

HOUSE BILL No. 4671

June 2, 2015, Introduced by Rep. Johnson and referred to the Committee on Health Policy.

A bill to amend 1939 PA 280, entitled
"The social welfare act,"
by amending section 109 (MCL 400.109), as amended by 2012 PA 48.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 109. (1) The following medical services may be provided
2 under this act:

3 (a) Hospital services that an eligible individual may receive
4 consist of medical, surgical, or obstetrical care, together with
5 necessary drugs, X-rays, physical therapy, prosthesis,
6 transportation, and nursing care incident to the medical, surgical,
7 or obstetrical care. The period of inpatient hospital service shall
8 be the minimum period necessary in this type of facility for the
9 proper care and treatment of the individual. Necessary
10 hospitalization to provide dental care shall be provided if
11 certified by the attending dentist with the approval of the

1 department of ~~community health~~ **AND HUMAN SERVICES**. An individual
2 who is receiving medical treatment as an inpatient because of a
3 diagnosis of tuberculosis or mental disease may receive service
4 under this section, notwithstanding the mental health code, 1974 PA
5 258, MCL 330.1001 to 330.2106, and 1925 PA 177, MCL 332.151 to
6 332.164. The department of ~~community health~~ **AND HUMAN SERVICES**
7 shall pay for hospital services according to the state plan for
8 medical assistance adopted under section 10 and approved by the
9 United States ~~department of health and human services~~. **DEPARTMENT OF**
10 **HEALTH AND HUMAN SERVICES**.

11 (b) An eligible individual may receive physician services
12 authorized by the department of ~~community health~~ **AND HUMAN**
13 **SERVICES**. The service may be furnished in the physician's office,
14 the eligible individual's home, a medical institution, or elsewhere
15 in case of emergency. A physician shall be paid a reasonable charge
16 for the service rendered. Reasonable charges shall be determined by
17 the department of ~~community health~~ **AND HUMAN SERVICES** and shall not
18 be more than those paid in this state for services rendered under
19 title XVIII.

20 (c) An eligible individual may receive nursing home services
21 in a state licensed nursing home, a medical care facility, or other
22 facility or identifiable unit of that facility, certified by the
23 appropriate authority as meeting established standards for a
24 nursing home under the laws and rules of this state and the United
25 States ~~department of health and human services~~, **DEPARTMENT OF**
26 **HEALTH AND HUMAN SERVICES**, to the extent found necessary by the
27 attending physician, dentist, or certified Christian Science

1 practitioner. An eligible individual may receive nursing services
2 in an extended care services program established under section
3 22210 of the public health code, 1978 PA 368, MCL 333.22210, to the
4 extent found necessary by the attending physician when the combined
5 length of stay in the acute care bed and short-term nursing care
6 bed exceeds the average length of stay for ~~medicaid~~**MEDICAID**
7 hospital diagnostic related group reimbursement. The department of
8 ~~community health~~ **AND HUMAN SERVICES** shall not make a final payment
9 under title XIX for benefits available under title XVIII without
10 documentation that title XVIII claims have been filed and denied.
11 The department of ~~community health~~ **AND HUMAN SERVICES** shall pay for
12 nursing home services according to the state plan for medical
13 assistance adopted according to section 10 and approved by the
14 United States ~~department of health and human services.~~ **DEPARTMENT**
15 **OF HEALTH AND HUMAN SERVICES**. A county shall reimburse a county
16 maintenance of effort rate determined on an annual basis for each
17 patient day of ~~medicaid~~**MEDICAID** nursing home services provided to
18 eligible individuals in long-term care facilities owned by the
19 county and licensed to provide nursing home services. For purposes
20 of determining rates and costs described in this subdivision, all
21 of the following apply:

22 (i) For county owned facilities with per patient day updated
23 variable costs exceeding the variable cost limit for the county
24 facility, county maintenance of effort rate means 45% of the
25 difference between per patient day updated variable cost and the
26 concomitant nursing home-class variable cost limit, the quantity
27 offset by the difference between per patient day updated variable

1 cost and the concomitant variable cost limit for the county
2 facility. The county rate shall not be less than zero.

3 (ii) For county owned facilities with per patient day updated
4 variable costs not exceeding the variable cost limit for the county
5 facility, county maintenance of effort rate means 45% of the
6 difference between per patient day updated variable cost and the
7 concomitant nursing home class variable cost limit.

8 (iii) For county owned facilities with per patient day updated
9 variable costs not exceeding the concomitant nursing home class
10 variable cost limit, the county maintenance of effort rate shall
11 equal zero.

12 (iv) For the purposes of this section: "per patient day updated
13 variable costs and the variable cost limit for the county facility"
14 shall be determined according to the state plan for medical
15 assistance; for freestanding county facilities the "nursing home
16 class variable cost limit" shall be determined according to the
17 state plan for medical assistance and for hospital attached county
18 facilities the "nursing class variable cost limit" shall be
19 determined ~~pursuant~~ **ACCORDING** to the state plan for medical
20 assistance plus \$5.00 per patient day; and "freestanding" and
21 "hospital attached" shall be determined according to the federal
22 regulations.

23 (v) If the county maintenance of effort rate computed under
24 this section exceeds the county maintenance of effort rate in
25 effect as of September 30, 1984, the rate in effect as of September
26 30, 1984 shall remain in effect until a time that the rate computed
27 under this section is less than the September 30, 1984 rate. This

1 limitation remains in effect until December 31, 2017. For each
2 subsequent county fiscal year the maintenance of effort may not
3 increase by more than \$1.00 per patient day each year.

4 (vi) For county owned facilities, reimbursement for plant costs
5 will continue to be based on interest expense and depreciation
6 allowance unless otherwise provided by law.

7 (d) ~~An~~ **EXCEPT AS PROVIDED IN SUBSECTION (3), AN** eligible
8 individual may receive pharmaceutical services from a licensed
9 pharmacist of the person's choice as prescribed by a licensed
10 physician or dentist and approved by the department of ~~community~~
11 health **AND HUMAN SERVICES**. In an emergency, but not routinely, the
12 individual may receive pharmaceutical services rendered personally
13 by a licensed physician or dentist on the same basis as approved
14 for pharmacists.

15 (e) An eligible individual may receive other medical and
16 health services as authorized by the department of ~~community~~-health
17 **AND HUMAN SERVICES**.

18 (f) Psychiatric care may also be provided according to the
19 guidelines established by the department of ~~community~~-health **AND**
20 **HUMAN SERVICES** to the extent of appropriations made available by
21 the legislature for the fiscal year.

22 (g) An eligible individual may receive screening, laboratory
23 services, diagnostic services, early intervention services, and
24 treatment for chronic kidney disease under guidelines established
25 by the department of ~~community~~-health **AND HUMAN SERVICES**. A
26 clinical laboratory performing a creatinine test on an eligible
27 individual under this subdivision shall include in the lab report

1 the glomerular filtration rate (eGFR) of the individual and shall
2 report it as a percent of kidney function remaining.

3 (2) The director shall provide notice to the public, according
4 to applicable federal regulations, and shall obtain the approval of
5 the committees on appropriations of the house of representatives
6 and senate of the legislature of this state, of a proposed change
7 in the statewide method or level of reimbursement for a service, if
8 the proposed change is expected to increase or decrease payments
9 for that service by 1% or more during the 12 months after the
10 effective date of the change.

11 (3) IF AN INDIVIDUAL HAS BEEN CONVICTED OF A CRIME INVOLVING
12 THE POSSESSION OR DELIVERY OF A CONTROLLED SUBSTANCE, HE OR SHE IS
13 NOT ELIGIBLE TO RECEIVE PHARMACEUTICAL SERVICES UNDER THIS ACT.

14 (4) ~~(3)~~—As used in this act:

15 (A) "CONTROLLED SUBSTANCE" MEANS THAT TERM AS DEFINED IN
16 SECTION 7104 OF THE PUBLIC HEALTH CODE, 1978 PA 368, MCL 333.7104.

17 (B) ~~(a)~~—"Title XVIII" means title XVIII of the social security
18 act, 42 USC 1395 to 1395kkk-1.

19 (C) ~~(b)~~—"Title XIX" means title XIX of the social security
20 act, 42 USC 1396 to 1396w-5.

21 (D) ~~(e)~~—"Title XX" means title XX of the social security act,
22 42 USC 1397 to 1397m-5.