that region.

Region	1	2	3	4	5	6	7	8	9	10
<b>Aetna Better Health (CoventryCare)</b>					No			Yes	Yes	Yes
<b>Blue Cross Complete</b>				Yes		Yes	Yes		Yes	Yes
<b>HAP Midwest Health Plan</b>						Yes			No	No
<b>Harbor Health Plan</b>										Yes
<b>McLaren Health Plan</b>		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<b>Meridian Health Plan of MI</b>		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<b>MI Complete Health (Centene/Fidelis)</b>									No	No
<b>Molina Healthcare of MI</b>		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<b>Priority Health Choice</b>		No	No	Yes				Yes	No	
<b>Sparrow PHP</b>							No			
<b>Total Health Care</b>										Yes
<b>UnitedHealthcare Comm. Plan</b>		Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes
<b>Upper Peninsula Health Plan</b>	Yes									

In an effort to assure continuity of care and a smooth transition of enrollees from the unsuccessful health plans, the Michigan Department of Health and Human Services suggested that these plans work with successful health plans serving the region(s) involved to facilitate plan-to-plan transfer of enrollees. On November 24th, *Crain's Detroit Business* reported that Molina Healthcare of Michigan had reached an agreement with HAP Midwest Health Plan to acquire its Medicaid and MICHild enrollees in Regions 9 and 10, approximately 85,000 individuals. The agreement is subject to state regulatory review and approval. Plan-to-plan transfer information involving any other plans was not available at the time this update was released.

For more information, contact [Eileen Ellis](#), Managing Principal, at (517) 482-9236.

## Common Drug Formulary

In previous editions of The Michigan Update, most recently in August, we have explained that the Michigan Department of Health and Human Services (MDHHS) will implement a common drug formulary across all Medicaid contracted HMOs in the new Comprehensive Health Plan contract that takes effect January 1, 2016. Each HMO will be permitted to maintain a unique formulary and it may be more expansive than the common formulary but more restrictive formularies will not be permitted. The MDHHS held its second stakeholder meeting on November 19, 2015 (a meeting was also held on August 11th) to hear from providers, beneficiaries, advocates and others (but not drug manufacturers) about their issues and concerns over the proposed formulary. MDHHS has established a page on its [website](#) where meeting presentations as well as stakeholder questions and answers are posted. The site also includes a list of the formulary workgroup members.

For more information, contact [Esther Reagan](#), Senior Consultant, at (517) 482-9236.

## Healthy Michigan Plan Enrollment

Healthy Michigan Plan (HMP) enrollment remains high, far exceeding original expectations. HMP enrollees are required to report any changes in their economic or health care coverage circumstance as those changes occur. They are also subject to an annual redetermination of eligibility. This requirement has resulted in a caseload decrease averaging 25,000 at the beginning of each month since April. Weekly enrollment has rebounded throughout each month and stood at **596,876 as of November 30, 2015**.

The Michigan Department of Health and Human Services (MDHHS) updates HMP enrollment statistics on its [website](#) weekly and includes a breakdown of enrollment by county. Not surprisingly, more than half of the HMP beneficiaries reside in the state's five largest counties:

November 30, 2015 Healthy Michigan Plan Enrollment	
Wayne	164,324
Macomb	48,862
Oakland	48,163
Genesee	34,476
Kent	31,664

<b>Five-County Total</b>	<b>327,489</b>
<b>Statewide Total</b>	<b>596,876</b>

The vast majority of these enrollees (nearly 500,000) have income below the poverty level, and more than 51 percent of the enrollees are women. About 47 percent of the enrollees are between the ages of 19 and 34; 39 percent are between the ages of 35 and 54; and about 14 percent are between the ages of 55 and 64. These statistics have been fairly stable for several months.

Most HMP enrollees are already or soon will be enrolled in the state's Medicaid managed care organizations for their health care services. As of November 1, 2015, there were a total of **463,803 HMP beneficiaries enrolled in the HMOs.**

Meridian Health Plan of Michigan, which has the largest Medicaid enrollment of any Medicaid HMO, also has the most HMP enrollees, 28.8 percent of the total. Molina Healthcare of Michigan has 16.0 percent of the total; UnitedHealthcare Community Plan has 12.8 percent; and McLaren Health Plan has 11.7 percent of the total; and the other eight plans share the remaining 30.7 percent.

For more information, contact [Eileen Ellis](#), Managing Principal, at (517) 482-9236.

## Healthy Michigan Plan Waiver

In the September 2015 edition of *The Michigan Update* we reported that, as required by the state statute authorizing the Healthy Michigan Plan, the Michigan Department of Health and Human Services (MDHHS) submitted a waiver amendment request to the federal Centers for Medicare & Medicaid Services (CMS) to address requirements included in the state statute that authorized the HMP.

MDHHS accepted public comments on the proposed waiver amendment through early October and has posted them on the department's [website](#). MDHHS also reported in early November that the discussions with CMS continue, particularly around cost sharing provisions because they are more stringent than CMS has historically allowed, but progress is being made. To comply with the state statute and maintain health care coverage for almost 600,000 individuals, MDHHS must receive waiver approval before the end of December or the Healthy Michigan Plan will be terminated at the end of April 2016.

For more information, contact [Eileen Ellis](#), Managing Principal, at (517) 482-9236.

### **CSHCS Children in Medicaid HMOs**

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. As of November 1, 2015, there were **16,948 joint CSHCS/Medicaid beneficiaries enrolled in the Medicaid HMOs** - a decrease of 459 since October. All Medicaid HMOs except Harbor Health Plan have CSHCS/Medicaid enrollees, although the numbers vary across plans.

Meridian Health Plan of Michigan, which has the largest Medicaid enrollment of any Medicaid HMO, also has the most CSHCS/Medicaid enrollees receiving their services from an HMO, 25.6 percent of the total. Molina Healthcare of Michigan has 21.9 percent of the total; UnitedHealthcare Community Plan has 16.2 percent; and the other eight plans share the remaining 36.3 percent.

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### **MiChild**

According to MAXIMUS, the Michigan Department of Health and Human Services (MDHHS) contractor for MiChild enrollment, there were **32,959 children enrolled in the MiChild program as of October 1, 2015**. The October enrollment total reflects a decrease from the 34,741 children enrolled as of September 1, 2015. Of the total number of children enrolled, 590 enrollees are dually eligible for Children's Special Health Care Services (CSHCS) and MiChild.

As the enrollment reports ([pdf](#)) ([xls](#)) for October show, enrollment is dispersed between 12 plans. As the enrollment reports for October show, enrollment is dispersed between 12 plans. The plans with the highest enrollment are Molina Healthcare of Michigan (with 26.9 percent of the total enrollees), Priority Health (with 26.3 percent), and McLaren Health Plan (with 15.7 percent). A little less than seven percent of the children were enrolled with Blue Cross Blue Shield of Michigan (BCBSM) as of October 1, 2015. The BCBSM market share has gradually dropped from about 75 percent in late 2013 when the insurer advised that it wished to terminate its MiChild contract. Children residing in counties

where there are at least two health plans available are given the choice to enroll with one of those plans. Children in the seven counties where BCBSM has been the only available health plan have remained enrolled with that plan; however these children will need to transfer to other health plans effective January 1, 2016.

MiChild-enrolled children receive their dental care through contracted dental plans. Of the two available plans, 87.1 percent of the children were enrolled with Delta Dental Plan as of October 1, 2015. Delta Dental has a statewide service area. The remaining 12.9 percent of children were enrolled with Golden Dental Plan in a service area that includes eight counties. (BCBSM was a statewide dental health plan as well through September 2013 when BCBSM terminated in full its participation in the MiChild dental program.)

In last month's edition of *The Michigan Update*, we reported on the state's planned transition of the MiChild program to a Medicaid expansion program effective January 1, 2016. On November 9, 2015, the MDHHS published two [Medicaid Alerts](#) on its "Biller "B" Aware page; the first alert was addressed to dental providers to advise that this transition will mean MiChild enrollees will receive their dental services through the Delta Dental Healthy Kids Dental program (unless they are teenagers residing in Kent, Oakland or Wayne counties). Dental services will no longer be available through Golden Dental and dental providers serving MiChild beneficiaries will need to be enrolled in the Delta Dental network. The second alert was addressed to all providers and explained that families will be sent a letter advising them of the transition of MiChild to Medicaid expansion and their opportunity to enroll in a different managed care plan if their current plan does not offer services to Medicaid. This transition will affect approximately 5,500 children, including those currently enrolled with BCBSM, Grand Valley Health Plan, HAP Midwest Health Plan and Sparrow PHP as well as children enrolled with Priority Health who reside in seven counties (Antrim, Benzie, Charlevoix, Grand Traverse, Leelanau, Missaukee and Otsego) and with Total Health Care who reside in Genesee and Monroe counties.

For more information, contact [Esther Reagan](#), Senior Consultant, at (517) 482-9236.

## Duals in Medicaid HMOs

There were **32,053** Medicaid beneficiaries dually eligible for Medicare (duals) enrolled in Medicaid HMOs to receive Medicaid benefits in November 2015, an **increase of 142**

since October. Although the number of enrollees increased slightly, the total is still more than 24,000 below the enrollment level in March. This reduction is largely due to implementation of Michigan's demonstration program - MI Health Link - that provides integrated care for duals. Some dually eligible individuals previously enrolled in a Medicaid HMO have transitioned to enrollment in one of the state's Integrated Care Organizations (ICO). Others that are eligible for enrollment in an ICO have opted out of the demonstration and will receive their Medicaid services on a fee-for-service basis unless they choose at a later time to enroll in an ICO. (See the *Integrated Care for Dual Eligibles* article in the May 2015 edition of *The Michigan Update* for more information.) All Medicaid HMOs have duals enrolled, although the numbers vary dramatically across plans.

A Medicaid HMO member who gains Medicare coverage and remains in the HMO is categorized as auto-assigned or voluntarily enrolled based on the means through which the member was *initially* enrolled in the HMO. Duals enrolled in a Medicare Advantage Special Needs Plan (SNP, or D-SNP) for their Medicare benefits but receiving Medicaid on a fee-for-service basis are auto-assigned to the related Medicaid HMO if applicable. Any dual is able to "opt out" of the HMO and receive Medicaid benefits on a fee-for-service basis.

Molina Healthcare of Michigan has the most duals receiving Medicaid services from an HMO, 28.0 percent of the total; Meridian Health Plan of Michigan has 24.5 percent of the total (but the most voluntary enrollees); McLaren Health Plan has 14.6 percent of the total; UnitedHealthcare Community Plan has 11.3 percent of the total; and the other 8 plans share the remaining 21.6 percent.

Five of the 12 Medicaid HMOs in Michigan (or their parent organizations) are also federally contracted as D-SNPs to provide *Medicare* benefits for duals in Michigan: HAP Midwest Health Plan, Meridian Health Plan of Michigan, Molina Healthcare of Michigan, Total Health Care, and Upper Peninsula Health Plan. As of November 1, 2015 these five D-SNPs had a combined enrollment of 12,404 duals for whom they provide Medicare services, an increase of 279 since October. Although the enrollment number increased in November as it did in October, the first months since April when it did not decrease, total D-SNP enrollment is still down about 5,800 from the level in April, which is most likely attributable to the MI Health Link demonstration as well. More than 77 percent of the duals enrolled in a D-SNP are enrolled in the Molina plan; about 13 percent are enrolled in the Meridian plan (although some of the Meridian members may reside in northern Ohio); and the remaining 10 percent is spread across the other three plans. Not all of the duals



enrolled in these D-SNPs are eligible to receive full Medicaid benefits. Some only receive assistance from the Medicaid program with Medicare coinsurance and deductible payments and/or monthly Medicare premiums.

Although it no longer holds a Medicaid HMO contract since acquisition of the Medicaid product by Molina Healthcare of Michigan, HealthPlus of Michigan still maintains its D-SNP, and this plan had 688 enrollees as of November 1, 2015. There is one additional D-SNP in the state, Fidelis SecureCare of Michigan (also called MI Complete Health), which does not hold a Medicaid HMO contract but has been approved by the state as an Integrated Care Organization in the state's duals demonstration. As of November 1, 2015, Fidelis had 430 enrollees in its D-SNP. It is also an approved Medicare Advantage Institutional SNP (I-SNP) with 159 enrollees. (HMA would note that MI Complete Health did submit a bid to become a Medicaid HMO plan as of January 1, 2016, but was not selected by the State to receive a contract.)

Two of the Medicaid HMOs - McLaren Health Plan and UnitedHealthcare Community Plan - discontinued their D-SNP products as of December 31, 2014.

For more information, contact [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, will last for five years (it was initially approved for three years but the federal government has granted an extension) and operate in four regions of the state. The entire Upper Peninsula is one region; eight counties in the southwest corner of the state form another region; and Wayne and Macomb Counties are two single-county regions. As of November 1, 2015, the Michigan Department of Health and Human Services reports there were **36,335 enrollees** in these health plans, down from 37,072 in October and 42,728 in September. Also as of November 1st, more than 45,000 duals eligible for participation in the demonstration have chosen to opt out (not participate). These individuals will receive their Medicaid benefits on a fee-for-service basis but retain the option to voluntarily enroll in the demonstration at a later time.

Enrollment in the demonstration began in the Upper Peninsula and Southwest regions in February with first enrollments (all voluntary) effective on March 1, 2015. As of May 1st, eligible

beneficiaries in these two regions who had not voluntarily enrolled were "passively" enrolled but with the ability to opt out (disenroll). There is one Integrated Care Organization (ICO) serving the Upper Peninsula, the Upper Peninsula Health Plan, and two ICOs serving the eight southwest counties: Aetna Better Health (CoventryCares) of Michigan and Meridian Health Plan of Michigan.

There are five ICOs serving the Macomb and Wayne single county regions: Aetna Better Health, AmeriHealth Michigan, MI Complete Health / Fidelis SecureCares of Michigan, HAP Midwest Health Plan, and Molina Healthcare of Michigan. The table below provides enrollment information by region for each ICO.

<b>MI Health Link Enrollment November 1, 2015</b>	<b>Upper Pen. Region</b>	<b>SW MI Region</b>	<b>Macomb Region</b>	<b>Wayne Region</b>	<b>Total</b>
Aetna Better Health		3,198	703	2,377	6,278
AmeriHealth Michigan			779	2,689	3,468
Fidelis SecureCares of MI			617	2,478	3,095
HAP Midwest Health Plan			1,088	4,511	5,599
Meridian Health Plan of MI		4,923			4,923
Molina Healthcare of MI			1,488	7,627	9,115
Upper Peninsula Health Plan	3,857				3,857
<b>Total</b>	<b>3,857</b>	<b>8,121</b>	<b>4,675</b>	<b>19,682</b>	<b>36,335</b>

Only about ten percent of these duals voluntarily enrolled in MI Health Link. The vast majority were passively enrolled. Molina Healthcare has the most enrollees, both voluntarily and passively enrolled, about 25 percent of the combined total; Aetna Better Health has about 17 percent of the total and HAP Midwest has about 15 percent. Although each of the plans has enrollees who are receiving care in nursing facilities, Molina Healthcare has the largest share, almost a third of the total.

In mid-November the Michigan Department of Health and Human Services issued a [press release](#) as a reminder that, unlike other health insurance programs with an annual window during which health care enrollment can occur, MI Health Link enrollment is possible at any time. Linked to that announcement is additional information about the MI Health Link program, including an announcement regarding a public /

stakeholder forum scheduled for December 9, 2015 in Benton Harbor.

For more information, contact [Esther Reagan](#), Senior Consultant, at (517) 482-9236.

## **Consumers Mutual Insurance of Michigan**

On November 5, 2015, the [Detroit Free Press](#) reported that Consumers Mutual Insurance of Michigan - a Consumer Operated and Oriented Plan, or CO-OP - will not participate on the health insurance market place in 2016 and will enter into a run-off of its health insurance business. On November 13th, Ingham County Circuit Court Judge James Jamo ordered the insurer into Rehabilitation and named the Michigan Department of Insurance and Financial Services (DIFS) the Rehabilitator. Coverage for current small and large group customers of the company - about 28,000 - will continue through the end of the calendar year as long as premiums are paid. The insurer is working with DIFS on a plan to address the future health care needs of these customers.

Consumers Mutual was established with a nearly \$72 million federal loan, made available through the federal Affordable Care Act of 2010. CO-OPs differentiated themselves from other insurers by the degree to which consumers were included in leadership decisions and they marketed their ability to help individuals with chronic illnesses to keep them under control. There were problems from early on related to plan pricing but the deciding factor was an announcement a few months ago by the Centers for Medicare & Medicaid Services that the government did not have the funds to fully cover the risk corridor payments the CO-OPs and other insurers were due and instead would only pay about 13 cents on the dollar.

Consumers Mutual is not alone. In fact, the insurer is actually one of 12 CO-OPs across the country - out of an original total of 23 - to be negatively affected by the lack of risk corridor funding and forced to cease operation.

For more information, contact [Esther Reagan](#), Senior Consultant, at (517) 482-9236.

## **2016 Michigan Health Insurance Marketplace**

On November 19, 2015, the Center for Healthcare Research and Transformation (CHRT) at the University of Michigan

[released](#) a new publication entitled *Rate Analysis: 2016 Michigan Health Insurance Marketplace*. This document provides an examination and analysis, on a county-level basis, of insurance marketplace offerings and rates during the current open enrollment period that began November 1, 2015. It compares the offerings and rates to those during the last open enrollment period a year ago, including changes in the number of plan offerings; counties with new local benchmark, lowest bronze and lowest silver plans; and premium changes.

For more information, contact [Esther Reagan](#), Senior Consultant, at (517) 482-9236.

### **Access to Hepatitis C Virus Drugs**

On November 5, 2015, the federal Center for Medicaid and CHIP Services (CMCS) within the Centers for Medicare & Medicaid Services (CMS) sent a [Medicaid Drug Rebate Program Notice](#) to states that reminded them of their responsibilities around coverage and reimbursement of drugs for which manufacturers have agreed to provide rebates. The Notice was specifically focused on drugs used to support Medicaid beneficiaries living with Hepatitis C virus (HCV) infections. States were encouraged to assure their coverage policies are consistent with requirements in Section 1927(d) of the Social Security Act and to assure that any contracted managed care organizations maintain coverage policies in like manner. Mindful of the cost of these medications, CMS also sent letters to manufacturers of HCV medications urging them to work with states on any value-based purchasing arrangements that might improve treatment outcomes and reduce their costs. The letters are available at the same site.

For more information, contact [Esther Reagan](#), Senior Consultant, at (517) 482-9236.

### **Novartis Settlement**

In late November Novartis Pharmaceuticals agreed to a \$390 million settlement with the federal government and about 40 states over payments the drug manufacturer made to certain specialty pharmacies between 2007 and 2012 to encourage them to recommend the manufacturer's prescription drugs to Medicare and Medicaid enrollees. Novartis allegedly established a closed distribution network and asked the pharmacies to downplay any risks and side effects of its drugs. Two of the pharmacies in the case - Accredo Health Group, Inc., a unit of Medco Health Solutions and BioScript, Inc. - previously settled related charges and paid \$75 million collectively. Michigan Attorney General Bill Schuette reported

that Michigan will receive more than \$5.4 million from Novartis and already received nearly \$1.3 million from the two specialty pharmacies.

For more information, contact [Esther Reagan](#), Senior Consultant, at (517) 482-9236.

## Medicaid Policies

The Michigan Department of Health and Human Services (MDHHS) has issued four final and three proposed policies that merit mention. They are available for review on DCH's [website](#).

- **MSA 15-41** provides **Integrated Care Organizations** with a **new MI Health Link Chapter** in the Medicaid Provider Manual.
- **MSA 15-42** notifies Prepaid Inpatient Health Plans (**PIHPs**) and Community Mental Health Services Programs (**CMHSPs**) of **revisions to the Clubhouse Psychosocial Rehabilitation Programs Section** in the Medicaid Provider Manual.
- **MSA 15-43** informs **Medicaid Health Plans (MHPs), Hospitals, Practitioners, Clinics and Maternal Infant Health Program (MIHP) Providers** of updated **policies** associated with the **MIHP**.
- **MSA 15-44** notifies **Practitioners, Outpatient Hospitals, Clinics, CMHSPs, PIHPs and MHPs** that **Psychologists, Social Workers and Professional Counselors may now enroll as Medicaid providers**.
- A proposed policy (**1558-EPSDT**) has been issued that would **clarify** Early and Periodic Screening, Diagnosis and Treatment (**EPSDT**) **covered services and the definition of "medically necessary"**. Comments are due to MDHHS by December 10, 2015.
- A proposed policy (**1557-DSH**) has been issued that would establish a **process to allocate unspent DSH** (Disproportionate Share Hospital) allotments to hospitals. Comments are due to MDHHS by December 23, 2015.
- A proposed policy (**1559-MACI**) has been issued that would **modify the underlying data used to allocate outpatient MACI** (Medicaid Access to Care Initiative) Pools. Comments are due to MDHHS by December 23, 2015.

MDHHS has also released two L-letters of potential interest, which are available for review on the same website.

- **L 15-63** was released on November 3, 2015 as a notice of the department's intent to submit a State Plan Amendment to **modify the method used to allocate payments to hospitals from MACI pools** effective November 1, 2015, for state fiscal year 2015-2016.
- **L 15-67** was released on November 17, 2015 as a notice of the department's intent to submit a State Plan Amendment to **update the reduction factor used to maintain budget neutrality for the Ambulatory Surgical Center and Outpatient Prospective Payment System**. If approved by the Centers for Medicare & Medicaid Services, the factor will be adjusted from **52.3 percent to 52.5 percent** effective for dates of service on or after January 1, 2016.

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