

Health Insurance Flexibility and Accountability (HIFA) Initiative Fact Sheet

State:	Michigan
Name of HIFA Demonstration:	Adult Benefits Waiver
Date Proposal Received:	April 4, 2003
Date Proposal Approved:	January 16, 2004
Date Implemented:	January 16, 2004
Date Amendment #1 Submitted:	February 14, 2004
Date Amendment #1 Approved:	December 15, 2004
Date Amendment #2 Submitted:	February 14, 2004
Date Amendment #2 Withdrawn:	July 28, 2004

SUMMARY

The Adult Benefits Waiver (ABW) expanded health insurance coverage to childless adults with incomes at or below 35 percent of the Federal poverty level (FPL) by utilizing unspent SCHIP funds.

EXISTING MEDICAID/SCHIP PROGRAM

The Michigan Medicaid program covers TANF and SSI populations, parents and caretaker relatives, pregnant women and infants up to age 1 in families with incomes at or below 185 percent FPL, and children ages 1-18 with incomes up to 150 percent FPL. Michigan also operates a 1915(b) waiver, Comprehensive Health Plan, which is a mandatory managed care program that is structured as a managed care organization. The separate child health program, MICHild, covers unborn children in families with incomes up to 185 percent of the FPL and children under age 19 in families with incomes up to 200 percent FPL.

AMENDMENTS

Amendment #1

On May 24, 2004, Michigan received approval to implement a temporary enrollment freeze, eliminate the inpatient hospital benefit, modify the copayment for prescription drugs, and eliminate the copayment for emergency room services.

Amendment #2

This amendment to offer a buy-in option to caretakers currently on spend-down for the caretaker relative group was withdrawn on July 28, 2004.

ENROLLMENT

Michigan will maintain an enrollment of 62, 000 in the Adult Benefits Waiver. Benefits, eligibility criteria and cost sharing will be reviewed at least annually to ensure costs remain within the State's federal title XXI funds and the annual state appropriation for the program. Michigan will impose an enrollment cap, as necessary, to maintain title XXI allotment neutrality.

BENEFIT PACKAGE

For childless adults, the benefit package includes outpatient, physician's surgical and medical services, laboratory and x-ray services, pharmacy and mental health and substance abuse services.

COST SHARING

Copayments are imposed for some services and prescription drugs.

DELIVERY SYSTEM

The ABW demonstration utilizes the Medicaid provider network and county health plans.

COORDINATION WITH PRIVATE INSURANCE

Michigan offers employer-based health insurance through a voucher that is equal in value to the State's cost of providing service. Enrollment in the employer-sponsored plan is in lieu of receiving benefits through the state plan. Once enrolled in the voucher program, the beneficiary receives a monthly check for the amount of the employee share of the coverage obtained or the cost of placing the eligible beneficiaries in a state offered health plan, whichever is less.

ESTIMATED COST OF THE DEMONSTRATION

The State estimates that title XXI Federal funding for the demonstration is \$593,325,739 over the five Federal fiscal year (FFY) period.

Last Updated: March 17, 2008

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