

The Michigan Update

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Medicaid Managed Care Enrollment Activity

As of October 1, 2015, there were **1,601,012 Medicaid beneficiaries, including Healthy Michigan Plan (HMP) beneficiaries, enrolled** in 12 Medicaid Health Plans (HMOs); this is a **decrease of 9,370** since September. The enrollment total reflects a **decrease of 4,289 HMP enrollees** since September and a **decrease of 5,081 non-HMP Medicaid enrollees**. (The reduction in non-HMP enrollment includes a decrease of 608 in the number of dual Medicare/Medicaid enrollees.)

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. Since that time a number of scoring errors have been corrected by the state, including one that awarded enough points to Meridian Health Plan of Michigan that it "knocked out" Molina Healthcare of Michigan in Region 7. HMA

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understands that six of the bidding HMOs have submitted protests to the state over additional scoring issues; however the results of those protests are not yet known.

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

Mark Saffer Resigns as President of HAP Midwest Health Plan

On October 23, 2015, *Crain's Detroit Business* reported that Mark Saffer, president of HAP Midwest Health Plan in Detroit, resigned from the company he founded more than two decades ago and sold a few years ago to Henry Ford Health System. According to the news release, effective immediately Mary Ann Tournoux, Health Alliance Plan's chief marketing officer, will serve as interim chief executive officer while also retaining her existing responsibilities for HAP.

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, but the caseload has rebounded throughout each month and stood at **593,040 as of October 26, 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 enrolled HMP beneficiaries reside in the state's five largest counties:

October 26, 2015 Healthy Michigan Plan Enrollment	
Wayne	163,437
Macomb	48,311
Oakland	47,594
Genesee	34,578
Kent	31,448
Five-County Total	325,368

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Statewide Total	593,040
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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 of these enrollees are already or soon will be enrolled in the state's Medicaid managed care organizations for their health care services. As of October 1, 2015, there were a total of **464,488 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, 28.5 percent of the total. Molina Healthcare of Michigan has 16.2 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 30.8 percent.

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

Michigan Medicaid Financing

The Michigan Medicaid program faces multiple financing issues over the next few years. A recent report by the House Fiscal Agency (HFA) and a committee presentation by HFA staff highlighted several of these issues.

Healthy Michigan Plan Funding

Beginning with calendar year 2017, the Healthy Michigan Plan (HMP) will not be fully funded by the federal government. Michigan will share in the cost of the HMP as the current federal funding rate of 100 percent is reduced to 95 percent at that time. A recent report by the HFA, [Fiscal Focus: Michigan's Medicaid Program](#), includes a chapter on HMP financing. The HFA projects that the state match requirement will be \$117 million in Fiscal Year (FY) 2016-2017 and will grow to \$331 million in FY 2020-2021. HFA notes that significant General Fund savings have occurred as a result of implementing the HMP. HFA estimates that even with a decreasing federal share, continuation of the HMP will not result in a net cost to the state General Fund until FY 2019-2020. However, HMA would note that there is still a need to find additional state funds for the HMP for the FY 2016-2017 budget. While the HMP program will save the

state money compared to not having the plan, the cost of the HMP in FY 2016-2017 is greater than what it was in FY 2015-2016 by the \$117 million noted above.

Medicaid Special Financing

Particularly challenging for the next two fiscal years is the loss of revenue from the Medicaid Managed Care Use Tax. Michigan has been told by the federal government that it may no longer use these funds for Medicaid as of January 1, 2017. This tax currently contributes a combined total of nearly \$600 million to the General Fund and School Aid Fund. Under current state law the Health Insurance Claims Assessment (HICA) will increase from 0.75 percent to 1.0 percent on January 1, 2017 when the Medicaid Managed Care Use Tax is eliminated. This small increase in HICA should generate an additional \$80 million per year, which is a very small fraction of the lost revenue due to the end of the Use Tax. In addition, the HICA is scheduled to sunset on January 1, 2018. State Representative Martin Howrylak has recently introduced House Bill 5014 which would eliminate the sunset provision of the HICA legislation.

Medicare Part B premiums

The proposed Congressional budget agreement for the current fiscal year and next fiscal year addresses what would otherwise have been about a 52 percent increase in the cost of Medicare Part B premiums paid by states effective January 1, 2016. Michigan's Medicaid program currently pays just over \$400 million for Medicare Part B premiums on behalf of low-income Medicare beneficiaries. Without the Congressional action, Michigan would have faced an increase of about \$200 million in the annual cost of these premiums. If the Congressional agreement is enacted, there will still be an increase, but it will be closer to 17 percent, or about \$70 million in increased cost to the State of Michigan.

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 October 1, 2015, there were **17,407 joint CSHCS/Medicaid beneficiaries enrolled in the Medicaid HMOs** - a decrease of 200 since September. 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, 25.7 percent of the total. Molina Healthcare of Michigan has 22.2 percent of the total; UnitedHealthcare Community Plan has 16.2 percent; and the other eight plans share the remaining 35.9 percent.

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

MICHild Conversion to Medicaid Expansion

There are currently two components to the Children's Health Insurance Program (CHIP) in Michigan. One component has been part of Healthy Kids (traditional) Medicaid and has served certain low-income teenagers through a Medicaid model. This Medicaid expansion CHIP program has been part of the Medicaid managed care system, but funded at the higher CHIP federal matching funds rate. The second component, MICHild, has been a distinct program, contracted separately with HMOs. Historically not all of the Medicaid HMOs have participated in MICHild and conversely there have been health plans serving MICHild enrollees that were not part of Medicaid.

While the MICHild program will continue to have a separate name, the Michigan Department of Health and Human Services has announced that MICHild will be converted to a Medicaid expansion CHIP program as of January 1, 2016. This means that the services will be delivered by the Medicaid HMOs and payments to health plans will be at Medicaid rates. Families enrolled in the MICHild program will continue to pay a premium of \$10 per month per family to maintain coverage for their children.

Additional detail about the conversion is available in two proposed policy bulletins noted in the *Medicaid Policies* article in this newsletter: 1541-Eligibility and 1554-Eligibility.

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

Duals in Medicaid HMOs

There were **31,911** Medicaid beneficiaries dually eligible for Medicare (duals) enrolled in Medicaid HMOs to receive Medicaid benefits in October 2015, a **decrease of 608** since September and a decrease of more than 24,000 since March.

This reduction is largely due to implementation of Michigan's demonstration program - MI Health Link - that provides integrated care for duals. Some individuals 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 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, 27.9 percent of the total; Meridian Health Plan of Michigan has 24.1 percent of the total (but the most voluntary enrollees); McLaren Health Plan has 14.1 percent of the total; UnitedHealthcare Community Plan has 11.7 percent of the total; and the other 8 plans share the remaining 22.2 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 October 1, 2015 these five D-SNPs had a combined enrollment of 12,125 duals for whom they provide Medicare services, an increase of 708 since September. Although the enrollment number increased in October, the first month since April when it did not decrease, total D-SNP enrollment is still down about 5,000 from the level in April, which is most likely attributable to the MI Health Link demonstration as well. Almost 77 percent of the duals enrolled in a D-SNP are enrolled in the Molina plan; almost 14 percent are enrolled in the Meridian plan (although some of the Meridian members may reside in northern Ohio); and the remaining 9 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 730 enrollees as of October 1, 2015. There is one additional D-SNP in the state, Fidelis SecureCare of Michigan (also called Michigan 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 October 1, 2015, Fidelis had 454 enrollees in its D-SNP. It is also an approved Medicare Advantage Institutional SNP (I-SNP) with 164 enrollees. (HMA would note that Michigan Complete Health did submit a bid to become a Medicaid HMO plan as of January 1, 2016, but was not initially selected by the State.)

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 three years (although the federal government has indicated an extension may be possible) and operate in four regions of the state. The entire Upper Peninsula is one region; eight counties in the southwest corner of the state are another region; and Wayne and Macomb Counties are two single-county regions. As of October 1, 2015, the Michigan Department of Health and Human Services reports there were **37,072 enrollees** in these health plans, down from 42,728 in September. Also as of October 1st, almost 42,000 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. The vast majority of current enrollees in these two regions (more than 97 percent in the Upper Peninsula and more than 93 percent in the Southwest region) have been passively enrolled.

There are five ICOs serving the Macomb and Wayne single county regions: Aetna Better Health, AmeriHealth Michigan, Fidelis SecureCares of Michigan, HAP Midwest Health Plan, and Molina Healthcare of Michigan. In these two regions only about seven percent of the enrollees voluntarily enrolled. The table below provides enrollment information by region for each ICO.

MI Health Link Enrollment October 1, 2015	Upper Pen. Region	SW MI Region	Macomb Region	Wayne Region	Total
Aetna Better Health		3,205	783	2,461	6,449
AmeriHealth Michigan			842	2,871	3,713
Fidelis SecureCares of MI			697	2,624	3,321
HAP Midwest Health Plan			1,142	4,576	5,718
Meridian Health Plan of MI		4,916			4,916
Molina Healthcare of MI			1,518	7,608	9,126
Upper Peninsula Health Plan	3,829				3,829
Total	3,829	8,121	4,985	20,140	37,072

Molina Healthcare has the most enrollees, both voluntarily and passively enrolled, about 24.6 percent of the combined total. Although each of the plans has enrollees who are receiving care in nursing facilities, Molina Healthcare has the largest share, almost 32 percent of the total.

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

HealthPlus Negotiating Merger with Health Alliance Plan

HealthPlus of Michigan, which recently sold its Medicaid and MICHild (Children's Health Insurance Program - CHIP) business to Molina Healthcare of Michigan, announced in early October that it has signed an exclusive, non-binding letter of intent to merge its commercial and Medicare Advantage business with Detroit-based Health Alliance Plan of Michigan (HAP). HAP also acquired Midwest Health Plan, a Medicaid-contracted HMO, in 2011. If approved by federal and state regulators, the merger of HealthPlus with HAP will create the state's second largest commercial HMO, with about 433,000 members. Blue Care Network is the state's largest commercial HMO with about 678,000 members and Priority Health ranks as the third largest with about 401,000 members.

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

Henry Ford and Kaiser Permanente

Detroit-based *Crain's Business News* [published](#) a blog article on October 25, 2015 that addressed rumors around a potential merger or strategic affiliation between Henry Ford Health System and Oakland, California-based Kaiser Permanente. The blog said the two organizations engaged in merger talks sometime in the 1980s but didn't take action, and that upcoming leadership changes within the Henry Ford Health System might make the timing right for another discussion.

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

Medicaid Reforms to Expand Coverage, Control Costs and Improve Care

On October 15, 2015, the Kaiser Commission on Medicaid and the Uninsured (KCMU) released a report and two issue briefs on state Medicaid budgets and policies. Health Management Associates conducted the 15th survey of Medicaid directors across the country on behalf of KCMU. The report, *Medicaid Reforms to Expand Coverage, Control Costs and Improve Care: Results from a 50-State Medicaid Budget Survey for State Fiscal Years 2015 and 2016*, provides an in-depth examination of the changes taking place in state Medicaid programs across the country.

Two additional issue briefs were developed as well. The first, *Medicaid Enrollment & Spending Growth: FY 2015 & 2016* provides an analysis of national trends in Medicaid enrollment

and spending. A key finding in this brief is that the Affordable Care Act's Medicaid expansion resulted in record increases in Medicaid enrollment and spending nationally in fiscal year 2015, with both enrollment and spending rising an average of nearly 14 percent. The second, *Putting Medicaid in the Larger Budget Context: An In-Depth Look at Three States in FY 2015 and 2016*, is a collection of three case studies of Medicaid programs in Alaska, California and Tennessee.

The report and issue briefs were authored by Health Management Associates (HMA) staff Vernon Smith, Kathleen Gifford and Eileen Ellis, with Robin Rudowitz, Laura Snyder, and Elizabeth Hinton from KCMU. HMA's Barbara Edwards, Jenna Walls, and Dennis Roberts also contributed to the reports.

The report and the companion issue briefs are available on either the [KCMU website](#) or the [HMA website](#). In addition, the [HMA Weekly Roundup](#) published October 21, 2015 included an "In Focus" article highlighting some of the report's key findings.

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

Certified Community Behavioral Health Clinics

On October 19, 2015, Michigan Department of Health and Human Services Director Nick Lyon [announced](#) that his department will be awarded a \$982,373 planning grant by the federal Substance Abuse and Mental Health Services Administration to develop Certified Community Behavioral Health Clinics (CCHBCs) in the state. Michigan is one of 24 states awarded planning grant funding, which will be used to develop criteria for the CCHBCs, establish a prospective payment system and prepare an application to participate in a two-year demonstration. Eight states will be awarded demonstration grants to pilot their CCBHCs.

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

Primary Care Health Homes Program

On October 21, 2015, the Michigan Department of Health and Human Services [announced](#) that an Invitation to Bid (ITB) for provider participation in the MI Care Team health homes pilot program will soon be released. The pilot is scheduled to begin in April 2016 and run for two years. MI Care Team providers will coordinate and manage behavioral health and physical

health care services for Medicaid and Healthy Michigan Plan beneficiaries with depression or anxiety and at least one of the following chronic conditions: asthma, diabetes, chronic obstructive pulmonary disease, heart disease or hypertension. The ITB will be open to Federally Qualified Health Centers and Tribal Health Centers.

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

Michigan's Medicaid System on the Cloud

On October 21, 2015, Michigan Department of Health and Human Services Director Nick Lyon [announced](#) that his department has worked with the State of Illinois, the Michigan Department of Technology, Management and Budget, and contractor CNSI to launch the second phase of the nation's first completely automated real-time and cloud-enabled system. Mr. Lyon said that Michigan residents will benefit from improved health care delivery and reduced costs through this Medicaid Management Information System technology. Michigan Governor Rick Snyder noted that "this is an innovative approach, allowing us to more efficiently share information and resources in real-time, helping residents get the health care they need."

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

Prescription Drug and Opioid Abuse Task Force Report

On October 26, 2015, Governor Rick Snyder [announced](#) that the Michigan Prescription Drug and Opioid Abuse Task Force, chaired by Lt. Governor Brian Calley, has presented him with a comprehensive report of their findings and more than two dozen recommendations for changes in regulations and practices that could address a growing problem in Michigan.

As indicated in the Governor's press release, the report makes numerous recommendations in the areas of prevention, treatment, regulation, policy and outcomes, and enforcement. Some of the highlights include:

- Updating or replacing the Michigan Automated Prescription System.
- Requiring registration and use of MAPS by those who are prescribing and dispensing prescription drugs.

- Increasing licensing sanctions for health professionals who violate proper prescribing and dispensing practices.
- Requiring additional training for professionals who prescribe controlled substances.
- Reviewing successful drug takeback programs for possible replication and expansion.
- Increasing the number of addiction specialists practicing in Michigan.
- Reviewing programs to eliminate doctor and pharmacy shopping and requiring a bona-fide doctor-patient relationship for prescribing controlled substances.
- Creating a public awareness campaign about the dangers of prescription drug use and abuse and how people can get help for themselves or family members.
- Increasing training for law enforcement in recognizing and dealing with addiction for those officers who do not deal directly with narcotics regularly.

The complete report is appended to the press release.

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

Innovation Health Projects Receive Awards

On October 26, 2015, Michigan Department of Health and Human Services Director Nick Lyon [announced](#) that 41 Health Innovation Projects across the state will share a total of \$1,163,000 in additional funding. Each project will receive up to \$35,000 to improve the efficiency and effectiveness of health service delivery. This is the third 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.

Baby-Friendly Maternity Care

On October 29, 2015, Michigan Department of Health and Human Services Director Nick Lyon [announced](#) that four Michigan hospitals have been selected to join the EMPOWER Initiative, funded by the federal Centers for Disease Control and Prevention, to enhance their maternity care practices and work toward achieving a Baby-Friendly USA® designation. The four hospitals are Hutzel Women's Hospital

in Detroit, Henry Ford Hospital Detroit, Henry Ford Wyandotte Hospital, and Mercy Health Saint Mary's Hospital in Grand Rapids. If these four hospitals are successful in achieving the Baby-Friendly USA® designation, they will join ten other hospitals in Michigan that have already done so. Additional information about this initiative and a complete list of participating hospitals is appended to the press release.

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

New House Human Services Subcommittees

On October 22, 2015, the Michigan House of Representatives' Health and Human Services Appropriations Subcommittee announced three additional subcommittees focusing on health services, human services and Medicaid.

The Health Services Subcommittee of Health and Human Services will be chaired by Representative Robert VerHeulen. Representative John Bumstead is the vice chair and Representative Harvey Santana is the minority vice chair. Other members include Representative John Bizon, Representative Laura Cox and Representative Kristy Pagan.

The Human Services Subcommittee of Health and Human Services will be chaired by Representative Earl Poleski. Representative Mike McCready is the vice chair and Representative Brian Banks is the minority vice chair. Other members include Representative Tim Kelly, Mr. VerHeulen and Representative Henry Yanez.

The Medicaid Subcommittee of Health and Human Services will be chaired by Representative Chris Afendoulis. Mr. VerHeulen is the vice chair and Representative Pam Faris is the minority vice chair. Other members include Representative Edward Canfield, Representative Larry Inman and Mr. Santana.

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

Michigan Association of Community Mental Health Boards

The executive board of the Michigan Association of Community Mental Health Boards (MACMHB) recently announced that Robert Sheehan has been appointed chief executive officer (CEO) effective immediately. Mr. Sheehan, who served for 18 years as the CEO of the Community

Mental Health Authority of Clinton, Eaton and Ingham Counties, will replace Michael Vizena at MACMHB, who is retiring.

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 two final and six proposed policies that merit mention. They are available for review on DCH's [website](#).

- **MSA 15-39** notifies **All Providers** that enrollment as a participating fee-for-service Medicaid provider will now require **Fingerprint-Based Criminal Background Checks** for certain "high-risk" providers and persons with 5% or more direct or indirect ownership interest in the provider. Medicaid HMOs may include this requirement at their option.
- **MSA 15-40** notifies **Physicians, Durable Medical Equipment Providers and Medicaid HMOs** of changes in fee-for-service coverage and payment policy for **Osteogenesis Stimulator/Bone Growth Stimulators**. Medicaid HMOs may have different coverage, clinical evaluation and authorization requirements.
- A proposed policy (**1546-PE**) has been issued that would introduce to **All Providers** a **new form** and clarify the **process for providers to grant access to additional users who many need to make changes** to their Community Health Automated Medicaid Processing System (**CHAMPS**) account information. Comments were due to MDHHS by October 29, 2015.
- A proposed policy (**1551-NEMT**) has been issued that would update the **Bridges Eligibility and Administrative Manuals** to **revise and streamline the medical needs documentation policy and process utilized by MDHHS staff** related to authorization of **Non-Emergency Medical Transportation**. Comments are due to MDHHS by November 12, 2015.
- A proposed policy (**1555-LHD**) has been issued that would inform both **Local Health Departments and Medicaid HMOs** of a change in **coverage of environmental investigations related to blood lead poisoning**. If implemented, a one-time, on-site investigation of a beneficiary's home or primary

residence limit would be established. Comments are due to MDHHS by November 12, 2015.

- A proposed policy (**1541-Eligibility**) has been issued that would update the **Bridges Eligibility and Administrative Manuals** to **increase covered services and access to care for children enrolled in the MICHild Medicaid expansion program** when MICHild is converted from a stand-alone program on January 1, 2016. Comments are due to MDHHS by November 26, 2015.
- A proposed policy (**1552-Eligibility**) has been issued that would update the **Bridges Eligibility Manual** to provide specific **guidance for the treatment of health insurance premiums and repayment schedules for promissory notes**. Comments are due to MDHHS by November 26, 2015.
- A proposed policy (**1554-Eligibility**) has been issued that would clarify for **All Providers** the **changes in covered services, delivery system and cost sharing requirements for the MICHild Medicaid expansion program** that will become effective January 1, 2016. Comments are due to MDHHS by November 26, 2015.

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

- **L 15-58** was released on October 7, 2015 to clarify Medicaid **policy regarding power wheelchairs and manual wheelchairs with custom wheelchair seating for beneficiaries residing in nursing facilities**.
- **L 15-59** was released on October 7, 2015 as a notice of the department's intent to submit a State Plan Amendment to describe the **reimbursement methodology for attending physicians rendering evaluation and management services in a hospital emergency department setting**.
- **L 15-60** was released on October 7, 2015 to **inform Medicaid Hospice Providers of changes in reimbursement rates** effective January 1, 2016 in accordance with the federal Hospice Wage Index Final Rule published August 6, 2015.
- **L 15-62** was released on October 7, 2015 as a notice of the department's intent to submit a State Plan Amendment to **allow fully-licensed marriage and family therapists to become enrolled Medicaid providers** able to be directly reimbursed for outpatient behavioral health services.

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

Health Management Associates is an independent national research and consulting firm specializing in complex health care program and policy issues. Founded in 1985, in Lansing, Michigan, Health Management Associates provides leadership, experience, and technical expertise to local, state, and federal governmental agencies, regional and national foundations, investors, multi-state health system organizations and single site health care providers, as well as employers and other purchasers in the public and private sectors.