

# MEDICAID POLICY INFORMATION SHEET

**Policy Analyst:** Lisa DiLernia

**Phone Number:** 517-284-1203

Initial

Public Comment

Final

## Brief description of policy:

Implementation of this policy is contingent on approval of State Plan Amendments by the Centers for Medicare & Medicaid Services. This bulletin is being issued in response to the Michigan Department of Health and Human Services (MDHHS) Fiscal Year 2024 budget appropriations provided in Public Act 119 of 2023. Effective for dates of service on and after October 1, 2023, Medicaid will increase reimbursement rates for the following services: Individual Professional Services (7.5%); Individual Anesthesia Professional Services (10%); Ground Ambulance Services (Not less than 100% of Medicare base rates for Locality 1); Home Health Agency Services (10%); Brain Injury Services (260%); and Hospital Providers.

## Reason for policy (problem being addressed):

The purpose of this bulletin is to support beneficiary access to services. Increased reimbursement will encourage provider participation in the Medicaid program and support practitioners in providing quality services to the Medicaid population.

## Budget implication:

budget neutral

will cost MDHHS \$ 140 million gross/\$55,740,500 general fund, and is 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?

None anticipated.

## Summary of input:

controversial (Explain)

acceptable to most/all groups

limited public interest/comment

## Supporting Documentation:

State Plan Amendment Required: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Public Notice Required: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If Yes, please provide status: <input type="checkbox"/> Approved <input checked="" type="checkbox"/> Pending <input type="checkbox"/> Denied	If yes, Submission Date: <b>09/08/23</b>
Date: Approval	Date:

**DRAFT FOR PUBLIC COMMENT**

Michigan Department of Health and Human Services

**Project Number:** 2343-Practitioner

**Date:** September 26, 2023

**Comments Due:** October 31, 2023

**Proposed Effective Date:** October 1, 2023

**Direct Comments To:** Lisa DiLernia

**Address:**

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

**Phone:** 517-284-1203

**Fax:**

**Policy Subject:** Medicaid Program Rate Updates FY 2024

**Affected Programs:** Medicaid, Healthy Michigan Plan, MI Health Link, Children’s Special Health Care Services (CSHCS), Maternity Outpatient Medical Services (MOMS), Plan First

**Distribution:** All Providers

**Summary:** Implementation of this policy is contingent on approval of State Plan Amendments by the Centers for Medicare & Medicaid Services. This bulletin is being issued in response to the Michigan Department of Health and Human Services (MDHHS) Fiscal Year 2024 budget appropriations provided in Public Act 119 of 2023. Effective for dates of service on and after October 1, 2023, Medicaid will increase reimbursement rates for the following services:

- Individual Professional Services (7.5%)
- Anesthesia Professional Services (10%)
- Ground Ambulance Services (Not less than 100% of Medicare base rates for Locality 1)
- Home Health Agency Services (10%)
- Brain Injury Services (260%)
- Hospital Providers

**Purpose:** The purpose of this bulletin is to support beneficiary access to services. Increased reimbursement will encourage provider participation in the Medicaid program and support practitioners in providing quality services to the Medicaid population.

**Cost Implications:** \$140 million gross/\$55,740,500 general fund and is budgeted in current appropriations.

**Potential Hearings & Appeal Issues:** None anticipated.

**State Plan Amendment Required:** Yes  No   
**If yes, date submitted:**

**Public Notice Required:** Yes  No   
**Submitted date:** 09/08/23

**Tribal Notification:** Yes  No  - **Date:** 08/28/23

**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:** MMP 23-59

**Distribution:** All Providers

**Issued:** September 26, 2023

**Subject:** Medicaid Program Rate Updates FY 2024

**Effective:** As Indicated

**Programs Affected:** Medicaid, Healthy Michigan Plan, MI Health Link, Children's Special Health Care Services (CSHCS), Maternity Outpatient Medical Services (MOMS), Plan First

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

The Michigan Department of Health and Human Services (MDHHS) is implementing Medicaid program provider rate updates in response to the MDHHS Fiscal Year 2024 budget appropriations provided in Public Act 119 of 2023. Effective for dates of service on and after October 1, 2023, Medicaid will increase reimbursement rates for specified services as noted in the table below.

Provider/Service Type	Rate Increase	Comments
Individual Professional Services	7.5%	<p>Applies to professional services provided by the following licensed practitioners: physicians, physician assistants, advanced practice nurses, ophthalmologists, podiatrists, psychologists, clinical social workers, professional counselors, marriage and family therapists, chiropractors, optometrists, genetic counselors, physical therapists, occupational therapists, speech-language pathologists, and audiologists. The rate increase also applies to Maternal Infant Health Program (MIHP) professional services.</p> <p>Exclusions for professional services may include those for which a previous rate increase was applied, including but not limited to: neonatal services (MSA 22-34) and pediatric psychiatric diagnostic evaluation services (MSA 20-08) (currently 100% of Medicare), obstetrical services (MSA 14-32), preventive medicine visits and specific newborn care codes (MSA 08-45), and hearing aid services.</p>
Anesthesia Professional Services	10%	Applies to individual provider anesthesia services represented by CPT codes 00100-01999

Provider/Service Type	Rate Increase	Comments
Ground Ambulance Services	See Comment	Medicaid reimbursement rates for ground ambulance services, including Medicaid reimbursements from the ambulance provider quality assurance assessment, will be provided at not less than 100% of the Medicare base rates for Locality 01.
Home Health Agency Services	10%	Increase applies to home health services on or after October 1, 2023. This rate increase applies to home health HCPCS codes G0151-G0496.
Brain Injury Services	260%	FY24 budget appropriations for Brain Injury services applies to transitional residential services through the Brain Injury Services (BIS) Program for dates of service on or after October 1, 2023. BIS residential services will be reimbursed with a single bundled payment per day. The bundled payment covers both a daily rates for traditional residential care and case management services and a minimum of 15 hours of therapy per week. BIS outpatient reimbursement rates remain unchanged.
Hospital Providers	See Comment	Increases apply to level I and level II designated trauma facilities for dates of service on or after October 1, 2023. This rate increase will apply to Medicaid fee-for-service and Medicaid Health Plan hospital reimbursement methodologies as an adjustment to applicable hospital's final Diagnosis Related Group (DRG) rate.

### 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 Lisa DiLernia at [DilerniaL@michigan.gov](mailto:DilerniaL@michigan.gov).

Please include “Medicaid Program Rate Updates FY 2024” in the subject line.

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

## Manual Maintenance

Providers may choose to either retain or discard this bulletin after review. Code coverage information is available on the MDHHS website at [www.michigan.gov/medicaidproviders](http://www.michigan.gov/medicaidproviders) >> Billing and Reimbursement >> Provider Specific Information. CHAMPS information is available on the MDHHS website at [www.michigan.gov/medicaidproviders](http://www.michigan.gov/medicaidproviders) >> CHAMPS.

## 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 an e-mail, 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 800-292-2550. Atypical Providers may phone toll-free 800-979-4662.

An electronic copy of this document is available at [www.michigan.gov/medicaidproviders](http://www.michigan.gov/medicaidproviders) >> Policy, Letters & Forms.

## Approved



Meghan E. Groen, Director  
Behavioral and Physical Health and Aging Services Administration