

**MICHIGAN DEPARTMENT OF COMMUNITY HEALTH  
FY 2005 BOILERPLATE REPORTING REQUIREMENT**

**Progress on Medicaid Home and Community-Based Services Program  
February 1, 2005 Report**

**Section 1689(2)**

**“Priority in enrolling additional persons in the Medicaid home and community based services program shall be given to those who are currently residing in nursing homes or who are eligible to be admitted to a nursing home if they are not provided home and community based services.”**

CMS has recently approved an amendment to the MI Choice Program that now allows prioritization of persons awaiting MI Choice Services and also funds nursing facility transition as an approved Waiver service.

A portion of annual participant slots are prioritized for nursing facility transition and persons that age out of the Children with Special Health Care Service Program and nursing facility transitions to the community. MDCH has allocated 105 MI Choice Program slots for NF transitions. Persons identified with known open Adult Protective Service cases are also listed as a priority population.

**“The department shall implement screening and assessment procedures to assure that no additional Medicaid eligible persons are admitted to nursing homes who would be more appropriately served by the Medicaid home and community based services program.”**

MDCH implemented revised functional/medical eligibility criteria effective November 1, 2004. Currently, all participants who are enrolled in the MI Choice Program are eligible to be admitted to a nursing home, according to federal Medicaid guidelines. The MI Choice Program meets the requirement that all persons must meet the nursing facility level of care and thus are at risk for institutionalization.

**“Within 30 days of the end of each fiscal quarter, the department shall provide a report to the Senate and House appropriations subcommittees on community health and the Senate and House fiscal agencies that details existing and future allocations for home and community based waiver program by regions as well as the associated expenditures. The report shall include information regarding the net cost savings from moving persons from a nursing home to the home and community based services waiver program and the amount of funds transferred.”**

The following is a summary of functional/medical eligibility reviews performed to date and findings:

**Michigan Medicaid Nursing Facility Level of Care Determination Reviews  
First Quarter FY 2005**

Provider Type	Nov		Dec	
	Ineligible	Total	Ineligible	Total
<b>60</b>	32	4996	31	4832
<b>61</b>	9	620	3	583
<b>62</b>	2	184	1	192
<b>63</b>	0	26	0	32
<b>77</b>	21	643	33	1087
<b>Total</b>	<b>64</b>	<b>6469</b>	<b>68</b>	<b>6726</b>

The table below identifies the funds allocated to each Waiver Program for FY 2005. Since providers are prospectively reimbursed based on the projected number of participants each month, and providers have 180 days from the service date to submit a 'suppressed' claim, there is no accurate account of actual quarterly expenditures at this time. Included below are the prospective reimbursement payments to date by waiver program. Although there are no dollar savings to report at this time from nursing facility transfers, the Nursing Facility Transfer Initiative has successfully transferred 67 nursing home residents into community programs or into their own homes with no program necessary. MDCH plans to measure nursing facility bed occupancy changes starting in April 2005, allowing approximately a six-month lag review to allow time for facility billing.

**Prospective MI Choice Program Payments  
FY 2005 to date**

<b>Waiver Program</b>	<b>FY 2005 Allocation</b>	<b>FY 2005: 10/1/04 through 1/31/05</b>
A & D Home Health Care	\$3,601,194.00	\$1,200,400.00
AAA 1-B	\$11,655,419.00	\$3,885,140.00
AAA of Northwest Michigan	\$2,486,217.00	\$1,982,080.00
AAA of Western Michigan	\$5,946,234.00	\$2,399,916.00
Burnham Brook Center <b>(3 &amp; 4)</b>	\$7,199,744.00	\$3,184,980.00
Detroit AAA	\$9,554,942.00	\$546,588.00
Home Health Services, Inc. <b>(8 &amp; 14)</b>	\$6,481,295.00	\$2,160,432.00
Information Center	\$2,314,851.00	\$771,616.00
MORC	\$3,751,425.00	\$1,250,476.00
NEMSCA	\$2,531,973.00	\$843,992.00
Northern Lakes Community Mental Health Authority	\$2,240,607.00	\$746,868.00
Northern Michigan Regional Health System	\$1,639,764.00	\$828,740.00
Region 2 Area Agency on Aging	\$3,995,931.00	\$1,331,976.00
Region IV AAA	\$5,505,223.00	\$1,835,076.00
Region VII AAA	\$4,950,610.00	\$1,650,204.00
Senior Alliance	\$1,788,813.00	\$596,272.00
Senior Resources	\$5,355,087.00	\$1,785,028.00
Senior Services	\$2,493,090.00	\$831,032.00
Tri-County Office on Aging	\$6,607,348.00	\$2,202,448.00
Upper Peninsula AAA	\$6,422,238.00	\$2,140,748.00
Valley AAA	\$3,404,519.00	\$1,134,840.00
<b>Total</b>	<b>\$99,926,524.00</b>	<b>\$33,308,852.00</b>

**“The department shall utilize a competitive bid process to award funds for the implementation of the new screening process to be applied to home and community based services and nursing facility services by Medicaid.”**

MDCH implemented the Michigan Medicaid Nursing Facility Level of Care Determination process using a Department of Information Technology developed tool. Exception process reviews and nursing facility retrospective review activities were disseminated with other Medicaid utilization review requirements in the form of a Request for Proposal. A contract that includes the long term care exception process reviews and retrospective reviews was initiated with the Michigan Peer Review Organization.