



HOUSE BILL No. 4586

March 14, 1995, Introduced by Rep. Griffin and referred to the Committee on Appropriations.

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 400.119b of the Michigan
Compiled Laws, by adding section 112g.

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 400.119b of the Michigan
3 Compiled Laws, is amended by adding section 112g to read as
4 follows:

5 SEC. 112G. (1) SUBJECT TO SUBSECTION (5), THE DEPARTMENT
6 SHALL ESTABLISH A PILOT PROGRAM AS DESCRIBED IN THIS SECTION TO
7 FINANCE LONG-TERM CARE BY COMBINING MEDICAID FUNDS WITH FUNDS
8 FROM PRIVATE INSURANCE. THE PILOT PROGRAM SHALL BEGIN ON JULY 1,

1 1995, AND SHALL BE ENTITLED THE MICHIGAN PARTNERSHIP FOR
2 LONG-TERM CARE.

3 (2) AN INDIVIDUAL SHALL BE ELIGIBLE TO PARTICIPATE IN THE
4 MICHIGAN PARTNERSHIP FOR LONG-TERM CARE PROGRAM IF HE OR SHE PUR-
5 CHASES A LONG-TERM CARE INSURANCE POLICY THAT IS DELIVERED,
6 ISSUED FOR DELIVERY, OR RENEWED ON OR AFTER JANUARY 1, 1995.

7 (3) IN MAKING A DETERMINATION OF AN INDIVIDUAL'S ELIGIBILITY
8 FOR MEDICAID, AND IN ANY SUBSEQUENT RECOVERY BY THE DEPARTMENT OF
9 MEDICAID PAYMENTS MADE ON AN INDIVIDUAL'S BEHALF, THE DEPARTMENT
10 SHALL DISREGARD RESOURCES OF AN INDIVIDUAL DESCRIBED IN SUBSEC-
11 TION (2) TO THE EXTENT THOSE RESOURCES ARE EQUAL TO THE AMOUNT OF
12 LONG-TERM CARE INSURANCE BENEFIT PAYMENTS DESCRIBED IN SUBSECTION
13 (4).

14 (4) LONG-TERM CARE INSURANCE BENEFIT PAYMENTS QUALIFY FOR
15 THE RESOURCE EXCLUSION DESCRIBED IN SUBSECTION (3) IF THEY MEET
16 ALL OF THE FOLLOWING REQUIREMENTS:

17 (A) THEY ARE FOR SERVICES MEDICAID APPROVES OR COVERS FOR
18 ITS RECIPIENTS.

19 (B) THEY ARE FOR THE LOWER OF THE ACTUAL CHARGE AND THE
20 AMOUNT PAID BY THE INSURANCE COMPANY.

21 (C) THEY ARE FOR NURSING HOME CARE, OR FOR SERVICES OF THE
22 TYPE COVERED BY MEDICAID UNDER SECTION 109C.

23 (D) THEY ARE FOR SERVICES PROVIDED AFTER THE INDIVIDUAL
24 MEETS THE COVERAGE REQUIREMENTS FOR LONG-TERM CARE BENEFITS
25 ESTABLISHED BY THE DEPARTMENT PURSUANT TO SUBSECTION (6).

26 (5) THE DEPARTMENT SHALL SEEK APPROPRIATE AMENDMENTS TO THE
27 MEDICAID STATE PLAN AND APPROVAL FROM THE FEDERAL HEALTH CARE

1 FINANCING ADMINISTRATION TO IMPLEMENT THE PILOT PROGRAM DESCRIBED
2 IN THIS SECTION. THE DEPARTMENT SHALL NOT IMPLEMENT THE PROGRAM
3 UNLESS FEDERAL APPROVAL IS OBTAINED.

4 (6) THE DEPARTMENT SHALL PROMULGATE RULES PURSUANT TO THE
5 ADMINISTRATIVE PROCEDURES ACT OF 1969, ACT NO. 306 OF THE PUBLIC
6 ACTS OF 1969, BEING SECTIONS 24.201 TO 24.328 OF THE MICHIGAN
7 COMPILED LAWS, TO IMPLEMENT THE PILOT PROGRAM DESCRIBED IN THIS
8 SECTION, INCLUDING, BUT NOT LIMITED TO, THE COVERAGE REQUIREMENTS
9 FOR LONG-TERM CARE BENEFITS.

10 (7) AS USED IN THIS SECTION:

11 (A) "LONG-TERM CARE INSURANCE POLICY" MEANS A POLICY
12 DESCRIBED IN CHAPTER 39 OF THE INSURANCE CODE OF 1956, ACT NO.
13 218 OF THE PUBLIC ACTS OF 1956, BEING SECTIONS 500.3901 TO
14 500.3955 OF THE MICHIGAN COMPILED LAWS.

15 (B) "MEDICAID" MEANS THE PROGRAM OF MEDICAL ASSISTANCE
16 ESTABLISHED BY THE DEPARTMENT PURSUANT TO SECTION 105.