



STATE OF MICHIGAN

DEPARTMENT OF HEALTH AND HUMAN SERVICES
LANSING

GRETCHEN WHITMER
GOVERNOR

ELIZABETH HERTEL
DIRECTOR

MEMORANDUM

DATE: November 19, 2024

TO: Prepaid Inpatient Health Plans (PIHP) and Community Mental Health Services Programs (CMHSP) Leadership

FROM: Patricia Neitman, MS LLP, Bureau Director *PLN*
Bureau of Children’s Coordinated Health, Policy, and Supports

SUBJECT: Use of CAFAS/PECFAS

The Michigan Department of Health and Human Services (MDHHS) is providing the following information related to Medicaid-funded specialty behavioral health services. Effective October 1, 2024, MDHHS will require Prepaid Inpatient Health Plans (PIHP), Community Mental Health Services Programs (CMHSP), and Certified Community Behavioral Health Clinics (CCBHC) to use the Michigan Child and Adolescent Needs and Strengths (MichiCANS) tool to support eligibility determinations for services, assist with initial determination of needs and strengths, and provide information for appropriate referrals for behavioral health services.

MDHHS has established contractual requirements for the PIHPs to specifically use the MichiCANS to support eligibility determinations for the Waiver for Children with Serious Emotional Disturbances (SEDW) and the 1915(i) SPA. MDHHS is providing the following guidance in advance of the approval of the 1915(i) and SEDW in anticipation of future requirements. PIHPs should continue to use the Child and Adolescent Functional Assessment Scale (CAFAS) and Preschool and Early Childhood Functional Assessment Scale (PECFAS) in addition to the MichiCANS to support eligibility determinations for the 1915(i) SPA and SEDW.

This requirement will remain in place until (a) the Maintenance of Effort requirement for Home and Community-Based Services (HCBS) Medicaid funding under the American Rescue Plan Act (ARPA) expires or (b) MDHHS provides updated guidance. States must comply with certain conditions called “Maintenance of Effort” (MOE) requirements to receive the enhanced Federal funding. This means that state Medicaid agencies cannot make certain changes to their Medicaid or HCBS programs until March 31, 2026, or until the state expends the enhanced Federal funds. MDHHS included additional guidance on the requirements for using MichiCANS, CAFAS, and PECFAS below.

Applicant Status for 1915(i) or SEDW	During the Maintenance of Effort Time Period	After the Maintenance of Effort Time Period
New Applicant	The MichiCANS and CAFAS/PECFAS should be used concurrently.	The MichiCANS will be used exclusively.
Current Enrollee	The MichiCANS will be used during re-evaluation. If the results of the MichiCANS indicated that an enrollee is not eligible, loss of eligibility will be confirmed with the use of the CAFAS/PECFAS.	The MichiCANS will be used exclusively.

Additional Information

- This requirement to use the CAFAS/PECFAS for the 1915(i) and SEDW only applies to the initial assessment and annual re-evaluation, and PIHPs are not required and should not complete quarterly assessments for 1915(i) or SEDW enrollees.
- PIHPs must enter CAFAS and PECFAS data into the Waiver Support Application (WSA) for these programs as part of the enrollment process. The PIHPs must continue to fulfill all other contractual requirements.
- In order to support short term use of the CAFAS and PECFAS, MDHHS has continued the agreement with Multi Health Systems (MHS) to allow for continued, but limited, electronic use of the CAFAS and PECFAS. Data will not be exported from the FAS system and the use of these tools will be used for the 1915(i) and SEDW eligibility determinations only.
- The code chart will be updated during the next quarterly cycle in January to remove the quarterly administration and training requirements.
- Self-training manuals will be provided to each of the 46 CMHSPs upon request and a PECFAS self-training manual will be provided to each of the 10 PIHPs. Additional training information is in the attached memo from MHS, owners of the CAFAS and PECFAS tools.