

MEDICAID POLICY INFORMATION SHEET

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Initial ☐

Public Comment ☒

Final ☐

Brief description of policy:

The purpose of this policy is to inform providers of updates to the Medicaid School Services Program (SSP) including clarification of supervision requirements, clarification of current procedural terminology (CPT) code modifier usage, clarification for logging personal care services, adding community health workers, and clarification of Medicaid Cost Report timely filing requirements.

Reason for policy (problem being addressed):

To update existing policy and the addition of community health workers.

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?

No

Summary of input:

- ☐ controversial (Explain)
☒ acceptable to most/all groups
☒ limited public interest/comment

Supporting Documentation:

State Plan Amendment Required: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please provide status: <input type="checkbox"/> Approved <input type="checkbox"/> Pending <input type="checkbox"/> Denied Date: Approval Date:	Public Notice Required: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes, Submission Date:
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DRAFT FOR PUBLIC COMMENT Michigan Department of Health and Human Services		
	Project Number: 2512-SSP	Date: June 4, 2025

Comments Due: July 9, 2025
Proposed Effective Date: September 1, 2025
Direct Comments To: Kevin Bauer
E-Mail Address: Bauerk2@michigan.gov
Phone:

Fax:

Policy Subject: School Services Program (SSP) Updates Affected Programs: Medicaid SSP Distribution: SSP Providers Summary: The purpose of this policy is to inform providers of updates to the Medicaid School Services Program (SSP) including clarification of supervision requirements, clarification of current procedural terminology (CPT) code modifier usage, clarification for logging personal care services, adding community health workers, and clarification of Medicaid Cost Report timely filing requirements. Purpose: To provide SSP policy updates and clarification to SSP providers. Cost Implications: Budget neutral Potential Hearings & Appeal Issues: None

State Plan Amendment Required: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If yes, date submitted:	Public Notice Required: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Submitted date:
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Tribal Notification: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> - Date:
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THIS SECTION COMPLETED BY RECEIVER

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

Signature:	Phone Number
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Signature Printed:

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

Michigan Department of Health and Human Services
Health Services

Distribution: School Services Program (SSP) Providers

Issued: August 1, 2025 (Proposed)

Subject: SSP Updates

Effective: September 1, 2025 (Proposed)

Programs Affected: Medicaid SSP

The purpose of this bulletin is to establish and clarify requirements within the School Services Program (SSP). The areas addressed within this bulletin include:

1. The addition of community health workers (CHW);
2. The use of Current Procedural Terminology (CPT) and Healthcare Common Procedure Coding System (HCPCS) coding modifiers to identify program components on claim submissions;
3. Changes to the Personal Care Services (PCS) Monthly Activity Log;
4. Clarification of supervision requirements for limited licensed clinicians; and
5. Clarification of Medicaid Cost Report timely filing requirements.

Community Health Workers

Recognizing the positive effects that CHWs have on both physical and behavioral health, the Medicaid SSP will now allow reimbursement for this provider type as a direct service provider. CHW services provided within SSP may be provided face-to-face or via telemedicine, including audio only delivery. The allowance for CHW services to be provided via telemedicine is unique to SSP and differs from the requirements for CHWs outside of SSP. Reimbursement for these services will be made through the established SSP reimbursement methodology for direct service providers. Refer to the Community Health Worker Services chapter of the [Michigan Department of Health and Human Services \(MDHHS\) Medicaid Provider Manual](#) for additional information including beneficiary need and recommendation of services, covered services, non-covered services, CHW qualification criteria, and a list of covered CPT codes.

Current Procedural Terminology and Healthcare Common Procedure Coding System Coding Modifiers

Due to updated clarification from the Centers for Medicare & Medicaid Services (CMS), Medicaid is now determined to be the primary payor when services are provided to a student who is covered under the Individuals with Disabilities Education Act (IDEA). Therefore, it has become necessary to distinguish between services provided to students covered under IDEA

and those who are not. Medicaid will require the use of the following CPT and HCPCS coding modifiers to identify each program component on claim submissions.

- Services provided through an Individualized Education Plan (IEP) – TM modifier
- Services provided through an Individualized Family Service Plan (IFSP) – TL modifier
- Services provided outside of an IEP or IFSP – HA modifier

All service claims submitted through the Community Health Automated Medicaid Processing System (CHAMPS) will require one of these three component modifiers as the first modifier following the CPT or HCPCS code. Claims without one of these modifiers will be denied.

To facilitate this change, it is necessary to reassign the TL modifier that was previously used to identify the Review of Existing Evaluation Data (REED). REED evaluations will now be identified using the TJ modifier.

Personal Care Services Monthly Activity Log

Because of changes in the ability to track PCS electronically, it is no longer necessary to complete a paper copy of the monthly activity log; however, appropriate documentation that PCS was provided for any services claimed is still required. This support may be kept in paper or electronic format, as long as the supporting documentation clearly indicates which PCS were performed for the date of service being billed to Medicaid.

Supervision of Limited Licensed Clinicians

The following changes to SSP supervision requirements clarify existing policy and bring the terminology with SSP into alignment with other portions of the MDHHS Medicaid Provider Manual. Clinicians within SSP can be divided into three general categories regarding supervision.

- Fully licensed clinicians not requiring supervision.
- Limited licensed clinicians required to be under the supervision of a fully licensed clinician of the same profession. Limited licensed clinicians, including educational, preliminary, and temporary limited licensed clinicians are required to meet regularly with the supervising clinician, at an interval described within the professional administrative rules, to discuss casework and other professional issues in a structured way. This is often known as clinical or counseling supervision or consultation. The purpose of supervision is to assist the supervised clinician to learn from the supervisor's experience and expertise, as well as to ensure good service to the student.
- A student completing their clinical affiliation under the direct supervision of (i.e., in the presence of) a fully licensed clinician. This includes student's that have completed all licensing requirements and are waiting for their limited license. All documentation must be reviewed and co-signed by the supervising clinician.

Medicaid Cost Report Timely Filing Requirements

All School Services Program providers are required to submit a complete and acceptable Medicaid Cost Report to the Facility Settlement sub-system in the Community Health Automated Medicaid Processing System (CHAMPS) on or before December 31st for the school year that ended on June 30th of that year. If an Intermediate School District (ISD) is unable to submit an acceptable cost report by the filing deadline, an extension request may be submitted through Facility Settlement. The Michigan Department of Health and Human Services (MDHHS) Hospital and Clinic Reimbursement Division (HCRD) grants extensions only when an ISD's operation is adversely affected due to circumstances beyond its control (e.g., staffing turnovers are considered within the control of the clinic, whereas fires and floods would be considered beyond its control).

If an ISD fails to submit a completed Medicaid Cost Report via the MDHHS Facility Settlement system on time and has not been granted an extension of the time limit, a notice of delinquency is issued. If a complete and acceptable Medicaid Cost Report is not submitted within 30 calendar days from the date of the notice of delinquency, the ISD's gross adjustment payments and claim processing in CHAMPS are suspended until the Medicaid Cost Report is received and accepted by MDHHS HCRD in the Facility Settlement system. Payments withheld due to late submission are paid upon acceptance of the Medicaid Cost Report.