

The Michigan Update

In This Issue

Medicaid Managed Care Enrollment Activity
Healthy Michigan Plan
MI Health Link
Michigan D-SNPs
NCQA's Health Insurance Plan Rankings
State Innovation Model: Patient-Centered Medical Homes
Improved Coordination of Physical Health and Behavioral Health Services
Michigan Prescription Drug and Opioid Abuse Commission
Michigan Public Health Advisory Commission
Comprehensive Primary Care Plus
Health Centers Receive \$87 Million
\$44.5 Million for Behavioral Health

Medicaid Managed Care Enrollment Activity

As of September 1, 2016, there were **1,701,497 Medicaid beneficiaries, including 491,715 HMP beneficiaries**, enrolled in the 11 Medicaid Health Plans (HMOs). This is an overall **increase of 9,122** since August (4,893 additional HMP enrollees and 4,229 additional non-HMP enrollees).

As the enrollment reports ([pdf](#)) ([xls](#)) for September 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 September 1, 2016 were Meridian Health Plan of Michigan with 28.1 percent of the total, Molina Healthcare of Michigan with 21.3 percent, United Healthcare Community Plan with 14.8 percent, and McLaren Health Plan with 10.8 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 September 1, 2016, there were **17,691 joint CSHCS/Medicaid beneficiaries enrolled in the Medicaid HMOs**, a decrease of 40 since August. All Medicaid HMOs except Harbor Health Plan have CSHCS/Medicaid enrollees, although the numbers vary

Workforce Education and Training

\$347 Million Toward a Safer Health Care System

Medicaid Policies

Quick Links

[Who We Are](#)

[What We Do](#)

[Who We Help](#)

Contact Us

Phone:
1-800-678-2299

[Email](#)

Locations:

Albany, New York
Atlanta, Georgia
Austin, Texas
Boston, Massachusetts
Chicago, Illinois
Columbus, Ohio
Denver, Colorado
Harrisburg, Pennsylvania
Indianapolis, Indiana
Lansing, Michigan
New York, New York
Phoenix, Arizona
Portland, Oregon
Sacramento, California
San Francisco, California
Seattle, Washington
Southern California
Tallahassee, Florida
Washington, DC

[Join Our Mailing List!](#)

across plans. Meridian Health Plan of Michigan has the most CSHCS/Medicaid beneficiaries enrolled (26.3 percent of the total); Molina Healthcare of Michigan has 26.1 percent of the total; UnitedHealthcare Community Plan has 15.8 percent; and McLaren Health Plan has 10.2 percent of the total.

There were **33,890 Medicaid beneficiaries dually eligible for Medicare (duals) enrolled in Medicaid HMOs** to receive acute care Medicaid benefits in September 2016, a decrease of 250 since August. 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 (28.9 percent of the total); Meridian Health Plan of Michigan has 25.1 percent of the total (but the most voluntary enrollees); and McLaren Health Plan has 15.6 percent of the total enrollees.

There were **34,503 MICHild beneficiaries enrolled in Medicaid HMOs** in September 2016, an increase of 2,065 since August. All Medicaid HMOs have MICHild beneficiaries enrolled, although the numbers vary dramatically across plans. Meridian Health Plan of Michigan has the most MICHild enrollees (23.8 percent of the total); Molina Healthcare of Michigan has 20.0 percent of the total; McLaren Health Plan has 14.0 percent; UnitedHealthcare Community Plan has 12.8 percent; and Priority Health Choice has 12.5 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 steady for the past eighteen months and, according to the Michigan Department of Health and Human Services [website](#), stood at **617,624 as of September 26, 2016**. Although the HMP caseload drops by about 25,000 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 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 to **37,781 enrollees as of July 1, 2016, to 37,087 as of August 1, 2016, and to 36,892 as of September 1, 2016**, with the decreases likely due to individuals who were passively assigned to a health plan but have since chosen to opt out from (not participate in) MI Health Link.

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 September 1, 2016.

MI Health Link Enrollment	Upper Pen. Region	SW MI Region	Macomb Region	Wayne Region	Total
Aetna Better Health of MI		3,418	765	2,809	6,992
AmeriHealth Michigan			768	2,676	3,444
MI Complete Health / Fidelis			339	1,681	2,020
HAP Midwest Health Plan			1,027	4,163	5,190
Meridian Health Plan of MI		5,302			5,302
Molina Healthcare of MI			1,679	8,300	9,979

Upper Peninsula Health Plan	3,965				3,965
Total	3,965	8,720	4,578	19,629	36,892

As of September 1st, Molina Healthcare of Michigan has the most enrollees, both voluntarily and passively enrolled (27.0 percent of the combined total); Aetna Better Health of Michigan has 19.0 percent of the total; Meridian Health Plan of Michigan has 14.4 percent; and HAP Midwest Health Plan has 14.1 percent. At this point, almost 94 percent of the MI Health Link enrollees are living at home, and about 5.6 percent of the enrollees live in a nursing facility. Less than one percent of the enrollees are receiving home and community-based long-term services and supports. While all of the plans have enrollees receiving care in nursing facilities, Molina Healthcare of Michigan has the largest share, 21.0 percent of the total. The Upper Peninsula Health Plan follows very closely with 20.8 percent of the total enrollees receiving care in nursing facilities (and only three fewer enrollees receiving such care than Molina).

While the majority of MI Health Link enrollees are passively enrolled, almost 16 percent of them voluntarily joined the demonstration. This percentage has more than doubled since September 2015. MDHHS reports that as of September 1, 2016, more than 50,000 duals eligible for participation in the demonstration have chosen to opt out. These individuals receive their Medicaid benefits on a fee-for-service basis but retain the option to voluntarily enroll in the demonstration at 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 September

1, 2016 these four D-SNPs had a combined enrollment of **12,467 duals** for whom they provide Medicare services. Almost 83 percent of the duals enrolled in a D-SNP are enrolled in the Molina plan. 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.

NCQA's Health Insurance Plan Rankings

The National Committee for Quality Assurance (NCQA) released its latest annual Health Insurance Plan Rankings for 2016-2017 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 related to consumer satisfaction, prevention and treatment, and are limited to managed care organizations, including both health maintenance organizations (HMOs) and preferred provider organizations (PPOs).

Grand Valley Health Plan, which recently filed papers to end its HMO business, scored highest among the Commercial plans in Michigan and ranked 24th in the country out of more than 500 plans rated. Of the more than 300 Medicare plans rated in the country, plans offered by Aetna Life Insurance Company, Blue Care Network of Michigan, Health Alliance Plan of Michigan and UnitedHealthcare Insurance Company were the highest rated in Michigan. A total of 171 of the nation's Medicaid plans were rated. Six of the eleven Michigan Medicaid plans were rated within the top 50 in the country: Blue Cross Complete of Michigan (17th), Meridian Health Plan of Michigan (30th), Molina Healthcare of Michigan (31st), Priority Health Choice (34th), UnitedHealthcare Community Plan (38th), and Upper Peninsula Health Plan (42nd).

Additional detail about the scores for these and other health plans is available on the [NCQA website](#).

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

State Innovation Model: Patient-Centered Medical Homes

In the June 2016 edition of *The Michigan Update*, we reported on the Michigan Department of Health and Human Services' (MDHHS) plan to implement the first phase of its *Blueprint for Health Innovation* Initiative focused on Patient-Centered Medical Homes. Funded by a federal State Innovation Model (SIM) grant, this first phase is targeted for implementation in early 2017. Notices of "Intent to Participate" were due to the state in June from interested physician practices. *Crain's Detroit Business* reports that MDHHS and the federal Centers for Medicare & Medicaid Services are in the final stages of signing contracts with regional managing organizations and selecting an information services company to be the central repository of clinical and patient use data that will be used to manage costs and monitor quality.

According to Crain's, the selected information services company has not yet been announced, however the regional managing organizations have been chosen and will be responsible for linking medical practices, hospitals, payers and social services organizations to more comprehensively coordinate care for the individuals being served. The five designated regional managing organizations are:

- Flint Health Coalition for the Genesee County region
- Jackson Health Network for the Jackson County region
- Muskegon Health System for the Muskegon County region
- Center for Healthcare Research and Transformation for the Livingston and Washtenaw county region
- A coalition of health departments for the Northern Michigan region (Antrim, Benzie, Charlevoix, Emmet, Grand Traverse, Kalkaska, Manistee, Missaukee, and Wexford Counties)

Additional information about the department's SIM activities is available on the MDHHS [website](#).

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

Improved Coordination of Physical Health and Behavioral Health Services

In previous editions of *The Michigan Update*, most recently in June, we have reported on discussions occurring around improving the coordination of physical health and behavioral health services in Michigan. To gather additional input from

stakeholders that will help inform the development of recommendations, the Michigan Department of Health and Human Services [announced](#) on September 28th that it will hold Affinity Group meetings with stakeholders. The first of these meetings, focused on eligible populations and their families, have been scheduled for October 4 and 5, 2016. Future meetings will be held with providers and payers. Information about the times and location of these first meetings appears in the department's announcement.

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

Michigan Prescription Drug and Opioid Abuse Commission

Governor Rick Snyder recently made [appointments](#) to a new Michigan Prescription Drug and Opioid Abuse Commission that he established by [Executive Order 2016-15](#) on June 23, 2016. The 21-member commission includes representatives from the health professions, academia, law enforcement, the pharmaceutical industry and the general public. The commission, which is an advisory board within the Executive Office, is charged with reviewing the recommendations of the Michigan Prescription Drug and Opioid Abuse Task Force that met in 2015, will be responsible for monitoring indicators of controlled substance abuse and diversion in the state, and will make recommendations for actions involving licensing, law enforcement, substance abuse treatment and prevention, and education.

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

Michigan Public Health Advisory Commission

On September 22, 2016, Governor Rick Snyder issued [Executive Order 2016-19](#) that both elevated the state's Chief Medical Executive to a cabinet-level position within the Michigan Department of Health and Human Services, although the position reports directly to the Governor, and created a Public Health Advisory Commission. Both of these actions were recommendations from the Flint Water Advisory Task Force.

The Office of the Chief Medical Executive is charged with disseminating critical public health information, advocating for disease prevention, promoting various health initiatives, and working with stakeholders to preserve the health of Michigan residents.

The Public Health Advisory Commission will serve as an advisory board within the Executive Office to provide input on public health issues, review best practices across the nation, and recommend ways to improve public health in Michigan. The 24-member commission will be chaired by the Chief Medical Executive and is required to complete its work and issue a final report by April 1, 2017. Other members of the commission have not yet been announced but will include directors or their designees from specified state departments as well as 18 gubernatorial appointees representing health care, academia, public health, hospital administration, public works, epidemiology, toxicology, food safety and the environment.

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

Comprehensive Primary Care Plus

The federal Centers for Medicare & Medicaid Services recently announced a new five-year national pilot, called Comprehensive Primary Care Plus (CPC+), aimed at strengthening primary care and improving quality through regionally-based multi-payer payment reform and care delivery transformation. Set to begin in January 2017, it was just announced that two of Michigan's largest health care plans, Priority Health and Blue Cross Blue Shield, will lead the effort in Michigan. They are among 57 health care plans selected in 14 regions across the country that will hopefully enroll about 5,000 primary care physicians into the pilot. The initiative extends to all patients of participating primary care physicians, whether they have individual coverage or are enrolled in Medicare, Medicaid, or commercial health plans.

Both the CPC+ pilot in Michigan and the Patient-Centered Medical Homes component of Michigan's State Innovation Model build on the previous Michigan Primary Care Transformation (MiPCT) initiative.

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

Health Centers Receive \$87 Million

On September 15, 2016, US Department of Health and Human Services Secretary Sylvia Burwell [announced](#) more than \$87 million in funding for 1,310 health centers across the nation and in the territories. "The funding will support health information technology enhancements to accelerate health centers' transition to value-based models of care,

improve efforts to share and use information to support better decisions, and increase engagement in delivery system transformation.” In Michigan, 36 health centers will share more than \$2.2 million. The complete list of centers along with their individual awards is available through a link in the announcement.

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

\$44.5 Million for Behavioral Health Workforce Education and Training

On September 22, 2016, the Health Resources and Services Administration and the Substance Abuse and Mental Health Services Administration, both in the US Department of Health and Human Services, [announced](#) 144 new and continuing grants through the Behavioral Health Workforce Education and Training program. The focus of this program is to increase the number of mental health providers and substance abuse counselors across the country. In Michigan, training programs at the Detroit Recovery Project and the University of Michigan will share new grant awards totaling \$544,184. Also in Michigan, training programs at Eastern Michigan University, University of Michigan, University of Detroit Mercy and Wayne State University will share \$1,329,034 in continuing program grant awards. The complete list of centers along with their individual awards is available through a link in the announcement.

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

\$347 Million Toward a Safer Health Care System

On September 29, 2016, the federal Centers for Medicare & Medicaid Services [announced](#) Hospital Improvement and Innovation Network contract awards totaling \$347 million to 16 national, regional, or state hospital associations, quality improvement organizations, and health system organizations to continue efforts in reducing hospital-acquired conditions and readmissions in the Medicare program.

The Michigan Health and Hospital Association was one of the recipients. The names of the other organizations across the nation that received contract awards as well as additional information about the initiative appear in the announcement.

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 seven final policies and one proposed policy that merit mention. They are available for review on the department's [website](#).

- **MSA 16-25** notifies **Bridges Eligibility and Administrative Manual Holders and Medicaid Health Plans** of **policy and reimbursement rate updates for Medicaid Fee-for-Service Non-Emergency Medical Transportation (NEMT)** services.
- **MSA 16-26** notifies **All Providers** of **Quarterly Updates to the Medicaid Provider Manual**.
- **MSA 16-27** advises **Dentists and Dental Clinics** of the **Healthy Kids Dental Expansion** and a change to a **modified full-month prospective enrollment**.
- **MSA 16-28** informs **MI Choice Waiver Agencies** and Others that, contingent upon approval from the federal Centers for Medicare & Medicaid Services (CMS), MDHHS will **include NEMT as a waiver service, which will be authorized by the waiver agencies. Implementation will be phased in geographically**.
- **MSA 16-29** informs **Practitioners, Hospitals, Health Departments and Federally Qualified Health Centers** that, contingent upon approval from CMS, MDHHS will **implement certification/accreditation/recognition requirements** for providers of **Diabetes Self-Management Education**.
- **MSA 16-05** notifies **Bridges Eligibility and Administrative Manual Holders, Medicaid Health Plans and the Medicaid Non-Emergency Medical Transportation (NEMT) Contractor** of changes in **provider enrollment requirements. The changes are not applicable to Medicaid Health Plans**.
- **MSA 16-31** advises **Vision Providers** of changes in policy related to **eyeglass repair and replacement**.
- A proposed policy (**1625-Hospital**) has been issued **to clarify admission and transfer requirements for Long-Term Acute Care Hospitals**. Comments are due to MDHHS by October 28, 2016.

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

- **L 16-53** was released in early September 2016 to advise **Nursing Facilities** that beginning October 4, 2016, **Claim Adjustment Reason Code B-7** (Billing

National Provider Identification [NPI] number does not match the NPI assigned to the Level of Care Code 02 on the Eligibility File) **will be set to "Deny"**; the code has been set to "Ignore".

- **L 16-54** was released on September 15, 2016 as a notice to Tribal Chairs and Health Directors of the department's **intent to submit a State Plan Amendment** regarding **coverage parameters for adult preventive services**. Specifically, language will be added to include coverage of preventive services assigned a grade of A or B by the US Preventive Task Force and all approved adult vaccines and their administration as recommended by the Advisory Committee on Immunization Practices. Language will also be updated to exclude beneficiary cost sharing liability for codes used to report the preventive medicine evaluation and management of adults.
- **L 16-48** was released on September 28, 2016 to advise **Private Duty Nursing** (PDN) providers that beginning October 1, 2016 all **requests for prior authorization of PDN services will be handled by a single entity within the department**, the Program Review Division in the Medical Services Administration.
- **L 16-49** was released on September 30, 2016 as a notice to Tribal Chairs and Health Directors of the department's **intent to submit a State Plan Amendment** regarding a **funding mechanism for expanded lead abatement activities** in Flint and other areas within Michigan.

For additional 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.