

MICHIGAN DEPARTMENT OF HEALTH AND HUMAN SERVICES

NOTICE OF PROPOSED POLICY

Public Act 280 of 1939, as amended, and consultation guidelines for Medicaid policy provide an opportunity to review proposed changes in Medicaid policies and procedures.

Please review the policy summary and the attached materials that describe the specific changes being proposed. Let us know why you support the change or oppose the change.

Submit your comments to the analyst by the due date specified. Your comments must be received by the due date to be considered for the final policy bulletin.

Thank you for participating in the consultation process.



Director, Program Policy Division
Bureau of Medicaid Policy, Operations, and Actuarial Services

Project Number: 2148-Hospital **Comments Due:** May 10, 2022 **Proposed Effective Date:** July 1, 2022

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Policy Subject: Neonatal Intensive Care Unit (NICU) Return Transfers

Affected Programs: Medicaid, Healthy Michigan Plan

Distribution: Hospitals, Medicaid Health Plans

Policy Summary: This policy allows authorization for return transfers of stabilized infants from NICUs back to the Level I Well Born Nursery or Level II Special Care Nursery from which the patient was originally transferred.

Purpose: Establishing this transfer authorization will allow NICU patients to receive continued care within their community and decrease barriers for parents caused by an infant's lengthy stay in a NICU located far from home. Additionally, the expansion of transfer prior authorization described in this policy will support hospital NICU bed availability. MDHHS will utilize existing hospital and ambulance transfer reimbursement methodology when prior authorization is granted.

Proposed Policy Draft

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

Distribution: Hospitals, Medicaid Health Plans

Issued: June 1, 2022 (Proposed)

Subject: Neonatal Intensive Care Unit (NICU) Return Transfers

Effective: July 1, 2022 (Proposed)

Programs Affected: Medicaid, Healthy Michigan Plan

NICU Return Transfers

The purpose of this policy is to allow authorization for return transfers of stabilized infants from NICUs back to the Level I Well Born Nursery or Level II Special Care Nursery from which the infant was originally transferred. The Michigan Department of Health and Human Services (MDHHS) will utilize existing hospital and ambulance transfer reimbursement methodology when prior authorization is granted. Establishing this transfer authorization will allow NICU patients to receive continued care within their community and decrease barriers for parents caused by an infant's lengthy stay in a NICU located far from home. Additionally, the expansion of transfer prior authorization described in this policy will support hospital NICU bed availability.

Prior Authorization Guidelines

A Prior Authorization Certification Evaluation Review (PACER) from the Health and Aging Services Administration Admissions and Certification Review Contractor (ACRC) is required for elective transfers between hospitals. NICU return transfer requests for continued medical care at a lower acuity hospital will be authorized if a neonatologist provides a written order to transfer to the originating hospital for bonding, teaching, and growth.

Newborns delivered within an emergency department and subsequently admitted to another facility are not considered a transfer and do not require a PACER.

Medicaid Health Plans (MHPs)

MHPs reimburse hospitals according to the terms of the contract between the MHP and the hospital. MHPs under contract to reimburse hospitals using Medicaid Fee-for-Service (FFS) payment methodology are subject to alignment with MDHHS payment policies. Out-of-network and non-contracted hospital providers are reimbursed by the MHPs in accordance with Medicaid FFS payment methodology and rates in effect on the date of service. Clinical disagreements between hospitals and MHPs should be addressed using existing resolution processes.