

HEALTH MANAGEMENT ASSOCIATES

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MEDICAID MANAGED CARE ENROLLMENT ACTIVITY

As of August 1, 2019, there were **1,718,827 Medicaid beneficiaries, including 516,499 Healthy Michigan Plan (HMP) beneficiaries**, enrolled in the 11 Michigan Medicaid Health Plans (HMOs). As the table below shows, this is an overall **decrease of 6,953** since July 1, 2019. The number of HMP beneficiaries enrolled in HMOs decreased by 3,285, and the number of non-HMP enrollees decreased by 3,668. As the table also shows, the August enrollment total is almost 71,000 below the total for September 2018.

	Sept. 2018	Nov. 2018	Jan. 2019	March 2019	May 2019	June 2019	July 2019	August 2019
All Medicaid Beneficiaries Enrolled	1,789,450	1,755,709	1,751,429	1,761,472	1,724,124	1,727,594	1,725,780	1,718,827
• Total HMP Enrollees	550,742	540,098	526,431	536,784	521,784	521,994	519,784	516,499
• Total CSHCS/Medicaid Enrollees	21,416	19,040	22,020	21,026	22,310	22,892	22,953	23,371
• Total Medicare/Medicaid Enrollees (Duals)	39,563	38,965	39,261	38,756	38,301	39,079	39,034	38,743
• Total MICHild Enrollees	34,873	34,847	36,448	35,860	35,364	35,959	36,866	37,673

The number of beneficiaries identified as mandatory managed care enrollees but not yet enrolled in a Medicaid HMO has varied dramatically during the past 12 months, from a low of 45,305 in July 2018 to a high of 111,082 in January 2019. In June 2019, the number of mandatory but not yet enrolled beneficiaries was 85,220; the number dropped to 76,488 in July but has jumped again in August 2019, to 86,563.

As the enrollment reports for August ([pdf](#), [xls](#)) 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. 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 these counties, Upper Peninsula Health Plan.

The plans with the highest total enrollment in August were Meridian Health Plan of Michigan with 28 percent of the total, Molina Healthcare of Michigan with 19 percent, and UnitedHealthcare Community Plan with more than 14 percent of the total number of enrollees.



Healthy Michigan Plan (HMP)

There were 516,499 HMP beneficiaries enrolled as of August 1, 2019 in the Medicaid HMOs. This is a **decrease of 3,285 since July 1, 2019**. As the table above shows, while there have been some increases and decreases over the last several months, the August count of enrollees is more than 34,000 below the count for September 2018. We note that total HMP enrollment (both in managed care and fee-for-service) has also decreased over this time period by a similar number. Enrollment of HMP beneficiaries in the Medicaid HMOs has also been affected by large fluctuation in the number of HMP beneficiaries mandated to enroll in a Medicaid HMO but not yet assigned to a plan. In December 2018, the number of mandatory but unenrolled beneficiaries was 27,979; the number then jumped to 57,771 in January 2019. Since January, there have been increases and decreases; in May, there were 29,045 mandatory but unenrolled beneficiaries and as of August 1, 2019, there were 37,051.

All Medicaid HMOs have HMP beneficiaries enrolled, although the numbers vary across plans. The plans with the highest enrollment in August were Meridian Health Plan of Michigan with more than 27 percent of the total, Molina Healthcare of Michigan with more than 16 percent, and Blue Cross Complete with more than 15 percent of the total enrollees.

CSHCS/Medicaid

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. There were **23,371 joint CSHCS/Medicaid beneficiaries enrolled as of August 1, 2019** in the Medicaid HMOs, **an increase of 418 since July 1, 2019**.

All Medicaid HMOs have CSHCS/Medicaid enrollees, although the numbers vary across plans. The plans with the highest enrollment in August were Meridian Health Plan of Michigan with almost 23 percent of the total, Molina Healthcare of Michigan with more than 22 percent, and UnitedHealthcare Community Plan with almost 14 percent of the total enrollees.

MiChild

There were **37,673 MiChild beneficiaries enrolled as of August 1, 2019** in Medicaid HMOs. As the table above reflects, the number of enrolled MiChild beneficiaries **increased by 807 between July 1, 2019 and August 1, 2019**.

All Medicaid HMOs have MiChild beneficiaries enrolled, although the numbers vary dramatically across plans. The plans with the highest enrollment in August were Meridian Health Plan of Michigan with almost 29 percent of the total, Molina Healthcare of Michigan with more than 16 percent, and UnitedHealthcare Community Plan with more than 13 percent of the total enrollees.



Medicare/Medicaid

Aside from Michigan’s Medicare/Medicaid financial alignment demonstration, MI Health Link, there were an additional **38,743 Medicaid beneficiaries dually eligible for Medicare (duals) enrolled as of August 1, 2019** in Medicaid HMOs for their acute care Medicaid benefits. As the table above reflects, the number of enrolled duals **decreased by 291 between July 1, 2019 and August 1, 2019.**

All Medicaid HMOs have duals enrolled, although the numbers vary significantly across plans. The plans with the highest enrollment in August were Meridian Health Plan of Michigan with almost 31 percent of the total, Molina Healthcare of Michigan with more than 23 percent, and McLaren Health Plan with almost 15 percent of the total enrollees.

For additional information, contact [Eileen Ellis](#), Senior Advisor Emeritus, or [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, operates in four regions of the state. The entire Upper Peninsula is one region; eight counties in the southwest corner of the state (Barry, Berrien, Branch, Calhoun, Cass, Kalamazoo, St. Joseph, and Van Buren) form another region; and Macomb County and Wayne County 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.

The number of MI Health Link enrollees continues to fluctuate, with increases in some months and decreases in others. The Michigan Department of Health and Human Services (MDHHS) reports that **as of August 1, 2019, the MI Health Link enrollment total was 36,621, an increase of 1,850 enrollees since July 1, 2019.**

The tables below illustrate MI Health Link enrollment fluctuation by month during 2018 and to date in 2019. Note that the enrollment total for December 2018 was the lowest for the calendar year, more than 4,000 below the total for May, which was the highest monthly total for the year. The enrollment totals for January through May 2019 were all below totals for any month in 2018, and the enrollment total for August 2019 is the highest this calendar year. This fluctuation could be tied to the months during which the department processes passive enrollments.



Jan. 2018	Feb. 2018	March 2018	April 2018	May 2018	June 2018
38,045	38,571	38,562	37,798	39,021	38,327
July 2018	August 2018	Sept. 2018	Oct. 2018	Nov. 2018	Dec. 2018
37,518	37,103	36,394	35,651	34,827	34,655

Jan. 2019	Feb. 2019	March 2019	April 2019	May 2019	June 2019	July 2019	August 2019
34,367	34,444	33,672	33,145	33,095	35,612	34,771	36,621

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 **August 1, 2019**.

MI Health Link Enrollment	Upper Pen. Region	SW MI Region	Macomb Region	Wayne Region	Total
Aetna Better Health of MI		3,345	843	3,075	7,263
AmeriHealth Michigan			626	2,213	2,839
HAP Empowered, Inc.			977	3,591	4,568
Meridian Health Plan of MI		4,751			4,751
MI Complete Health / Fidelis			502	1,919	2,421
Molina Healthcare of MI			1,853	8,949	10,802
Upper Peninsula Health Plan	3,977				3,977
Total	3,977	8,096	4,801	19,747	36,621

As of August 1, 2019, Molina Healthcare of Michigan had the most enrollees, both voluntarily and passively enrolled (almost 30 percent of the combined total); Aetna Better Health of Michigan came in second with almost 20 percent; and Meridian Health Plan of Michigan was third with 13 percent of the total enrollees.

At present, a little less than 95 percent of the MI Health Link enrollees are living in a community setting, and a little more than 5 percent of the enrollees live in a nursing facility. Over 5 percent of the total enrollees living in a community setting are receiving home and community-based long-term services and supports through the MI Health Link program waiver; however, a significant number of the other enrollees living in a community setting receive in-home services and supports from the ICOs through the Medicaid State Plan personal care benefit.

While all plans have enrollees receiving care in nursing facilities, Aetna Better Health of Michigan had the largest share during August 2019; over 22 percent of the total enrollees residing in nursing facilities were part of Aetna. This is the third straight month since MDHHS has been providing this level of detail that the Upper Peninsula Health Plan (UPHP) did not have the most enrollees receiving care in nursing facilities.



Molina Healthcare of Michigan had the second highest share of enrollees at almost 19 percent; and UPHP came in third, with over 18 percent of the total enrollees residing in nursing facilities.

Although the majority of MI Health Link enrollees are passively enrolled and can opt out of the demonstration at any time, the percentage that voluntarily joined the demonstration has grown significantly over time. As of August 1, 2019, the voluntary enrollment percentage was 26.0, a slight reduction from the previous few months.

MDHHS also reports that almost 60,000 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, or re-enroll, in the demonstration at any time.

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

Three 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: Meridian Health Plan of Michigan, Molina Healthcare of Michigan, and UnitedHealthcare Community Plan. **As of August 1, 2019, these three D-SNPs had a combined enrollment of 23,335 duals** for whom they provide Medicare services.

Almost 53 percent of the duals enrolled in a Michigan D-SNP (12,282 individuals) in August 2019 are enrolled with Molina; almost 38 percent (8,740 duals) are enrolled with Meridian; and 2,313 duals (almost 10 percent of the total) are enrolled with United. None of these duals are participating in the MI Health Link demonstration. In addition to these three health plans, beginning January 1, 2019, two additional health plans were approved as D-SNPs serving Michigan – Humana Medical Plan and Health Alliance Plan of Michigan (HAP). Humana had 1,188 enrollees as of August 1, 2019 and HAP had 37 enrollees.

Not all 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 additional information, contact [Esther Reagan](#), Senior Consultant, at (517) 482-9236.



HEALTHY MICHIGAN PLAN ENROLLMENT

The Michigan Department of Health and Human Services reports enrollment counts for the Healthy Michigan Plan (HMP), its Medicaid expansion program for low-income non-elderly adults who do not meet eligibility criteria for traditional program coverage, at the beginning of each week on its [website](#). Enrollment stood at **653,606 as of August 26, 2019**, the last counting day of the month. This is a **decrease of 7,343 since July 30, 2019**. The end-of-month count for August 2019 is the lowest since December 2016; the highest ever end-of-month count was on April 30, 2018 when there were 695,820 enrollees.

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PRIORITY HEALTH AND TOTAL HEALTH CARE

On August 28, 2019, the media [announced](#) that Priority Health will expand its market presence in southeast Michigan with the acquisition of Detroit-based Total Health Care Inc. Pending approval by state regulators, the acquisition should close in early 2020.

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

MICHIGAN BUDGET

It has been about a decade since the budget for the State of Michigan has not been finalized well before the beginning of the state fiscal year on October 1. However, that is the situation in 2019. The beginning of the new fiscal year is only a month away and there are still a number of unresolved issues, including funding to address repair of roads and bridges across the state. On August 23, 2019, State Budget Director Chris Kolb issued a notice to state department directors asking that they begin determining what functions are essential to public health and safety in preparation for a possible partial shutdown of state government operations if the Governor and Legislature are unable to agree on a budget in time for the start of the 2019-2020 fiscal year.

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MICHIGAN'S PUBLIC MENTAL HEALTH SYSTEM

Over the last several months we have reported on activities associated with the state's public mental health system, from status of the proposed pilots around integrating physical and behavioral health (often called the "298 initiative") to the financial viability of the state's 10 prepaid inpatient health plans that manage behavioral health services for Medicaid beneficiaries. Reports on the latter issue most recently involved the Michigan Department of Health and Human Services' cancellation of its contract with Lakeshore Regional Entity, a prepaid inpatient health plan that manages behavioral health services for approximately 30,000 Medicaid beneficiaries in Allegan, Kent, Lake, Mason, Muskegon, Oceana and Ottawa counties through community mental health services programs.

There are many organizations with a stake in these issues, as well as the residents of Michigan that rely on the state's publicly funded behavioral health system to provide their care. A group of mental health advocacy organizations released a [report](#) on August 26, 2019, which indicates that the system is in crisis due to "the system's poor structure and organization, an overly complicated bureaucracy, and the lack of funding." The organizations include: The Arc-Michigan, Association for Children's Mental Health, the Mental Health Association in Michigan, the Michigan Developmental Disabilities Council, the Michigan Disability Rights Coalition, Michigan Protection and Advocacy Services, and the National Alliance of Mental Illness – Michigan. The August 26 report is a follow-up to a letter released by the group on August 5, 2019, which can be linked via the report.

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MICHIGAN OPIOIDS TASK FORCE

On August 21, 2019, Michigan Governor Gretchen Whitmer signed [Executive Order 2019-18](#), creating the Michigan Opioids Task Force, which will bring together leaders from across state government to tackle the opioid epidemic. Dr. Joneigh Khaldun, Chief Medical Executive for the State of Michigan and Chief Deputy Director for Health for the Michigan Department of Health and Human Services will serve as Task Force chair. Other members of the task force will include directors or designees from several state departments. The task force will be charged with identifying the root causes of the opioid epidemic and implementing response actions to help Michiganders struggling with opioid addiction access the recovery services they need. The task force will also work to raise public awareness about the opioid epidemic and the resources available to those impacted by it.

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





MICHIGAN HEALTH ENDOWMENT FUND ANNOUNCES NEW AWARDS

On August 20, 2019, the Michigan Health Endowment Fund [announced](#) its 2019 awards for two grant programs – Behavioral Health and Nutrition & Healthy Lifestyles. A total of 39 projects will receive funding with almost \$15 million awarded across the recipients. The awardees are listed in the announcement with brief descriptions of their projects and award amounts.

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

MDHHS AWARDED GRANT FOR CHILDREN WITH EPILEPSY

On August 21, 2019, the Michigan Department of Health and Human Services [announced](#) receipt of a grant from the federal Health Resources and Services Administration’s Maternal Child and Health Systems Branch to fund the Michigan Pediatric Epilepsy Project. The four-year grant for \$416,000 annually (\$1.66 million in total) will be used to provide greater access to comprehensive services for children, youth and their families living with epilepsy and will be shared with the state’s four major epilepsy centers – Beaumont Children’s Hospital, Children’s Hospital of Michigan, Helen DeVos Children’s Hospital, and Mercy Health Hauenstein Neurosciences – along with several other partners in the project (which are listed in the announcement).

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MEDICAID POLICIES

The Michigan Department of Health and Human Services (MDHHS) has released two final and three proposed policies that merit mention. They are available for review on the department’s [website](#).

- **MSA 19-19** notifies **Hospitals, Nursing Facilities, Practitioners, Medicaid Health Plans and Integrated Care Organizations** that beginning September 1, 2019 the department will **enroll and reimburse Portable X-ray Suppliers and Independent Diagnostic Testing Facilities** for Medicaid covered services.
- **MSA 19-20** advises **All Providers** that effective October 1, 2019, **providers who prescribe drugs to Medicaid beneficiaries must be actively enrolled** in the Community Health Automated Medicaid Processing System.
- A proposed policy (**1921-DMEPOS**) has been issued that would **revise documentation requirements for home oxygen therapy**. Comments are due to MDHHS by September 9, 2019.
- A proposed policy (**1923-NEMT**) has been issued that would align meal reimbursement requirements with the State of Michigan Standardized Travel Regulations, change prior authorization **requirements for meals and lodging**, and revise timely filing requirements. Comments are due to MDHHS by September 13, 2019.



- A proposed policy (**1925-Hearing**) has been issued that would **add medical suppliers as an allowable dispenser of hearing aid batteries and expand the dispensing schedule** from six months to a year. Comments are due to MDHHS by September 25, 2019.

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

- **L 19-26** was released August 13, 2019 as a notice to Tribal Chairs and Health Directors of the department's **intent to submit a State Plan Amendment (SPA)** to the Centers for Medicare & Medicaid Services (CMS) related to **allowing additional licensed providers to verify the need for non-emergency medical transportation and only require medical verification for special transportation needs.**
- **L 19-27** was released August 13, 2019 as a notice to Tribal Chairs and Health Directors of the department's **intent to submit a Medicaid SPA and a corresponding Alternative Benefit Plan SPA** to CMS related to providing **targeted case management** services for certain individuals with **chronic or complex physical or behavioral health care needs** and who were recently **incarcerated or involuntarily residing in a prison, jail, detention facility, or other penal setting.**
- **L 19-29** was released August 13, 2019 as a notice to Tribal Chairs and Health Directors of the department's **intent to submit a renewal application** to CMS for the **Section 1915(b) Comprehensive Healthcare Program Waiver** (that authorizes managed care enrollment in the Medicaid HMOs).
- **L 19-31** was released August 22, 2019 as a notice to Tribal Chairs and Health Directors of the department's **intent to submit a SPA** to CMS to reflect a **funding increase** for the **Institute for Mental Disease and Government Provider Disproportionate Share Hospital Pools.**
- **L 19-28** was released August 23, 2019 as a notice to interested parties that the department is submitting **renewal applications** to CMS for the **Section 1915(b)/(c) MI Health Link Waivers.**

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HMA HEALTH MANAGEMENT ASSOCIATES

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