

The Michigan Update

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Medicaid Managed Care Enrollment Activity

As of November 1, 2016, there were **1,737,352 Medicaid beneficiaries, including 506,306 HMP beneficiaries**, enrolled in the 11 Medicaid Health Plans (HMOs). This is an overall **increase of 9,411** since October (3,878 additional HMP enrollees and 5,533 additional non-HMP enrollees).

As the enrollment reports ([pdf](#)) ([xls](#)) for November 2016 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 enrollment as of November 1, 2016 were Meridian Health Plan of Michigan with 28.2 percent of the total, Molina Healthcare of Michigan with 21.1 percent, United Healthcare Community Plan with 14.7 percent, and McLaren Health Plan with 10.7 percent of the total.

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, 2016, there were **18,101 joint CSHCS/Medicaid beneficiaries enrolled in the Medicaid HMOs**, an increase of 50 since October. All Medicaid HMOs have CSHCS/Medicaid enrollees, although the numbers vary across plans. Meridian Health

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Plan of Michigan has the most CSHCS/Medicaid beneficiaries enrolled (26.6 percent of the total); Molina Healthcare of Michigan has 26.0 percent of the total; UnitedHealthcare Community Plan has 15.6 percent; and McLaren Health Plan has 10.0 percent of the total.

Aside from Michigan's Medicare/Medicaid financial alignment demonstration, MI Health Link, there were an additional **34,321 Medicaid beneficiaries dually eligible for Medicare (duals) enrolled in Medicaid HMOs** to receive acute care Medicaid benefits in November 2016, an increase of eight since October. All Medicaid HMOs have duals enrolled, although the numbers vary significantly across plans. Molina Healthcare of Michigan has the most duals receiving Medicaid services from an HMO (29.0 percent of the total); Meridian Health Plan of Michigan has 25.0 percent of the total (but the most voluntary enrollees); and McLaren Health Plan has 15.5 percent of the total enrollees.

There were **37,586 MICHild beneficiaries enrolled in Medicaid HMOs** in November 2016, an increase of 1,450 since October, consistent with increased enrollment in the MICHild program. All Medicaid HMOs have MICHild beneficiaries enrolled, although the numbers vary dramatically across plans. Meridian Health Plan of Michigan has the most MICHild enrollees (25.2 percent of the total); Molina Healthcare of Michigan has 19.4 percent of the total; McLaren Health Plan has 13.4 percent; UnitedHealthcare Community Plan has 12.9 percent; and Priority Health Choice has 12.3 percent of the total enrollees.

For additional information, contact [Eileen Ellis](#), Senior Fellow, or [Esther Reagan](#), Senior Consultant, at (517) 482-9236.

Healthy Michigan Plan

Healthy Michigan Plan (HMP) enrollment levels have remained relatively steady for the past twenty months, but have recently begun to increase slightly. According to the Michigan Department of Health and Human Services (MDHHS) [website](#), HMP enrollment stood at **634,043 as of November 28, 2016**. This is the highest enrollment total for the HMP ever reported. Although the HMP caseload drops at the beginning of each month as a result of an annual eligibility redetermination requirement, it generally rebounds by the end of the month. For September, October and November the declines at the start of the month were much smaller than in the past, and growth during the month was similar to prior trends. The result is enrollment for the last Monday of November that is 20,000 more than for the last Monday of August.

For additional 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, is approved to last for five years (through 2019) 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 (Barry, Berrien, Branch, Calhoun, Cass, Kalamazoo, St. Joseph, and Van Buren); and Wayne and Macomb Counties 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.

As of June 1, 2016, due to a passive enrollment process implemented by the Michigan Department of Health and Human Services (MDHHS), there were **38,767 enrollees** in the ICOs. (Read more about this passive enrollment process in the June 2016 edition of *The Michigan Update*.) This was an increase of almost 8,000 enrollees from the May enrollment level of 30,813, but still below the 42,757 enrollees in September 2015 when the demonstration was initially implemented. Enrollment dropped in the next three months (down to 36,892 by September) but increased slightly in October to 37,005. As of November 1, 2016, MI Health Link enrollment decreased slightly, to **36,656**.

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 November 1, 2016.

MI Health Link Enrollment	Upper Pen. Region	SW MI Region	Macomb Region	Wayne Region	Total
Aetna Better Health of MI		3,366	778	2,865	7,009
AmeriHealth Michigan			736	2,562	3,298
MI Complete Health / Fidelis			330	1,585	1,915

HAP Midwest Health Plan			1,025	4,087	5,112
Meridian Health Plan of MI		5,322			5,322
Molina Healthcare of MI			1,672	8,335	10,007
Upper Peninsula Health Plan	3,993				3,993
Total	3,993	8,688	4,541	19,434	36,656

As of November 1st, Molina Healthcare of Michigan has the most enrollees, both voluntarily and passively enrolled (27.3 percent of the combined total); Aetna Better Health of Michigan has 19.1 percent of the total; Meridian Health Plan of Michigan has 14.5 percent; and HAP Midwest Health Plan has 13.9 percent. At this point, more than 93 percent of the MI Health Link enrollees are living at home, and about 5.6 percent of the enrollees live in a nursing facility. Only one percent of the enrollees are receiving home and community-based long-term services and supports through the MI Health Link program waiver; however a significant number of enrollees are receiving in-home services and supports from the ICOs through the State Plan personal care benefit. While all of the plans have enrollees receiving care in nursing facilities, the Upper Peninsula Health Plan and Molina Healthcare of Michigan have the largest shares as of November 1st, each with 20.7 percent of the total enrollees residing in nursing facilities.

While the majority of MI Health Link enrollees are passively enrolled, almost 17 percent of them voluntarily joined the demonstration. This percentage has more than tripled since September 2015. MDHHS reports that as of November 1, 2016, more than 50,300 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 a later time.

The MDHHS has established an [enrollment dashboard](#) on the MI Health Link page on its website. According to the MI Health Link website, 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

Four 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 for duals in Michigan: HAP Midwest Health Plan, Meridian Health Plan of Michigan, Molina Healthcare of Michigan, and Upper Peninsula Health Plan. As of November 1, 2016 these **four D-SNPs had a combined enrollment of 12,685 duals** for whom they provide Medicare services. Almost 83 percent of the duals enrolled in a D-SNP are enrolled with Molina Healthcare of Michigan. None of these duals are participating in the MI Health Link demonstration.

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 their Medicare coinsurance and deductible payments and/or monthly Medicare premiums.

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

Behavioral Health and Physical Health Integration

In previous editions of *The Michigan Update*, we have reported on activities related to efforts around improving integration of care for people with both behavioral health and physical health needs. The "Section 298 Integration Workgroup", named after the proposed language in the current year appropriation measure that prompted its creation, has been meeting for several months, with Lieutenant Governor Brian Calley serving as its chair. In mid-November 2016, the Michigan Association of Community Mental Health Boards' Center for Healthcare Research and Innovation released the [results of a survey](#) conducted to help inform the process.

For additional information, contact [Eileen Ellis](#), Senior Fellow, or [Esther Reagan](#), Senior Consultant, at (517) 482-9236.

MDHHS Releases Videos

On November 29, 2016, the Michigan Department of Health and Human Services [announced](#) that videos are now available for individuals who are deaf, deaf blind or hard of hearing to help them access mental health and substance

abuse services. A link to the videos is available on the announcement.

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

Lead Screening of Children

In May 2016, Governor Rick Snyder issued an Executive Order (2016-9) to create the Child Lead Poisoning Elimination Board. On November 17, 2016, the board, chaired by Lieutenant Governor Brian Calley, [released](#) "A Roadmap to Eliminating Child Lead Exposure" in Michigan. The board's report includes recommendations in five key areas: 1) Testing of children for elevated blood level; 2) Follow-up monitoring and services, including case management; 3) Environmental lead investigations; 4) Remediation and abatement; and 5) Dashboards and reporting. The report is appended to the press release.

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

Lead Abatement Funding

On November 14, 2016, the Michigan Department of Health and Human Services announced that it had received approval from the federal Centers for Medicare & Medicaid Services to use \$23.8 million in Children's Health Insurance Program (CHIP – Title XXI) funding to expand its lead abatement activities during the current fiscal year. The approval extends for five years and could total about \$119 million over that time period. These activities will support replacement of exterior lead service lines that supply drinking water in Flint and, on a case-by-case basis, the replacement of faucets, fixtures and lead service lines elsewhere in the state as well. These funds are eligible for a federal match rate of 98.61 percent, which means the state general fund contribution toward this effort will be about \$330,000.

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

Bottled Water Deliveries in Flint

On November 10, 2016, a federal judge in Michigan ordered state officials to offer free bottled water delivery to Flint residents who cannot easily pick up their own water from

distribution sites in the city. According to the order, four cases of bottled water per resident per week are to be delivered to qualified households – those that do not have a properly installed and functioning water filter – unless the resident declines the offer. The state is also ordered to keep the water distribution centers open for residents that decline home delivery. Although state officials have reported that they are working to comply with the order, on November 17th the state filed a request for an emergency stay on the order pending appeal, noting that the provisions of the federal court order are too burdensome.

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

Flint Food Bank Sets December Hours

On November 29, 2016, the Michigan Department of Health and Human Services issued a [press release](#) announcing the December dates when the Food Bank of Eastern Michigan will make mobile food pantry stops in Flint. The release emphasizes that nutritious food can limit the effects of lead exposure and notes that available food will be rich in calcium, vitamin C and iron.

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

Dental Services for Children

One of the provisions in the approved Medicaid budget for the current fiscal year was expansion of the Healthy Kids Dental (HKD) program to the remaining three counties in Michigan – Kent, Oakland and Wayne – and coverage for adolescents 13 through 20 years of age in those counties that previously were not included in the program. The HKD program has been administered by Delta Dental of Michigan since its inception. After informal statements by staff in the Michigan Department of Health and Human Services that competitive procurement is being considered for one or more Dental Benefit Managers to provide dental services on a risk basis to the almost one million children in Michigan, on November 7, 2016 the state released a Request for Information (RFI) to gather input from prospective bidders and any other stakeholders, with responses due by November 30th. According to the RFI, if the state decides to move forward with a procurement, a Request for Proposals would likely be released during the first calendar quarter of 2017.

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

Michigan Legislative Announcements

With the election over and the state House of Representatives back in session for a short time before the holiday break, the Republican and Democratic caucuses have been meeting to determine who will assume leadership positions during the 2017-2018 term.

On the Republican side of the aisle, Representative Tom Leonard III was approved to serve as Speaker, replacing term-limited Kevin Cotter; and Representative Dan Lauwers will serve as majority floor leader. The Democratic caucus voted Representative Sam Singh to be their new leader and Representative Christine Greig will serve as the minority floor leader. Representative Greig replaces Representative Tim Greimel, who still serves in the House but chose to step down from the leadership position.

With many current members of the House leaving due to term limits, more than 20 committees will be left without chairs and other committees will likely need adjustments as their chairs move to new posts. One appointment has already been made; Representative Laura Cox will replace term-limited Representative Al Pscholka as chair of the House Appropriations Committee. Other appointments are expected soon.

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

Michigan Developmental Disabilities Council

On November 1, 2016, Governor Rick Snyder issued an [Executive Order \(2016-20\)](#) to create the Michigan Developmental Disabilities Council and simultaneously to abolish the Michigan State Planning Council for Developmental Disabilities established in 2006. The new council is intended to better align with state and federal law and will be established within the Michigan Department of Health and Human Services. Appointments have not yet been announced.

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

Michigan Public Health Advisory Commission

In the September 2016 edition of *The Michigan Update*, we reported that Governor Rick Snyder issued an Executive Order (2016-19) to create a Public Health Advisory Commission. Creating the commission was one of the recommendations of the Flint Water Advisory Task Force. The commission, chaired by the state's Chief Medical Executive, Dr. Eden Wells, is tasked with completing an assessment of the current public health service delivery system in Michigan, both at the state and local level. On November 18th, the Governor [announced](#) the appointment of 18 members to the commission.

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

Innovation Health Projects Receive Awards

On November 10, 2016, Michigan Department of Health and Human Services Director Nick Lyon [announced](#) that 33 Health Innovation Projects across the state will share a total of \$993,572 in additional funding. Each project will receive up to \$35,000 to improve the efficiency and effectiveness of health services delivery. This is the fourth year such grants have been awarded to these and / or other organizations. A complete list of awardees and grants is appended to the press release.

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

Health Endowment Fund Awards

On November 2, 2016, the Michigan Health Endowment Fund [announced](#) more than \$13 million in grant awards to benefit the health of the state's children and seniors. A total of 33 separate programs will receive awards ranging in size from \$100,000 to \$500,000. A listing of awardees, with brief summaries of their projects and the size of their awards, is included in the announcement.

The Health Endowment Fund was created in 2013 as a result of the law that changed how Blue Cross Blue Shield of Michigan operates in the state. The law requires the company to contribute up to \$1.56 billion over 18 years to the fund to support efforts to improve the quality of health care while reducing costs and to benefit health and wellness through funding of programs for minor children and seniors throughout the state.

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

Insurance Churning

On November 30, 2016, the Center for Healthcare Research & Transformation (CHRT) at the University of Michigan released a new publication entitled [Insurance Churning](#). In this issue brief, CHRT discusses how Michiganders transitioned – churned – between different insurance plans and between insured and uninsured status during 2014 and 2015. Key findings include:

- Medicaid beneficiaries had the most instability in their coverage status.
- Those with individually purchased coverage in 2014 were the most likely to switch to a different type of coverage in 2015.
- Those with employer-sponsored coverage experienced the least amount of churning compared to individuals with other coverage.

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 12 final and 5 proposed policies that merit mention. Two of the final policies were released simultaneously with proposed policies. They are available for review on the department's [website](#).

- **MSA 16-30** advises **School Based Services Providers** of updated prescription requirements for **physical therapy, occupational therapy, and speech and language therapy** services.
- **MSA 16-32** advises **Dentists and Dental Clinics** of a **Correction to MSA 16-27**. The change indicates that in most cases **children will be enrolled in the Healthy Kids Dental program the first day of the month following their Medicaid eligibility, not as soon as they are Medicaid eligible.**
- **MSA 16-33** notifies **Maternal Infant Health Program (MIHP) Providers, Medicaid Health Plans (MHPs), Hospitals and Practitioners** that **effective January 1, 2017 MIHP services provided to MHP enrollees will be administered by the MHPs.**

- **MSA 16-34** informs **Home Health Agencies and Medicaid Health Plans** of Medicaid policy **changes to better align the program with Medicare conditions of participation** and to implement **two new billing codes** for home health services.
- **MSA 16-35** advises **Integrated Care Organizations, Hospice Providers and Nursing Facilities** that effective November 1, 2016, **MI Health Link enrollees who elect Hospice services may remain enrolled in the MI Health Link program if they choose**. This final policy was **simultaneously released for public comment**, with comments due to MDHHS by December 5, 2016.
- **MSA 16-36** informs **Bridges Eligibility Manual Holders** of an **increase in the Guardian/Conservator Income Deduction**, from \$60 to \$83 per month. This final policy, which was required by Public Act 268 of 2016, was **simultaneously released for public comment**, with comments due to MDHHS by December 5, 2016.
- **MSA 16-37** updates **All Providers** on policies related to **timely billing requirements** for claims submitted for beneficiaries receiving care on a fee-for-service basis.
- **MSA 16-38** advises **Dentists and Dental Clinics** of a **new Medicaid covered benefit – Interim Caries Arresting Medicament (CDT Code D-1354)**.
- **MSA 16-39** informs **Prepaid Inpatient Health Plans and Community Mental Health Services Programs** of the department's expectations around **qualifications and training of Peer Mentors**.
- **MSA 16-40** informs **All Providers** of revisions to the **Benefits Monitoring Program Authorized Provider monthly case management fee**.
- **MSA 16-41** notifies **Hospitals** of modifications to elements of **Electronic Health Record Incentive Program** eligibility verification and timing of operation.
- **MSA 16-42** notifies **All Providers** of **Quarterly Updates to the Medicaid Provider Manual**.
- A proposed policy (**1637-MOMS**) has been issued that would establish **coverage of family planning services for beneficiaries enrolled in the Maternity Outpatient Medical Services (MOMS) program**. Comments are due to MDHHS by December 19, 2016.
- A proposed policy (**1640-EPSDT**) has been issued that would provide for the **coverage of trauma services for children** under 21 years of age **through the Early and Periodic Screening, Diagnosis and Treatment benefit**. Comments are due to MDHHS by December 19, 2016.

- A proposed policy (**1633-HMP**) has been issued that would **increase point of service copayment amounts** for select **Healthy Michigan Plan** beneficiaries. Comments are due to MDHHS by December 22, 2016.

MDHHS has also released one L-letter of potential interest, which is available for review on the same website.

- **L 16-61** was released on November 7, 2016 as a notice to Tribal Chairs and Health Directors of the department's **intent to submit a State Plan Amendment to allow Physical Therapists, Occupational Therapists, Speech-Language Pathologists and Audiologists in private practice to enroll in and receive direct reimbursement** from the Medicaid program.

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

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