

MICHIGAN DEPARTMENT OF COMMUNITY HEALTH
FY 2001 BOILERPLATE REPORTING REQUIREMENT

Progress on Hospital Outpatient Rebasing
September 1, 2001 Report

Section 1703(1)

This section of the appropriation act calls for “Medicaid payment fee schedule used to reimburse physicians and hospitals for outpatient services be rebased.”

Continued negotiations are taking place between the Michigan Hospital Association and representatives from the Department of Community Health and the Medical Services Administration, regarding the “Conditions of Participation Policy.”

As a result of the January work group meeting, two major concerns were identified.

- (1) The Michigan Hospital Association and some specific hospital representatives expressed concern as to what they believe to be the actual dollar amount available for this rebasing effort.
- (2) The second issue raised by the work group was the need and timing of the hospital outpatient rebasing effort.

Hospital representatives expressed and continue to express their concerns of this rebasing at the same time they are implementing the use of the UB 92 claim form and dealing with the new Medicare perspective reimbursement system.

As of today, there is not another work group scheduled due to the continued negotiations with the Michigan Hospital Association regarding the proposed policy on “Conditions of Participation.”