

Legislative Analysis



SUNSET EXTENSION FOR COUNTY MAINTENANCE OF EFFORT REIMBURSEMENT

Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

House Bill 4726 as introduced
Sponsor: Rep. Matthew Bierlein
Committee: Insurance
Complete to 9-10-25

Analysis available at
<http://www.legislature.mi.gov>

SUMMARY:

House Bill 4726 would amend the Social Welfare Act to extend the sunset (expiration date) of the current reimbursement system for county maintenance of effort (MOE) contributions made by county-owned medical care facilities that provide Medicaid-funded long-term care.

Current law requires counties that operate medical care facilities to make MOE payments to the state. The state uses these payments to secure federal Medicaid funding, which is then reimbursed to the counties under a set formula. This reimbursement system is scheduled to expire on December 31, 2025.

The bill would extend this payment and reimbursement system through December 31, 2030, or until a new system is put in place, whichever comes first.

MCL 400.109

FISCAL IMPACT:

This bill would have no fiscal impact on the Department of Health and Human Services (DHHS), as the FY 2024-25 budget assumes that the sunset would not expire and is appropriated county maintenance of effort revenues totaling \$6.6 million. If the sunset were to expire, the state could receive approximately \$800,000 in additional local revenues. However, that combined total would be generated in additional maintenance of effort payments from counties that own facilities.

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