

## Detroit Wayne Integrated Health Network

707 W. Milwaukee St. Detroit, MI 48202-2943 Phone: (313) 833-2500 <u>www.dwihn.org</u>

FAX: (313) 833-2156 TDD: (800) 630-1044 RR/TDD: (888) 339-5588

March 6, 2020

To: Detroit Wayne Integrated Health Provider Network

Detroit Wayne Integrated Health Network ("DWIHN") understands that proper communication with our provider network is vital to maintaining a sustainable partnership. On October 1, 2019, the Michigan Department of Health and Human Services ("MDHHS") issued actuarial rates suggesting an increase in Medicaid funding; however, to date, and with the exception of an increase to the Autism Medicaid benefit, DWIHN has yet to receive the additional funding. Further, despite DWIHN staff taking on increased responsibility and reducing administrative costs by over \$9,000,000, this effort was offset by significant increases in utilization, residential, hospital, and autism costs over recent years. As result, we had to closely examine our operations as a whole and make some difficult decisions in order to address this shortfall.

To that end, and in accordance with the terms of your Medicaid, Healthy Michigan, and General Fund Services Agreement with DWIHN for the fiscal year ending September 30, 2020, DWIHN is providing notice that effective <u>May 1, 2020</u>, provider rates will be reduced up to seven percent (7%). The rate reduction will <u>not</u> apply to the following:

- Autism Spectrum Disorder (ASD) benefit plan rates are established by MDHHS;
- Substance Use Disorder (SUD) Residential H0018/19 rates for twenty-nine (29) days or less will remain at a rate of \$137/per day; however, days in excess of twenty-nine (29) will be reimbursed at \$98/per day;
- Substance Use Disorder codes 96372, H0003, H0006, H0033 (ZI and ZH), J2315, and S9976;
- Substance Use Disorder codes H0023, Peer Directed and Operated Support Services and T1012, Recovery Supports;
- OBRA/PASARR codes;
- Assertive Community Treatment (ACT) Per Member Per Month (PMPM); and
- All MI Health Link codes reimbursed by the Integrated Care Organizations (ICO).

While these decisions are never easy, they must be made in order to sustain and continue needed services for those persons we have taken a responsibility to serve as well as maintain the integrity of the system and sustainability of DWIHN moving forward.

## **Board of Directors**

Bernard Parker, Chairperson Dorothy Brown Kevin McNamara Dr. Iris Taylor, Vice-Chairperson Dorothy Burrell William T. Riley, III

Timothy Killeen, Treasurer Dr. Lynne F. Carter Kenya Ruth

Ghada Abdallah, Secretary Angelo Glenn Dr. Cynthia Taueg DWIHN is committed to serving our community and understands that we cannot fulfill that commitment without your partnership. We appreciate your continued partnership and thank you for all that you do in serving some of our most vulnerable members.

Sincerely,

Hilke

Willie E. Brooks, Jr. President and CEO Detroit Wayne Integrated Health Network

cc: Eric Doeh, COO Stacie Durant, CFO Dana Lasenby, CCO Callana Ollie, DGC Manny Singla, ClO