

HEALTH MANAGEMENT ASSOCIATES

THE
**MICHIGAN
UPDATE**
2020 

MARCH



Table of Contents

MEDICAID MANAGED CARE ENROLLMENT ACTIVITY 3

HEALTHY MICHIGAN PLAN ENROLLMENT 5

MICHIGAN MEDICARE ADVANTAGE PLANS 7

HEALTHY MICHIGAN PLAN ENROLLMENT 8

WORKFORCE AND COMMUNITY ENGAGEMENT REQUIREMENTS..... 9

CORONAVIRUS INFORMATION..... 9

MEDICAID POLICIES 10



MEDICAID MANAGED CARE ENROLLMENT ACTIVITY

As of March 1, 2020, there were **1,766,779 Medicaid beneficiaries, including 540,935 Healthy Michigan Plan (HMP) beneficiaries**, enrolled in the 10 Michigan Medicaid Health Plans (HMOs). As the table below shows, this is an overall **increase of 12,929** since February 1, 2020. The number of HMP beneficiaries enrolled in HMOs increased by 5,410, and the number of non-HMP enrollees increased by 7,519. The enrollment total for March is the highest in more than a year.

	Jan. 2019	Feb. 2019	July 2019	Dec. 2019	Jan. 2020	Feb. 2020	Mar. 2020
All Medicaid Beneficiaries Enrolled	1,751,429	1,765,189	1,725,780	1,743,905	1,746,449	1,753,850	1,766,779
• Total HMP Enrollees	526,431	535,310	519,784	528,713	530,415	535,525	540,935
• Total CSHCS/ Medicaid Enrollees	22,020	21,712	22,953	23,944	23,863	23,929	24,292
• Total Medicare/ Medicaid Enrollees (Duals)	39,261	39,236	39,034	39,569	39,107	39,199	39,293
• Total MICHild Enrollees	36,448	35,423	36,866	38,618	39,933	38,716	38,909

The number of beneficiaries identified as mandatory managed care enrollees but not yet enrolled in a Medicaid HMO has varied dramatically over the last two years, from a low of 45,305 in July 2018 to a high of 111,082 in January 2019. In March 2020, the number of mandatory but not yet enrolled beneficiaries was 77,302. This is a decrease of 8,251 since February and a decrease of more than 11,000 since January.

As the enrollment reports for March ([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.

We reported some time ago that Henry Ford Health System’s Health Alliance Plan (HAP) purchased Trusted Health Plan. The managed care reports now combine enrollment totals for Trusted Health Plan with HAP Empowered Health Plan (formerly called HAP Midwest Health Plan). This combined health plan now serves 10 counties.





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

Healthy Michigan Plan (HMP)

There were 540,935 HMP beneficiaries enrolled as of March 1, 2020 in the Medicaid HMOs. This is an **increase of 5,410 since February 1, 2020**. While there have been increases and decreases over the last several months, the March enrollment count is higher than for any month in well over a year.

All Medicaid HMOs have HMP beneficiaries enrolled, although the numbers vary across plans. The plans with the highest HMP enrollment in March were Meridian Health Plan of Michigan with almost 27 percent of the total, Blue Cross Complete with 16.01 percent, and Molina Healthcare of Michigan with 15.99 percent of the total enrollees.

CSHCS/Medicaid

The Michigan Department of Health and Human Services 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 **24,292 joint CSHCS/Medicaid beneficiaries enrolled as of March 1, 2020** in the Medicaid HMOs, **an increase of 363 since February 1, 2020**.

All Medicaid HMOs have CSHCS/Medicaid enrollees, although the numbers vary across plans. The plans with the highest enrollment in March were Meridian Health Plan of Michigan with 23 percent of the total, Molina Healthcare of Michigan with more than 21 percent, and Blue Cross Complete with almost 15 percent of the total enrollees.

MiChild

There were **38,909 MiChild beneficiaries enrolled as of March 1, 2020** in Medicaid HMOs. As the table above reflects, the number of enrolled MiChild beneficiaries **increased by 193 between February 1, 2020 and March 1, 2020**.

All Medicaid HMOs have MiChild beneficiaries enrolled, although the numbers vary dramatically across plans. The plans with the highest enrollment in March were Meridian Health Plan of Michigan with more than 28 percent of the total, Molina Healthcare of Michigan with almost 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 **39,293 Medicaid beneficiaries dually eligible for Medicare (duals) enrolled as of March 1, 2020** in Medicaid HMOs for their acute care Medicaid benefits. As the table above reflects, the number of enrolled duals **increased by 294 between February 1, 2020 and March 1, 2020.**

All Medicaid HMOs have duals enrolled, although the numbers vary significantly across plans. The plans with the highest enrollment in March were Meridian Health Plan of Michigan with more than 30 percent of the total, Molina Healthcare of Michigan with more than 22 percent, and McLaren Health Plan with more than 14 percent of the total enrollees.

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

HEALTHY MICHIGAN PLAN ENROLLMENT

In previous editions of *The Michigan Update* we have written about Michigan’s implementation of an integrated healthcare delivery system demonstration 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 healthcare 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 March 1, 2020, the MI Health Link enrollment total was 37,006, a decrease of 569 enrollees since February 1, 2020.**

The tables below illustrate MI Health Link enrollment by month during 2018 and 2019 and for the first three months of 2020. Note that the enrollment total for December 2018 was the lowest for that calendar year, more than 4,000 below the total for May, which was the highest monthly total for the year. Note as well that the enrollment total for December 2019 was the second highest enrollment total for calendar year 2019 and more than 2,000 higher than December 2018.

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
34,367	34,444	33,672	33,145	33,095	35,612
July 2019	August 2019	Sept. 2019	Oct. 2019	Nov. 2019	Dec. 2019
34,771	36,621	37,295	37,018	37,377	37,321

Jan. 2020	Feb. 2020	March 2020
36,647	37,575	37,006

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 **March 1, 2020**.

MI Health Link Enrollment	Upper Peninsula Region	SW MI Region	Macomb Region	Wayne Region	Total
Aetna Better Health of MI		3,275	903	3,162	7,340
AmeriHealth Michigan			625	2,113	2,738
HAP Empowered, Inc.			943	3,447	4,390
Meridian Health Plan of MI		4,577			4,577
MI Complete Health			568	2,064	2,632
Molina Healthcare of MI			1,971	9,321	11,292
Upper Peninsula Health Plan	4,037				4,037
Total	4,037	7,852	5,010	20,107	37,006

As of March 1, 2020, Molina Healthcare of Michigan had the most enrollees, both voluntarily and passively enrolled (almost 31 percent of the combined total); Aetna Better Health of Michigan came in second with almost 20 percent; and Meridian Health Plan of Michigan had more than 12 percent of the total enrollees.



At present, 94 percent of the MI Health Link enrollees are living in a community setting, and the remaining 6 percent of the enrollees live in a nursing facility. Almost 6 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 called Home Help.

While all plans have enrollees receiving care in nursing facilities, Aetna Better Health of Michigan had the largest share during March 2020; almost 21 percent of the total enrollees residing in nursing facilities were part of Aetna. Molina Healthcare of Michigan had the second highest share of enrollees with almost 19 percent; and Upper Peninsula Health Plan came in third, with 18 percent of total enrollees residing in nursing facilities.

The majority of MI Health Link enrollees are passively enrolled and can opt out of the demonstration at any time. Beneficiaries may also voluntarily enroll in the demonstration, and as of March 1, 2020, the voluntary enrollment percentage was 19.9.

MDHHS also reports that almost 61,000 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 MEDICARE ADVANTAGE PLANS

January marked a new year for Medicare Advantage Special Needs Plans (SNPs). Some plans focus on Medicare beneficiaries with certain chronic medical conditions; these are called C-SNPs. Other plans focus on Medicare beneficiaries residing in institutions; these are I-SNPs. Plans that focus on Medicare beneficiaries dually eligible for Medicaid are called D-SNPs. All three types of plans provide Medicare benefits and this is the first year that they are all available in Michigan.

Meridian Health Plan of Michigan is offering a C-SNP focused on Medicare beneficiaries with diabetes and has 46 enrollees in March. Align Senior Care Michigan is offering a C-SNP focused on beneficiaries with diabetes or with cardiac issues and has 13 enrollees in March. Align is also offering an I-SNP and has 171 enrollees in March.



Four of the 10 Medicaid HMOs in Michigan are also federally contracted as D-SNPs: Meridian Health Plan of Michigan, Molina Healthcare of Michigan, Priority Health Choice, and UnitedHealthcare Community Plan. As of March 1, 2020, these four D-SNPs had a combined enrollment of 28,057 duals for whom they provide Medicare services.

More than 45 percent of the duals enrolled in a Michigan D-SNP (12,642 individuals) in March 2020 were enrolled with Molina; more than 35 percent (9,847 individuals) were enrolled with Meridian; more than 5 percent (1,481 individuals) were enrolled with Priority, and almost 15 percent (4,087 individuals) were enrolled with UnitedHealthcare. None of these duals are participating in the MI Health Link demonstration, but some may also be enrolled in these same plans to receive their Medicaid services. In addition to these four health plans, two additional D-SNPs serve Michigan – Humana Medical/Dental Plan and Health Alliance Plan (HAP) of Michigan. Humana had 6,227 enrollees as of March 1, 2020 and HAP had 90 enrollees. HAP is the parent organization for HAP Empowered Health Plan, which is both a Medicaid HMO and one of the ICOs participating in MI Health Link.

Not all duals enrolled in the 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 **681,765 as of March 30, 2020**, the last counting day of the month. This is an **increase of 6,750 since February 24, 2020**, the last counting day in February.

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



WORKFORCE AND COMMUNITY ENGAGEMENT REQUIREMENTS

In previous editions of *The Michigan Update*, we reported on efforts of the Michigan Department of Health and Human Services to implement a workforce and community engagement requirement targeted toward many Healthy Michigan Plan (HMP) beneficiaries. HMP is Michigan's Medicaid expansion program for non-elderly adults. The requirement was required by Michigan statute, authorized by the U.S. Department of Health and Human Services (HHS), and implemented on January 1, 2020.

A lawsuit was filed against HHS and its Centers for Medicare & Medicaid Services (CMS), as well as HHS Secretary Alex Azar and CMS Administrator Seema Verma. The State of Michigan was not named in the lawsuit, which was filed in the U.S. District Court for the District of Columbia, the same court where similar lawsuits were filed over the question of work requirements in Kentucky, Arkansas, Indiana, and New Hampshire, and where decisions ruling the work requirements unlawful in those states were issued. The court ruled in the same manner regarding the Michigan requirements. The ruling was appealed by HHS, but the U.S. Court of Appeals for the District of Columbia upheld the lower court's decision.

As a result, Michigan's workforce and community engagement requirements have since been rescinded.

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

CORONAVIRUS INFORMATION

The State of Michigan has established a Coronavirus (COVID-19) website where information for individuals and providers alike is regularly posted. The website, administered by the Michigan Department of Health and Human Services, is www.michigan.gov/coronavirus.

Health Management Associates (HMA) has also posted a significant amount of useful information for providers and others dealing with the COVID-19 pandemic on its website at www.healthmanagement.com. HMA is helping our clients to navigate the issues around COVID-19 with detailed analysis, strategic insights and comprehensive support.

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



MEDICAID POLICIES

The Michigan Department of Health and Human Services (MDHHS) issued six final policies in March that merit mention; each of the final policies was released simultaneously for public comment. They are available for review on the department's [website](#).

- **MSA 20-09** was issued on March 12, 2020 to **update program coverage of telemedicine services**. The bulletin was **released simultaneously for public comment** (1944-Telemedicine), and comments are due to MDHHS by April 16, 2020.
- **MSA 20-12** was issued on March 18, 2020 as part of the state's **COVID-19** response to allow **flexibility related to in-person communication requirements** to protect the health and welfare of beneficiaries and providers while maintaining access to vital services during the COVID-19 pandemic. This change in policy is for a limited period only. The bulletin was **released simultaneously for public comment** (2018-F2F), and comments are due to MDHHS by April 22, 2020.
- **MSA 20-13** was issued on March 20, 2020 as part of the state's **COVID-19** response to allow **flexibility related to telemedicine audio/visual requirements** during the COVID-19 pandemic. This change in policy is for a limited period only. The bulletin was **released simultaneously for public comment** (2021-Telemedicine), and comments are due to MDHHS by April 24, 2020.
- **MSA 20-16** was issued on March 25, 2020 as part of the state's **COVID-19** response to provide **options for use of nursing facility beds** during the COVID-19 pandemic. This change in policy is for a limited period only. The bulletin was **released simultaneously for public comment** (2023-NF), and comments are due to MDHHS by April 29, 2020.
- **MSA 20-14** was issued on March 26, 2020 as part of the state's **COVID-19** response to announce **policy changes regarding the delivery of respiratory equipment and supplies and home delivery of medical supplies** during the COVID-19 pandemic. This change in policy is for a limited period only. The bulletin was **released simultaneously for public comment** (2022-DMEPOS), and comments are due to MDHHS by April 30, 2020.
- **MSA 20-18** was issued on March 27, 2020 as part of the state's **COVID-19** response to **relax Medicaid hospital-to-hospital transfer policy and the policy for associated transportation needs of transferred patients** during the COVID-19 pandemic. This change in policy is for a limited period only. The bulletin was **released simultaneously for public comment** (2025-Hospital), and comments are due to MDHHS by May 1, 2020.

MDHHS also released eight additional proposed policies that merit mention. These policies are available on the department's website as well.

- A proposed policy (**2004-Hospital**) has been issued that would rescind bulletin MSA 19-32 and **restore the Rural Access Pool for small rural hospitals and sole community hospitals** for the current state fiscal year. Comments are due to MDHHS by April 8, 2020.
- A proposed policy (**2005-SBS**) has been issued that would **establish behavioral health telepractice in the school setting**. Comments are due to MDHHS by April 8, 2020.
- A proposed policy (**2007-BHDDA**) has been issued that would implement a **Behavioral Health Home model of care** in three of Michigan's Prepaid Inpatient Health Plan (PIHP) Regions: 1, 2, and 8. Comments are due to MDHHS by April 14, 2020.
- A proposed policy (**2008-DMEPOS**) has been issued that would create a formal policy for the current practice of **approving provider requests for custom fabricated orthotics, prosthetics, and wheelchair seating when the provider has incurred costs to fabricate the item but is unable to deliver it due to the beneficiary's death**. Comments are due to MDHHS by April 15, 2020.
- A proposed policy (**1945-CoCM**) has been issued that would implement the **Psychiatric Collaborative Care Model (CoCM) of integrated behavioral health services** typically provided in the primary care setting for beneficiaries with mild to moderate behavioral health disorders. Comments are due to MDHHS by April 15, 2020.
- A proposed policy (**2006-BHDDA**) has been issued that would implement an **Opioid Health Home model of care** in PIHP Regions 1, 2, and 9 as well as in Calhoun and Kalamazoo Counties, which are in PIHP Region 4. Comments are due to MDHHS by April 16, 2020.
- A proposed policy (**2009-PACE**) has been issued that would apply the **Medicaid divestment penalty** to individuals incorrectly transferring assets for less than fair market value to qualify for Medicaid and enroll in a Program of All-Inclusive Care for the Elderly (PACE) program. Comments are due to MDHHS by April 21, 2020.
- A proposed policy (**2020-Hospital**) has been issued that would modify Medicaid **reimbursement policy for neonatal intensive care unit services** to align with the National Uniform Billing Committee nursery revenue code updated guidance. Comments are due to MDHHS by April 28, 2020.

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

- **L 20-09** was released March 4, 2020 to **School Based Services Providers** to provide **contract bill-back information** for state fiscal year 2020.
- **L 20-15** was released March 13, 2020 as a notice to Tribal Chairs and Health Directors of the Department's **intent to submit a State Plan Amendment** to the Centers for Medicare & Medicaid Services to **remove the pharmacy benefit copayment on outpatient prescription drugs used to treat substance use disorder, including tobacco use disorder**.



- **L 20-14** was released March 17, 2020 to **Hospice Providers** as notice of changes in **reimbursement rates**.
- **L 20-16** was released March 17, 2020 to advise providers of **covered services related to the Coronavirus Disease 2019 (COVID-19)**.
- **L 20-20** was released March 26, 2020 to advise providers of **pharmacy flexibilities related to early refills and mailing medications in response to COVID-19**.

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





HMA HEALTH MANAGEMENT ASSOCIATES

Health Management Associates (HMA) is an independent, national research and consulting firm specializing in publicly funded healthcare reform, policy, and programs. We serve government, public and private providers, health systems, health plans, institutional investors, foundations, and associations. Every client matters. Every client gets our best. With over 20 offices and more than 200 multidisciplinary consultants coast to coast, our expertise, our services, and our team are always within client reach.