

**MEDICAID POLICY INFORMATION SHEET**

**Policy Analyst:** Tyler Wise

**Phone Number:** 517-284-1128

Initial

Public Comment

Final

**Brief description of policy:**

The purpose of the bulletin is to announce changes to licensing requirements for Indian Health Service (IHS) facilities operating outpatient substance use disorder (SUD) programs.

**Reason for policy (problem being addressed):**

The Department of Licensing and Regulatory Affairs (LARA) rescinded licensing requirements for IHS facilities effective January 1, 2021.

**Budget implication:**

budget neutral

will cost MDHHS \$ , and (select one) budgeted in current appropriation

will save MDHHS \$

**Is this policy change mandated per federal requirements?**

No.

**Does policy have operational implications on other parts of MDHHS?**

No.

**Does policy have operational implications on other departments?**

Yes - LARA will no longer license outpatient SUD programs in these facilities.

**Summary of input:**

controversial

acceptable to most/all groups

limited public interest/comment

**Supporting Documentation:**

State Plan Amendment Required: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Public Notice Required: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If Yes, please provide status:	If yes, Submission Date:
<input type="checkbox"/> Approved <input type="checkbox"/> Pending <input type="checkbox"/> Denied	
Date: Approval Date:	

<b>DRAFT FOR PUBLIC COMMENT</b>  <b>Michigan Department of Health and Human Services</b>		
	<b>Project Number:</b> 2134-THC	<b>Date:</b> October 7, 2021

**Comments Due:** November 11, 2021  
**Proposed Effective Date:** As Indicated  
**Direct Comments To:** Tyler Wise  
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**E-Mail Address:** [Wiset2@michigan.gov](mailto:Wiset2@michigan.gov)  
**Phone:** 517-284-1128 **Fax:**

<p><b>Policy Subject:</b> Change to Licensing Requirements for Indian Health Service (IHS) Facilities Operating Outpatient Substance Use Disorder (SUD) Programs</p> <p><b>Affected Programs:</b> Medicaid, Healthy Michigan Plan, MICHild</p> <p><b>Distribution:</b> Tribal Health Centers, Tribal Federally Qualified Health Centers</p> <p><b>Summary:</b> The purpose of the bulletin is to announce changes to licensing requirements for Indian Health Service (IHS) facilities operating outpatient substance use disorder (SUD) programs.</p> <p><b>Purpose:</b> The Department of Licensing and Regulatory Affairs (LARA) rescinded licensing requirements for IHS facilities effective January 1, 2021.</p> <p><b>Cost Implications:</b> N/A</p> <p><b>Potential Hearings &amp; Appeal Issues:</b> N/A</p>
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<b>State Plan Amendment Required:</b> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <b>If yes, date submitted:</b>	<b>Public Notice Required:</b> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <b>Submitted date:</b>
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**Tribal Notification:** Yes  No  - **Date:**

**THIS SECTION COMPLETED BY RECEIVER**

<input type="checkbox"/> <b>Approved</b>	<input type="checkbox"/> <b>No Comments</b>
<input type="checkbox"/> <b>Disapproved</b>	<input type="checkbox"/> <b>See Comments Below</b>
	<input type="checkbox"/> <b>See Comments in Text</b>

<b>Signature:</b>	<b>Phone Number</b>
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**Signature Printed:**

<b>Bureau/Administration</b> <i>(please print)</i>	<b>Date</b>
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# Proposed Policy Draft

Michigan Department of Health and Human Services  
Medical Services Administration

**Distribution:** Tribal Health Centers, Tribal Federally Qualified Health Centers

**Issued:** December 1, 2021 (Proposed)

**Subject:** Change to Licensing Requirements for Indian Health Service (IHS)  
Facilities Operating Outpatient Substance Use Disorder (SUD)  
Programs

**Effective:** As Indicated (Proposed)

**Programs Affected:** Medicaid, Healthy Michigan Plan, MIChild

The purpose of this bulletin is to clarify licensing requirements for IHS facilities, which include tribal health centers and tribal federally qualified health centers operating SUD programs.

Effective January 1, 2021, governmental entities operating outpatient SUD programs are not required to be licensed by the State of Michigan. IHS facilities are subject to the standards set forth in 42 CFR § 431.110 for reimbursement of Medicaid services. If state licensure is not available to or required of an IHS facility, state licensure of that SUD program is not required for reimbursement of those Medicaid-covered services.