

Public Notice

Michigan Department of Health and Human Services Behavioral and Physical Health and Aging Services Administration

Penalty Policy State Plan Amendment Request

The Michigan Department of Health and Human Services (MDHHS) plans to submit a State Plan Amendment (SPA) request to the Centers for Medicare & Medicaid Services (CMS) to assess a late-file penalty to nursing facilities who do not submit a complete and acceptable cost report within the timeframes established by MDHHS.

The anticipated effective date for the SPA is October 1, 2024.

Effective October 1, 2024 if a complete and acceptable nursing facility cost report or the appropriate census data is not received by the original due date, or by an approved extension due date if applicable, the provider's interim payments will be reduced by 100 percent and the provider may be assessed a late-file penalty of 10 percent of any claims for dates of service beginning on the 15th of the month after the cost report was due until a complete and acceptable cost report is received. For providers with licensed-only beds and Medicare-only facilities, a penalty of \$20 per bed, per day will be assessed beginning on the 15th of the month after the census data is due until the data is received. This penalty may be assessed even if MDHHS has provided a written notice of termination to a facility.

There is no estimated gross cost to the State of Michigan for the SPA and it is considered budget neutral.

There is no public meeting scheduled regarding this notice. Any interested party wishing to request a written copy of the SPA or wishing to submit comments may do so by sending an e-mail to MSADraftPolicy@michigan.gov or submitting a request in writing to: MDHHS/ Behavioral and Physical Health and Aging Services Administration, Program Policy Division, PO Box 30479, Lansing MI 48909-7979 by August 7, 2024. A copy of the proposed State Plan Amendment will also be available for review at: <https://www.michigan.gov/mdhhs/inside-mdhhs/budgetfinance/264/state-plan-amendments>.

RELEASED: July 9, 2024