

The Michigan Update

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Medicaid Managed Care Enrollment Activity

As of September 1, 2013, there were **1,246,875 Medicaid beneficiaries enrolled** in 13 Medicaid Health Plans (HMOs), **an increase of 6,317** since August 1, 2013. The number of Medicaid beneficiaries eligible for managed care enrollment decreased in September - there were 1,292,909 eligible beneficiaries, down from 1,302,505 in August.

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 now in place in every county of the state 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.

The number of Medicaid children dually eligible for the Children's Special Health Care Services (CSHCS) program enrolled in Medicaid HMOs changed slightly in September - there were **17,866 CSHCS/Medicaid children enrolled**, an increase of 173 since August. 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, 26.4 percent of the total. Molina Healthcare of Michigan has 17.1 percent; United Healthcare Community Plan has 15.4 percent of the total; McLaren Health Plan has 9.9 percent; and the other eight plans share the remaining 31.2 percent.

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The number of Medicaid beneficiaries dually eligible for Medicare (duals) enrolled in Medicaid HMOs to receive their Medicaid benefits continues to grow - there were **41,452 duals enrolled** in a Medicaid Health Plan in August, up from 40,396 in August, an increase of 1,056. Molina Healthcare of Michigan has the most duals receiving their Medicaid services from an HMO, 27.3 percent of the total; UnitedHealthcare Community Plan has 23.0 percent of the total; Meridian Health Plan of Michigan has 16.3 percent of the total (but the most voluntary enrollees); and the other 10 plans share the remaining 33.4 percent.

Eight of the 13 Medicaid HMOs in Michigan (or their parent organizations) are also federally contracted as **Medicare Advantage Dual Eligible Special Needs Plans (D-SNPs)** to provide Medicare benefits for duals in Michigan: HealthPlus Partners, McLaren Health Plan, Meridian Health Plan of Michigan, Midwest Health Plan, Molina Healthcare of Michigan, Total Health Care, UnitedHealthcare Community Plan and Upper Peninsula Health Plan. As of September 1, 2013 these **eight D-SNPs have a combined enrollment of 17,754 duals** for whom they provide Medicare services (an increase of 362 since August 1, 2013); 55.7 percent of the duals that are enrolled in a D-SNP are enrolled in the Molina plan, 30.3 percent are enrolled in the UnitedHealthcare plan and the remaining 14.0 percent are spread across the other six 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.

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

NCQA's Health Insurance Plan Rankings

The National Committee for Quality Assurance (NCQA) released its latest annual Health Insurance Plan Rankings for 2013-2014 in mid-September. The rankings, separately for Private (Commercial), Medicare and Medicaid health insurance plans, are based on the plans' combined HEDIS®, CAHPS® and NCQA Accreditation standards scores and are limited to managed care organizations, including both health maintenance organizations (HMOs) and preferred provider organizations (PPOs).

Michigan's Grand Valley Health Plan ranked 24th in the country among the 484 private plans rated, the highest

ranking of any Michigan private plan. HMOs operated by HealthPlus of Michigan and Priority Health also ranked in the top 50 private plans in the country, at 33 and 41 respectively. Among the 405 Medicare plans rated, Priority Health's HMO ranked 12th in the country. HMOs operated by HealthPlus of Michigan, Health Alliance Plan of Michigan and Blue Care Network also ranked in the top 50 Medicare Plans, at 15, 35, and 44, respectively.

Priority Health ranked 5th in the country among the 131 Medicaid plans rated, up from 7th in last year's standings. In total, seven Michigan Medicaid HMOs are ranked in the top 25 Medicaid plans across the country:

- Priority Health (5)
- Blue Cross Complete (10)
- HealthPlus of Michigan (13)
- Midwest Health Plan (14)
- UnitedHealthcare Community Plan (16)
- Upper Peninsula Health Plan (18)
- Molina Healthcare of Michigan (22)

The rankings are available on the [NCOA web site](#) and will be published in upcoming releases by Consumer Reports. All rankings will appear on the publication's website in October and the Private plan and Medicare plan ratings will also appear in the November issue of the Consumer Reports magazine. (It should be noted that the NCOA rankings do not include accreditation scores from other organizations such as URAC.)

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

MIChild

According to MAXIMUS, the Department of Community Health (DCH) contractor for MIChild enrollment, there were **37,554 children enrolled** in the MIChild program as of September 1, 2013. This is an increase of 51 since August 1, 2013.

As the enrollment report ([.pdf](#)) ([.xls](#)) for September shows, enrollment is dispersed between 10 plans, with almost 70 percent of the children enrolled with Blue Cross Blue Shield of Michigan (BCBSM); in August, BCBSM had 74 percent of the enrollees. MIChild-enrolled children receive their dental care through contracted dental plans. Of the three available plans, more than 95 percent of the children are enrolled with either BCBSM (42.1 percent) or

Delta Dental Plan (53.7 percent); in August, BCBSM had 48.3 percent of the enrollees and Delta Dental Plan had 46.8 percent. The reduction in enrollees for BCBSM is as a result of their decision to phase out as a MICHild health plan. See more about this in the June and August 2013 editions of *The Michigan Update*.

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

Adult Benefits Waiver (ABW)

As of the middle of September 2013, DCH reports there were **72,694 ABW beneficiaries enrolled** in the program, **a decrease of 2,376** since the middle of August. There are 28 County Health Plans (CHPs) serving ABW beneficiaries in 73 of Michigan's 83 counties. As of September 1, 2013, the combined ABW **enrollment in the 28 CHPs was 66,078, a decrease of 2,013** since August.

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

Governor Snyder Approves Healthy Michigan Plan (Medicaid Expansion)

As reported in last month's issue of *The Michigan Update*, the Michigan legislature has enacted legislation to create the Healthy Michigan Plan, which includes an expansion of Medicaid eligibility to individuals with income below 133 percent of the federal poverty level (FPL) as well as other provisions to encourage personal responsibility and healthy lifestyles for current Medicaid enrollees. On September 16, 2013, Governor Rick Snyder signed the bill into law as Public Act 107 of 2013. The Legislature did not authorize immediate effect so the law will not take effect until 90 days following the end of the current legislative session, or sometime in late March 2014. Staff in DCH are working now to develop the required application for federal waiver approval, amendments to the State Plan for Medical Assistance, and policies and procedures required to implement the new program.

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

Integrated Care for Dual Eligibles

In previous editions of *The Michigan Update* we have written about Michigan's plan to implement an integrated delivery system of health care for persons dually eligible for Medicare and Medicaid (duals) as of July 1, 2014. The state, with the Centers for Medicare and Medicaid Services (CMS) will enter into three-party contracts with Integrated Care Organizations (ICOs). The state will separately contract with Prepaid Inpatient Health Plans (PIHPs) to deliver behavioral health and developmental disabilities services to the demonstration population. A three-year demonstration is planned in four regions of the state. The state released a Request for Proposals (RFP) in late July with responses due on September 10, 2013 but has not yet announced any results.

On June 25, 2013, DCH held the first of what are to be quarterly forums around the state as part of an ongoing stakeholder engagement process. On September 17, 2013, DCH [announced](#) the date and location for a **second forum - October 23, 2013** at Northern Michigan University in Marquette. The forum will be held in the Brule Room at the Bottum University Center from 1 to 3 p.m. DCH will also provide a conference line for interested stakeholders to participate by phone.

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

DCH Receives Oral Disease Prevention Program Grant

On September 20, 2013, DCH Director James Haveman announced that the department's Oral Health Program has been awarded approximately \$310,000 in grant funds from the federal Centers for Disease Control and Prevention (CDC) to continue its longstanding efforts to reduce the incidence and prevalence of dental disease in Michigan communities, which impacts the overall health and wellness of state residents. Michigan was one of 21 states to receive such a grant from the CDC, and the grant is renewable for up to five years. The funds will be used to enhance and sustain the SEAL! Michigan school-based dental sealant program, enhance and promote the Community Water Fluoridation program, and implement preventive programs to enhance access to oral health services.

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

DCH Partnering with WebMD - Medscape

On September 24, 2013, DCH Chief Medical Executive Matthew Davis MD [announced](#) a new partnership between the department and WebMD's Medscape system to enhance communication efforts of urgent public health messages to health care professionals. Dr. Davis noted that the Medscape system is a "wonderful complement to Michigan's existing Health Alert Network (HAN) system, and helps ensure we have the tools in place to protect the health and wellness of Michigan residents in the event of an emergency." Currently, Michigan receives critical health alerts through the federal Centers for Disease Control and Prevention's HAN system. Michigan specific information is then added and alerts are distributed to local health departments, hospitals, health care providers, and other public health partners. The Medscape system will enhance these notifications with information such as infectious disease outbreaks, environmental and product safety advisories, preparedness planning and response information. To receive the alerts, providers will need to register on the Medscape [website](#) and indicate a Michigan zip code.

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Medicaid Policies

DCH has issued eight final policies and one proposed policy that merit mention. The policies are available for review on [DCH's website](#).

- **MSA 13-33** provides to **All Providers** an update on DCH's activities related to implementing the International Classification of Diseases, 10th Edition, Clinical Modification and Procedure Coding System (**ICD-10-CM / ICD-10-PCS**) code sets and provides claims processing guidance for providers in advance of implementation in October 2014.
- **MSA 13-34** clarifies for **Practitioners, Hospitals, Clinics, Medicaid Health Plans and Others** DCH's **telemedicine** policies.
- **MSA 13-35** advises **Modified Adjusted Gross Income (MAGI) Policy Holders** of Medicaid

eligibility changes that will occur October 1, 2013 as a result of the Affordable Care Act. The policy is simultaneously being re-released (with revisions) for public comment (1321-MAGI), with comments due to DCH by September 30, 2013.

- **MSA 13-36** notifies **School-Based Services Providers and Billing Agents** of a new **informational modifier** for evaluation services.
- **MSA 13-37** informs **Private Duty Nursing** providers of a **billing policy change**. Services must be billed in **15-minute increments** rather than on an hourly basis
- **MSA 13-38** advises **Organizations Involved in the Medicaid and MI Child Eligibility** process that certain individuals are **exempted from providing a Social Security Number** with their application for health care coverage.
- **MSA 13-39** informs **All Providers** that following federal approval **DCH will no longer distribute provider bulletins and L-letters through the US Mail**. All such materials will be distributed electronically, and the bulletin includes instructions on how to assure inclusion on the distribution list.
- **MSA 13-40** notifies **All Providers** of **updates to the Medicaid Provider Manual** effective October 1, 2013. The bulletin also advises providers that the Beneficiary Monitoring Program will now be called the **Benefits Monitoring Program** and provides an update on **ICD-10** implementation activities. (See also MSA 13-33, above.)
- A proposed policy (**1335-DRG**) has been issued that would update the Diagnosis Related Group (**DRG**) **Group from Version 30.0 to Version 31.0** for **Inpatient Hospital** services. Hospital DRG weights and rates will be updated as will per diem rates for **Distinct Part Rehabilitation Hospitals**. Comments are due to DCH by October 24, 2013.

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