

Future Initial Settlement Plan



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FY23 Initial Settlement Plan



For FY23 Cost Reports, MDHHS **will not offer** a “Modified Initial Settlement” option for “Early Filed” Cost Reports this year.

MDHHS **will offer** “FY23 Normal Initial Settlements” in the fall after the newly updated “Variable Cost Limit” is calculated.

MDHHS asks that all “FY23 Normal Initial Settlement” requests be submitted to DARS@michigan.gov by no later than August 2, 2024.

MDHHS will pay these “FY23 Normal Initial Settlements” at 100% of the determined settlement amount.

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Revised FY22 Initial Settlement Plan



In addition, MDHHS will also be offering a revised “FY22 Initial Settlement” (updating the filed rate for 10/1/22 – 12/31/22 period) to any provider that submits a “Revised FY22 Initial Settlement” request.

MDHHS asks that all “Revised FY22 Initial Settlement” requests be submitted to DARS@michigan.gov by no later than August 2, 2024.

MDHHS will pay the revised “FY22 Initial Settlements” at 100% of the determined settlement amount.

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Rebilling of Claims



For FY21 & FY22 Initial Settlements, almost 33% of providers needed to rebill claims due to “usual and customary charge” issues identified by MDHHS. This was an exceptionally challenging barrier for both Providers and MDHHS in calculating “Initial Settlements”.

We anticipate similar challenges to FY23 Initial Settlements.

If you elect to rebill for your FY23 months, please work with your Cost Settlement Auditor and submit a Rebill Waiver to DARS@michigan.gov.



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