

# MEDICAID POLICY INFORMATION SHEET

**Policy Analyst:** Tyler Wise

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

Initial

Public Comment

Final

## Brief description of policy:

The purpose of this bulletin is to update clinic reimbursement for COVID-19 vaccine administration services to allow Federally Qualified Health Centers (FQHC), Rural Health Clinics (RHC), Tribal FQHCs, and Tribal Health Centers (THC) to be reimbursed for COVID-19 vaccine administration when no other eligible qualifying clinic visit is provided on the same date of service. Payment for stand-alone vaccine administration in FQHCs, RHCs, Tribal FQHCs, and THCs will be made through an alternative payment methodology (APM). The APM provides a separate service reimbursement using a cost-based payment methodology.

## Reason for policy (problem being addressed):

This policy provides reimbursement for FQHCs, RHCs, Tribal FQHCs, and THCs providing stand-alone vaccine administration services. In clinic reimbursement, stand-alone vaccine administration services are reimbursed as part of the Prospective Payment System methodology for FQHCs and RHCs and as part of the All-Inclusive Rate methodology for Tribal FQHCs and THCs. Therefore, stand-alone vaccine administration services are reimbursed at \$0. This policy provides cost-based reimbursement for stand-alone COVID-19 vaccine administration services provided by clinics.

## 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?

Yes, Medicaid Payments Division, Managed Care Plan Division, and Hospital and Clinic Reimbursement Division

## Does policy have operational implications on other departments?

No.

## Summary of input:

controversial

acceptable to most/all groups

limited public interest/comment

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**Supporting Documentation:**

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

**DRAFT FOR PUBLIC COMMENT**

**Michigan Department of Health and Human Services**

**Project Number:** 2138-Clinic

**Date:** October 1, 2021

**Comments Due:** November 5, 2021

**Proposed Effective Date:** As Indicated

**Direct Comments To:** Tyler Wise

**Address:**

**E-Mail Address:** [Wiset2@michigan.gov](mailto:Wiset2@michigan.gov)

**Phone:** 517-284-1128

**Fax:**

**Policy Subject:** COVID-19 Response: Clinic Reimbursement of COVID-19 Vaccine Administration Services Update

**Affected Programs:** Medicaid, Healthy Michigan Plan, MICHild, Maternity Outpatient Medical Services (MOMS), Emergency Services Only (ESO), MI Health Link

**Distribution:** Federally Qualified Health Centers (FQHCs), Rural Health Clinics (RHCs), Tribal Health Centers (THCs), Tribal FQHCs, Medicaid Health Plans (MHPs), Integrated Care Organizations (ICOs)

**Summary:** The purpose of this bulletin is to update clinic reimbursement for COVID 19 vaccine administration services to allow FQHCs, RHCs, Tribal FQHCs, and Tribal THCs to be reimbursed for COVID-19 vaccine administration when no other eligible qualifying clinic visit is provided on the same date of service. Payment for stand-alone vaccine administration in FQHCs, RHCs, Tribal FQHCs, and THCs will be made through an alternative payment methodology (APM). The APM provides a separate service reimbursement using a cost-based payment methodology.

**Purpose:** This policy provides reimbursement for FQHCs, RHCs, Tribal FQHCs, and THCs providing stand-alone vaccine administration services. In clinic reimbursement, stand-alone vaccine administration services are reimbursed as part of the Prospective Payment System methodology for FQHCs and RHCs and as part of the All-Inclusive Rate methodology for Tribal FQHCs and THCs. Therefore, stand-alone vaccine administration services are reimbursed at \$0. This policy provides cost-based reimbursement for stand-alone COVID-19 vaccine administration services provided by clinics.

**Cost Implications:** FY21: Federal – \$1.194 million, FY22: Federal – \$1.2 million

**Potential Hearings & Appeal Issues:** N/A

**State Plan Amendment Required:** Yes  No   
**If yes, date submitted:** 8/18/2021

**Public Notice Required:** Yes  No   
**Submitted date:**

**Tribal Notification:** Yes  No  - **Date:** 1/12/2021

**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>
<b>Signature Printed:</b>	
<b>Bureau/Administration</b> <i>(please print)</i>	<b>Date</b>

Comment001

Revised 6/16

**Bulletin Number:** MSA 21-42

**Distribution:** Federally Qualified Health Centers (FQHCs), Rural Health Clinics (RHCs), Tribal Health Centers (THCs), Tribal FQHCs, Medicaid Health Plans (MHPs), Integrated Care Organizations (ICOs)

**Issued:** October 1, 2021

**Subject:** COVID-19 Response: Clinic Reimbursement of COVID-19 Vaccine Administration Services Update

**Effective:** As Indicated

**Programs Affected:** Medicaid, Healthy Michigan Plan, MICHild, Maternity Outpatient Medical Services (MOMS), Emergency Services Only (ESO), MI Health Link

**Note: Implementation of this policy is contingent upon approval of a State Plan Amendment (SPA) by the Centers for Medicare & Medicaid Services (CMS).**

This bulletin notifies Michigan Medicaid-enrolled FQHCs, RHCs, Tribal FQHCs, and THCs of information regarding the Medicaid program reimbursement update of COVID-19 vaccine administration services. This policy updates information for clinics previously provided in Bulletin [MSA 20-75](#).

Effective for dates of service on or after December 1, 2020, FQHCs, RHCs, Tribal FQHCs, and THCs may be reimbursed for COVID-19 vaccine administration services when no other eligible qualifying clinic visit is provided on the same date of service. Payment for stand-alone COVID-19 vaccine administration in FQHCs, RHCs, Tribal FQHCs, and THCs will be made through an alternative payment methodology (APM). The APM provides reimbursement for stand-alone COVID-19 vaccine administration services using a cost-based rate, which is greater than the Medicare rate for these services. The APM is intended to be time-limited and will expire at the end of the public health emergency.

All FQHCs, RHCs, Tribal FQHCs and THCs must explicitly agree to accept the APM for COVID-19 vaccine administration reimbursement. Health centers will be contacted via written communication requesting an e-mail response affirmatively accepting the APM. Clinics that fail to respond in agreement of the APM will be excluded from the APM and have COVID-19 vaccine administration services reimbursed as part of the prospective payment system (PPS) and all-inclusive rate (AIR) methodologies. Clinics that accept the APM will be reimbursed for stand-alone COVID-19 administration services at the cost-based rate, and the payment will be excluded from PPS methodology for FQHCs and RHCs and AIR methodology for Tribal FQHCs and THCs.

### **Clinic Cost Reconciliation**

The initial fee-for-service and MHP reimbursement for stand-alone COVID-19 vaccine administration services will be at 100% of Medicare rates for clinics accepting the APM. Annual cost reconciliation will occur to reimburse clinics for the difference between the Medicare rate and the cost-based APM rate. Reimbursement will be provided in the form of a lump-sum gross adjustment.

All reimbursement rates will be reviewed and updated as applicable and are published on the MDHHS website at [www.michigan.gov/medicaidproviders](http://www.michigan.gov/medicaidproviders) >> Billing & Reimbursement >> Provider Specific Information. All other COVID-19 vaccine coverage information described in Bulletin MSA 20-75 remains unchanged.

### **Public Comment**

The public comment portion of the policy promulgation process is being conducted concurrently with the implementation of the change noted in this bulletin. Any interested party wishing to comment on the change may do so by submitting comments to Tyler Wise by e-mail at [wiset2@michigan.gov](mailto:wiset2@michigan.gov).

Please include "COVID-19 Response: Clinic Reimbursement of COVID-19 Vaccine Administration Services Update" in the subject line.

Comments received will be considered for revisions to the change implemented by this bulletin.

### **Manual Maintenance**

Information in this bulletin is time-limited and will not be incorporated into any policy or procedure manuals.

### **Questions**

Any questions regarding this bulletin should be directed to Provider Inquiry, Department of Health and Human Services, P.O. Box 30731, Lansing, Michigan 48909-8231, or e-mailed to [ProviderSupport@michigan.gov](mailto:ProviderSupport@michigan.gov). When you submit questions, be sure to include your name, affiliation, NPI number, and phone number so you may be contacted if necessary. Typical Providers may phone toll-free 1-800-292-2550. Atypical Providers may phone toll-free 1-800-979-4662.

### **Approved**



Kate Massey, Director  
Medical Services Administration