

# HOUSE BILL No. 4424

March 14, 1989, Introduced by Rep. Dutko and referred to the Committee on Social Services and Youth.

A bill to amend Act No. 280 of the Public Acts of 1939, entitled as amended

"The social welfare act,"

as amended, being sections 400.1 to 400.121 of the Michigan Compiled Laws, by adding section 105b.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Section 1. Act No. 280 of the Public Acts of 1939, as  
2 amended, being sections 400.1 to 400.121 of the Michigan Compiled  
3 Laws, is amended by adding section 105b to read as follows:

4       SEC. 105B. (1) AN INDIVIDUAL WHO MEETS ALL OF THE FOLLOWING  
5 CONDITIONS IS ELIGIBLE FOR MEDICAL ASSISTANCE UNDER THIS ACT AS  
6 SPECIFIED IN SUBSECTION (2):

7       (A) THE INDIVIDUAL IS ENROLLED IN PARTS A AND B OF THE  
8 FEDERAL MEDICARE PROGRAM UNDER TITLE XVIII OF THE SOCIAL SECURITY  
9 ACT, 42 U.S.C. 1395 TO 1395b, 1395b-2 TO 1395i, 1395i-1a TO

1 1395i-2, 1395j TO 1395dd, 1395ff TO 1395mm, AND 1395oo TO  
2 1395ccc.

3 (B) THE INDIVIDUAL IS COVERED BY MEDICARE SUPPLEMENTAL COV-  
4 ERAGE APPROVED BY THE INSURANCE COMMISSIONER.

5 (C) THE INDIVIDUAL IS COVERED BY LONG-TERM CARE COVERAGE  
6 APPROVED BY THE INSURANCE COMMISSIONER THAT PAYS OUT BENEFITS FOR  
7 A MINIMUM OF 2 YEARS.

8 (2) AN INDIVIDUAL WHO MEETS THE CONDITIONS IN SUBSECTION (1)  
9 IS ELIGIBLE FOR MEDICAL ASSISTANCE UNDER THIS ACT FOR ANY  
10 LONG-TERM CARE COSTS INCURRED BY THE INDIVIDUAL THAT ARE NOT PAID  
11 BY A POLICY OR PROGRAM DESCRIBED IN SUBSECTION (1) AND THAT HAVE  
12 BEEN APPROVED FOR REIMBURSEMENT BY THE UNITED STATES DEPARTMENT  
13 OF HEALTH AND HUMAN SERVICES UNDER A WAIVER REQUESTED BY THE  
14 STATE DEPARTMENT UNDER SUBSECTION (4).

15 (3) UPON APPROVAL BY THE UNITED STATES DEPARTMENT OF HEALTH  
16 AND HUMAN SERVICES OF THE NECESSARY WAIVER REQUESTED BY THE STATE  
17 DEPARTMENT UNDER SUBSECTION (4), AN INDIVIDUAL WHO QUALIFIES FOR  
18 MEDICAL ASSISTANCE UNDER THIS SECTION IS NOT REQUIRED TO MEET ANY  
19 OTHER RESOURCE OR ELIGIBILITY STANDARD ESTABLISHED FOR INDIVIDU-  
20 ALS WHO DO NOT MEET THE ELIGIBILITY REQUIREMENTS OF THIS  
21 SECTION.

22 (4) THE STATE DEPARTMENT SHALL SEEK A WAIVER NECESSARY TO  
23 IMPLEMENT THIS PROGRAM FROM THE UNITED STATES DEPARTMENT OF  
24 HEALTH AND HUMAN SERVICES, AS PROVIDED IN SECTION 1915 OF TITLE  
25 XIX OF THE SOCIAL SECURITY ACT, 42 U.S.C. 1396n.

26 (5) THE STATE DEPARTMENT SHALL PROMULGATE RULES TO IMPLEMENT  
27 THIS SECTION UNDER THE ADMINISTRATIVE PROCEDURES ACT OF 1969, ACT

1 NO. 306 OF THE PUBLIC ACTS OF 1969, BEING SECTIONS 24.201 TO  
2 24.328 OF THE MICHIGAN COMPILED LAWS.

3 (6) AS USED IN THIS SECTION:

4 (A) "LONG-TERM CARE COVERAGE" MEANS AN INDIVIDUAL OR GROUP  
5 CONTRACT, CERTIFICATE, POLICY, OR RIDER THAT IS ADVERTISED,  
6 MARKETING, OFFERED, OR DESIGNED TO PROVIDE COVERAGE FOR AT LEAST  
7 12 CONSECUTIVE MONTHS FOR EACH ENROLLEE FOR 1 OR MORE NECESSARY  
8 OR MEDICALLY NECESSARY DIAGNOSTIC, PREVENTIVE, THERAPEUTIC, REHA-  
9 BILITATIVE, MAINTENANCE, PERSONAL, OR CUSTODIAL CARE SERVICES  
10 PROVIDED IN A SETTING OTHER THAN AN ACUTE CARE UNIT OF A  
11 HOSPITAL. LONG-TERM CARE COVERAGE DOES NOT INCLUDE ANY CONTRACT,  
12 CERTIFICATE, POLICY, OR RIDER THAT IS OFFERED PRIMARILY TO PRO-  
13 VIDE BASIC MEDICARE SUPPLEMENTAL COVERAGE, HOSPITAL CONFINEMENT  
14 INDEMNITY COVERAGE, MAJOR MEDICAL EXPENSE COVERAGE, DISABILITY  
15 INCOME PROTECTION COVERAGE, ACCIDENT ONLY COVERAGE, SPECIFIC DIS-  
16 EASE OR SPECIFIED ACCIDENT COVERAGE, OR LIMITED BENEFIT HEALTH  
17 COVERAGE.

18 (B) "MEDICARE SUPPLEMENTAL COVERAGE" MEANS ALL OF THE  
19 FOLLOWING:

20 (i) A MEDICARE SUPPLEMENTAL POLICY AS DEFINED IN SECTION  
21 2264A OF THE INSURANCE CODE OF 1956, ACT NO. 218 OF THE PUBLIC  
22 ACTS OF 1956, BEING SECTION 500.2264A OF THE MICHIGAN COMPILED  
23 LAWS.

24 (ii) A MEDICARE SUPPLEMENTAL CERTIFICATE UNDER THE NONPROFIT  
25 HEALTH CARE CORPORATION REFORM ACT, ACT NO. 350 OF THE PUBLIC  
26 ACTS OF 1980, BEING SECTIONS 550.1101 TO 550.1704 OF THE MICHIGAN  
27 COMPILED LAWS.

1       *(iii)* A MEDICARE SUPPLEMENTAL BENEFITS CONTRACT WITH A  
2 HEALTH MAINTENANCE ORGANIZATION LICENSED UNDER PART 210 OF THE  
3 PUBLIC HEALTH CODE, ACT NO. 368 OF THE PUBLIC ACTS OF 1978, BEING  
4 SECTIONS 333.21001 TO 333.21098 OF THE MICHIGAN COMPILED LAWS.