

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, Bureau of Policy and Strategic Engagement
Health Services Administration

Project Number: 2609-Maternal **Comments Due:** May 13, 2026 **Proposed Effective Date:** October 1, 2026

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Policy Subject: Fee-for-Service Coverage of Licensed Midwifery Services

Affected Programs: Medicaid, Healthy Michigan Plan, Maternity Outpatient Medical Services

Distribution: Ambulance Providers, Family Planning Clinics, Federally Qualified Health Centers, Hospitals, Laboratories, Local Health Departments, Maternal Infant Health Program Providers, Medicaid Health Plans, Medical Suppliers, Practitioners, Rural Health Clinics, School Services Program Providers, Tribal Health Centers

Policy Summary: This policy establishes coverage and reimbursement of services provided by Licensed Midwives.

Purpose: To increase choice for Medicaid beneficiaries seeking maternity care services.

Proposed Policy Draft

Michigan Department of Health and Human Services
Health Services

Distribution: Ambulance Providers, Family Planning Clinics, Federally Qualified Health Centers, Hospitals, Laboratories, Local Health Departments, Maternal Infant Health Program Providers, Medicaid Health Plans, Medical Suppliers, Practitioners, Rural Health Clinics, School Services Program Providers, Tribal Health Centers

Issued: September, 2026 (proposed)

Subject: Fee-for-Service Coverage of Licensed Midwifery Services

Effective: October 1, 2026 (proposed)

Programs Affected: Medicaid, Healthy Michigan Plan, Maternity Outpatient Medical Services

This bulletin establishes Medicaid Fee-for-Service (FFS) coverage and reimbursement of services provided by Licensed Midwives (LM) in accordance with Public Act 22 of 2025, Section 1982. The information in this bulletin is effective for dates of service on and after October 1, 2026.

LMs provide maternity and newborn care to those experiencing low-risk, healthy pregnancies, who anticipate normal labor and delivery and desire a community birth. A community birth refers to births that occur outside of a hospital, typically in a home or licensed Freestanding Birth Center (FBC). Medicaid coverage of LM prenatal and postpartum services is currently limited to services provided in settings other than the FBC. Coverage of services provided in FBCs is contingent upon State licensure and subsequent Medicaid enrollment of FBCs.

The services provided by LMs are carved-out of the Medicaid Health Plans and reimbursed through Medicaid FFS. LMs are not required to contract or credential with the Medicaid Health Plans.

General Information

Medicaid covers medically necessary professional services provided by LMs, as defined in Public Act 368 of 1978 as amended, when all the following requirements are met:

- The services are performed by a person who is licensed as a midwife under state law, as granted by the Michigan Department of Licensing and Regulatory Affairs Board of Midwifery Administrative Rulemaking System R338.17101-338.17141;

- The LM is legally authorized to perform the service, and the services are provided in compliance with state law, licensing rules and within the LM's training, education, and experience;
- The pregnant or postpartum individual maintains a normal, low-risk pregnancy with anticipated normal, low-risk labor and delivery as defined by the Michigan Department of Licensing and Regulatory Affairs Board of Midwifery Administrative Rules;
- The services are not restricted to physicians or otherwise excluded by Medicaid program policy or federal and state statutes;
- The LM maintains beneficiary accessible written policies and procedures that reflect standard quality assurance;
- There is an established relationship with other community health agencies for additional services and supports; and
- The LM maintains documented arrangements for referrals and transfer to other levels of care in both emergent and non-emergent circumstances.

Medicaid-enrolled providers must be familiar with program requirements included in the [Michigan Department of Health and Human Services \(MDHHS\) Medicaid Provider Manual](#) such as, but not limited to, General Information for Providers, Eligibility, Records Storage and Maintenance. Health Insurance Portability and Accountability Act (HIPAA) compliance falls outside of the Medicaid program.

Covered Services

Covered LM services include services provided to pregnant individuals who are deemed upon inception of care as low-risk and remain low-risk during pregnancy.

Covered services:

- Maternity care, including antepartum care, management of labor, delivery and postpartum care;
- Episiotomies, perineal laceration repairs, clamping and cutting of the umbilical cord;
- Assessment and care of newborns;
- Medication and immunization administration provided under a standing order from an appropriate healthcare provider with prescriptive authority during the peripartum period and newborn as defined by state law and within scope of practice;
- Well-person and reproductive healthcare during the peripartum period;
- Consultation and coordination of care with other healthcare providers when applicable;
- Referral to support services when there is the presence of psychosocial or nutritional factors that could adversely affect the pregnancy or health and well-being of the pregnant individual or infant including, but not limited to, food assistance, housing assistance, childbirth and parenting education, doula services, Maternal Infant Health Program (MIHP); and
- Telemedicine services as appropriate and in accordance with existing Medicaid telemedicine policy and applicable state law.

Services must be provided in accordance with current Medicaid policy program requirements as outlined within the applicable chapters of the MDHHS Medicaid Provider Manual. Requirements include, but are not limited to, documentation requirements, storage and record retention, eligibility verification, and billing Medicaid beneficiaries for program covered and non-covered services.

Maternity Care and Delivery Services

Medicaid covers maternity care and delivery services. The services normally provided for uncomplicated maternity cases include antepartum care, labor management, delivery, and postpartum care. A separate policy will be issued to address coverage of homebirth and labor management.

Transfer of Care

At the inception of care, a midwife shall establish a protocol for transfer of care for each (the birthing individual and the infant) to a physician or hospital specific to that patient.

Enrollment of Licensed Midwives

An LM who provides professional services to Medicaid beneficiaries is required to be a Medicaid-enrolled provider and uniquely identified on claims. To enroll as a Medicaid provider, the LM must complete an online application in the Community Health Automated Medicaid Processing System (CHAMPS) and enroll with an Individual (Type 1) National Provider Identifier (NPI). Refer to www.michigan.gov/medicaidproviders >> CHAMPS >> Register for MILogin Account for access to CHAMPS >> Accessing CHAMPS.

Reimbursement Considerations and Billing Guidelines

Professional claims must include the NPI of the LM in the Rendering Provider field. Claims for services rendered by the LM must be billed under the LM's NPI. Professional services are only covered when the LM has personally performed the service and no other provider or entity has been paid for the service. Services provided jointly by the LM and other providers are covered for a single provider only.

Newborn care services are billed utilizing the infant's Medicaid ID. Refer to the MDHHS Medicaid Provider Manual, Beneficiary Eligibility chapter, Newborn Child Eligibility section for additional information.

If a Medicaid-only beneficiary is told and understands that a provider is not accepting them as a Medicaid patient and asks to be private pay, the provider may charge the patient for services rendered. The beneficiary must be advised prior to services being rendered that their miHealth card is not accepted and that they are responsible for payment. For additional information, refer to the General Information for Providers chapter of the MDHHS Medicaid Provider Manual.

FFS reimbursement for LM professional services is based upon limits and rates associated with physician professional services. The LM fee schedule will be published at www.michigan.gov/medicaidproviders >> Billing & Reimbursement >> Provider Specific Information >> Licensed Midwives. The Medicaid Code and Rate Reference tool within CHAMPS will also provide information on LM Medicaid covered services.

Services Provided Within Federally Qualified Health Centers (FQHC), Rural Health Clinics (RHC), Tribal Health Centers (THC), and Tribal FQHCs

FQHCs, RHCs, THCs, and Tribal FQHCs furnishing eligible LM services will be reimbursed at the Prospective Payment System (PPS) methodology or All-Inclusive-Rate (AIR) methodology for qualifying visits. LM services provided in FQHCs, RHCs, THCs, and Tribal FQHCs are billed on the institutional claim form. The Attending Provider field line must include an eligible – Type 1 NPI. LMs are considered Type 1 providers and eligible to be reported in the Attending Field on the institutional claim. The clinic fee schedules will be updated to include LM services and are published at www.michigan.gov/medicaidproviders >> Billing & Reimbursement >> Provider Specific Information >> Clinic Institutional Billing.

A Special Note to LM Providers

It is anticipated that the American Medical Association will update coding guidance for maternity care services provided on and after January 1, 2027. MDHHS will notify providers of impacts to Medicaid policy and coverage as information becomes available.