

# HEALTH MANAGEMENT ASSOCIATES

## THE **MICHIGAN UPDATE** 2023

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JANUARY



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### MEDICAID MANAGED CARE ENROLLMENT ACTIVITY

As of January 1, 2023, there were **2,281,381 Medicaid beneficiaries, including 799,826 Healthy Michigan Plan (HMP) beneficiaries**, enrolled in the nine Michigan Medicaid Health Plans (HMOs). As the table below shows, this is an overall **increase of 1,955** since December 1, 2022. The number of HMP beneficiaries enrolled in HMOs **increased by 3,453** and the number of non-HMP beneficiaries **decreased by 1,498**. As the table below illustrates, while **managed care enrollment growth has slowed, it continues to grow and is 89,919 higher in January 2023 than in January 2022**.

The count of HMP beneficiaries enrolled in the nine Michigan Medicaid Health Plans (HMOs) in January 2023 is **34,705** more than in January 2022. The count of non-HMP enrollees has also increased during the same period.

During the COVID-19 pandemic, this increase was attributable to both the economic impact of the pandemic and federally incentivized pause in annual eligibility determinations. Michigan is currently refining plans for re-initiating the determinations in April 2023 as required by the Consolidated Appropriations Act, 2023. While it is expected that total enrollment will decrease as annual redeterminations are completed, it is not clear by how much.

	Jan 2022	Mar 2022	May 2022	July 2022	Sept 2022	Dec 2022	Jan 2023
<b>All Medicaid Beneficiaries Enrolled</b>	<b>2,192,182</b>	<b>2,211,377</b>	<b>2,227,140</b>	<b>2,239,913</b>	<b>2,256,765</b>	<b>2,279,426</b>	<b>2,281,381</b>
• Total HMP Enrollees	765,121	773,568	778,405	782,520	788,228	796,373	799,826
• Total CSHCS/ Medicaid Enrollees	26,296	26,613	27,055	27,387	27,537	27,804	27730
• Total Medicare/ Medicaid Enrollees (Duals)	47,056	46,882	47,126	47,433	47,527	47,402	45258
• Total MIChild Enrollees	35,935	35,921	35,855	35,897	36,006	36,112	36010

The number of beneficiaries identified as mandatory managed care enrollees but not yet enrolled in a Medicaid HMO has varied dramatically over the last few years, from a low of 45,305 in July 2018 to a high of 149,746 in May 2020. **In January 2023 the number of mandatory but not yet enrolled beneficiaries was 73,202 up** from 49,276 in December 2022.





As the enrollment reports for January ([pdf](#), [xls](#)) reflect, every county in the state is served by at least one Medicaid HMO. Auto-assignment of beneficiaries into the HMOs is available in every county. In addition to the HMOs with smaller service areas, there are three HMOs – McLaren Health Plan, Meridian Health Plan of Michigan, and Molina Healthcare of Michigan – authorized to serve all counties in the Lower Peninsula and a fourth – UnitedHealthcare Community Plan – authorized to serve all but three of the Lower Peninsula counties. Beneficiaries in all 15 counties in the Upper Peninsula are auto-assigned, through federal “Rural Exception” authority, to the one HMO serving these counties, Upper Peninsula Health Plan.

The plans with the highest total enrollment in January 2023 were Meridian Health Plan of Michigan with about 24 percent of the total, Molina Healthcare of Michigan with about 18 percent, Blue Cross Complete of Michigan with about 15 percent of the total number of enrollees, and UnitedHealthcare Community Plan with about 13 percent.

*Healthy Michigan Plan (HMP)*

The **total count of HMP enrollees in the Medicaid HMOs in January 2023 was 799,826 an increase of 3,453** over the count for December 2022. All Medicaid HMOs have HMP beneficiaries enrolled, although the numbers vary across plans. The plans with the highest HMP enrollment in January 2023 were Meridian Health Plan of Michigan with about 23 percent of the total, Blue Cross Complete with about 18 percent, and Molina Healthcare of Michigan with about 15 percent of the total number of enrollees.

*CSHCS/Medicaid*

The MDHHS requires children (and a few adults) receiving services from both the Children’s Special Health Care Services (CSHCS) program and the Medicaid program to enroll in Medicaid HMOs. There were **27,730 joint CSHCS/Medicaid beneficiaries enrolled in the Medicaid HMOs in January 2023**, a decrease of **74** since December 2022. All Medicaid HMOs have CSHCS/Medicaid enrollees, although the numbers vary across plans. The plans with the highest enrollment in January 2023 were Molina Healthcare of Michigan with about 20 percent, Meridian Health Plan of Michigan with about 19 percent and Blue Cross Complete with about 16 percent of the total number of enrollees.

*MiChild*

There were **36,010 MiChild beneficiaries enrolled in the Medicaid HMOs in January 2023**, a decrease of 102 since December 2022. All Medicaid HMOs have MiChild beneficiaries enrolled, although the numbers vary dramatically across plans. The plans with the highest enrollment in December were Meridian Health Plan of Michigan with about 25 percent of the total, and Priority and Molina Healthcare of Michigan both with about 15 percent of the total number of enrollees.





Medicare/Medicaid

Aside from Michigan’s Medicare/Medicaid financial alignment demonstration, MI Health Link, there were an additional **45,258 Medicaid beneficiaries dually eligible for Medicare (duals) enrolled in January 2023 in Medicaid HMOs** for their acute care Medicaid benefits. The number of enrolled duals **decreased by 2,144** between December 2022 and January 2023. All Medicaid HMOs have duals enrolled, although the numbers vary significantly across plans. The plans with the highest enrollment in January 2023 were Meridian Health Plan of Michigan with about 25 percent of the total, Molina Healthcare of Michigan with about 20 percent, and UnitedHealthCare Community Plan with about 18 percent of the total number of enrollees

MI HEALTH LINK

In previous editions of *The Michigan Update* we have written about Michigan’s implementation of an integrated healthcare delivery system demonstration for adults dually eligible for Medicare and Medicaid (duals). The demonstration, called MI Health Link, operates in four regions of the state. The entire Upper Peninsula is one region; eight counties in the southwest corner of the state (Barry, Berrien, Branch, Calhoun, Cass, Kalamazoo, St. Joseph, and Van Buren) form another region; and Macomb County and Wayne County are two single-county regions. Medicaid and Medicare physical healthcare services (including long-term services and supports) are provided by HMOs that have contracts as Integrated Care Organizations (ICOs) to serve the duals.

The number of MI Health Link enrollees continues to fluctuate, with increases in some months and decreases in others. The Michigan Department of Health and Human Services (MDHHS) reports that **in January 2023, the MI Health Link enrollment total was 42,501** a decrease of **2,072** enrollees since December 2022.

The tables below illustrate MI Health Link enrollment by month from 2021 to the most current data. Enrollment fluctuations are clear. The lowest count on the tables was in January 2021 when there were 39,250 enrollees; November 2022 saw the highest enrollment with 45,188 enrollees.

Jan. 2021	Feb. 2021	March 2021	April 2021	May 2021	June 2021
39,250	39,374	39,150	39,934	39,958	40,015
July 2021	Aug. 2021	Sept. 2021	Oct. 2021	Nov. 2021	Dec. 2021
40,260	40,294	41,941	41,317	41,512	41,250

Jan. 2022	Feb. 2022	March 2022	April 2022	May 2022	June 2022
39,362	38,905	38,588	40,481	40,453	40,350
July 2022	Aug. 2022	Sept. 2022	Oct. 2022	Nov. 2022	Dec. 2022
40,306	42,622	43,113	44,694	45,188	44,573

Jan. 2023
42,501





There are six ICOs serving one or more of the demonstration regions. The table below provides enrollment information by region for each ICO for **January 2023**

MI Health Link Enrollment	Upper Peninsula Region	SW MI Region	Macomb Region	Wayne Region	Total
Aetna Better Health of MI	0	3,332	1,492	4,152	8,976
AmeriHealth Michigan	0	0	764	2,362	3,126
HAP Empowered Health Plan	0	0	1,133	3,548	4,681
Meridian Health Plan of MI	0	5,017	848	2,810	8,675
Molina Healthcare of MI	0	0	2,289	10,078	12,367
Upper Peninsula Health Plan	4,676	0	0	0	4,676
<b>Total</b>	<b>4,676</b>	<b>8,349</b>	<b>6,526</b>	<b>22,950</b>	<b>42,501</b>

The plans with the highest enrollment in January 2023 were Molina Healthcare of Michigan with about 29 percent of the total, Aetna Better Health of Michigan with about 21 percent, and Meridian Health Plan of Michigan with about 20 percent of the total number of enrollees.

During January 2023, about 95 percent of the MI Health Link enrollees were living in a community setting, and the remaining 5 percent of enrollees resided in a facility. About 6 percent of the total enrollees living in a community setting were receiving home and community-based long-term services and supports through the MI Health Link program waiver; however, a significant number of the other enrollees living in a community setting received in-home services and supports from the ICOs through the Medicaid State Plan personal care benefit called Home Help.

Most MI Health Link enrollees are passively enrolled; they are auto assigned to a health plan based on their eligibility but can opt out of the demonstration at any time. Beneficiaries may also voluntarily enroll in the demonstration; and during January 2023, about 26 percent of the demonstration’s participants were voluntarily enrolled.

MDHHS also reports 53,786 duals eligible for participation in the demonstration have chosen to opt out. These individuals receive their Medicaid benefits on a fee-for-service basis but retain the option to voluntarily enroll, or re-enroll, in the demonstration at any time.

More than half of the MI Health Link enrollees are individuals under the age of 65. These younger individuals qualified for Medicare and Medicaid based on a disability





## MICHIGAN MEDICARE ADVANTAGE PLANS

There are multiple types of Medicare Advantage Special Needs Plans (SNPs). Some plans focus on Medicare beneficiaries with certain chronic medical conditions; these are called C-SNPs. Other plans focus on Medicare beneficiaries residing in institutions; these are I-SNPs. Plans that focus on Medicare beneficiaries dually eligible for Medicaid (duals) are called D-SNPs. All three types of plans provide Medicare benefits, and all are available in Michigan.

Highlights of changes in the Michigan SNP market for 2023 include:

- **D-SNPs:** Several of the Medicaid HMOs in Michigan, or their parent organizations, continue to offer D-SNPs. Reliance Healthcare was acquired by Commonwealth Care Alliance (CCA) at the end of 2022, and its D-SNP plans are now offered under a contract with the new parent organization. An additional D-SNP entered the market that is offered by Zing Health.
- **C-SNPs:** Honest HMO of Michigan is a new contract offering C-SNPs for beneficiaries with diabetes, cardiovascular disorders, chronic heart failure, and End Stage Renal Disease (ESRD). Align Senior Care is expanding its C-SNP products to include a C-SNP for beneficiaries with ESRD. According to January CMS reports, Meridian Health Plan of Michigan does not have a C-SNP in 2023.
- **I-SNPs:** No new I-SNPs were introduced in 2023.

Updated SNP enrollment data will be published in the February.

## HEALTHY MICHIGAN PLAN ENROLLMENT

The Michigan Department of Health and Human Services (MDHHS) reports enrollment counts for the Healthy Michigan Plan (HMP), its Medicaid expansion program for low-income non-elderly adults who do not meet eligibility criteria for traditional program coverage, at the beginning of each week on its [website](#). The enrollment number includes beneficiaries enrolled in health plans and beneficiaries not required to enroll in a health plan. Enrollment stood at **1,064,461 as of January 30, 2023, the last numbers available for January 2023. This is an increase of 12,512 since December 19, 2022. The enrollment count for January 30, 2023, is the highest ever for the program.**

## HEALTH RELATED SOCIAL NEEDS: IN LIEU OF SERVICES AND 1115 WAIVERS

On January 4, 2024, CMS issued a State Medicaid Director Letter (SMD#: 23-001) providing new, additional guidance on the use of In Lieu Of Services and Settings (ILOS) in Medicaid Managed Care. This guidance addressed an innovative option state may consider employing in Medicaid managed care programs to reduce health disparities and address unmet health-related social needs (HRSNs).



As states are becoming more invested in addressing HRSN (often referred to as Social Determinants of Health SDOH), various states have utilized 1115 Demonstration Waivers to expand coverage. Arizona, Arkansas, and California have had 1115 Waivers approved, while Delaware and Maine have 1115 Waiver applications pending (KFF Medicaid Waiver Tracker: Approved and Pending 1115 Waivers by State, January 27, 2023) This includes the recent CMS approval of California’s CalAIM expansion to provide limited coverage for certain services furnished to certain incarcerated individuals for up to 90 days immediately prior to expected release date.

CMS, through the approval of these 1115 Waivers, and the recently issued ILOS guidance is demonstrating its support of state efforts to address HRSNs. The recent SMD ILOS guidance requires that ILOSs be consistent with six principles:

1. ILOSs must advance the objectives of the Medicaid program;
2. ILOSs must be cost effective;
3. ILOSs must be medically appropriate;
4. ILOSs must be provided in a manner that preserve enrollees rights and protections;
5. ILOSs must be subject appropriate monitoring and oversight; and
6. ILOSs must be subject to retrospective evaluation, when applicable.

Section 1115 Medicaid demonstration waivers offer states an avenue to test new approaches in Medicaid that differ from what is required by federal statute, Key themes in current approved and pending waivers include targeted eligibility expansions, benefit expansions and provisions related to social determinants of health. Section 1115 demonstration waivers, ILOS and State Plan Amendments are effective tools for states wishing to address various HRSNs through their Medicaid programs.

## MEDICAID POLICIES

The Michigan Department of Health and Human Services (MDHHS) issued several publications that are available for review on the department’s [website](#).

The [website](#) shows no new final policies issued since our last newsletter. However, the [website](#) shows three proposed policies for which the public comment period is still open.

- [2258-Dental](#) Changes to Medicaid Dental Coverage
- [2255-TCM](#): Update to the Flint Family Supports Coordination (FSC) Policy to Extend Post-Delivery Coverage to 12 Months
- [2301-NF](#): COVID-19 Response: Update to MSA 20-76 COVID Relief Facilities, Tier II 85% Occupancy Limitation

MDHSHS released four L-Letters of potential interest, which is available on their [website](#).







- [L 23-07](#): Notice of Intent to Submit a Section 1915(b) Waiver Amendment Request for the Comprehensive Health Care Program
- [L 23-06](#): Rural Emergency Hospital Reimbursement
- [L 23-05](#): Coverage of Out-of-State Former Foster Care
- [L 23-02](#): Changes to Medicaid Dental Coverage

**For additional information, contact Cammie Cantrell, at 517-482-9236.**





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