

HOUSE BILL No. 4130

February 2, 1999, Introduced by Rep. Scranton and referred to the Committee on Senior Health, Security and Retirement.

A bill to establish an elderly support subsidy program; and to prescribe certain powers and duties to certain state departments, agencies, and officers.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. This act shall be known and may be cited as the
2 "elderly support subsidy act".

3 Sec. 2. As used in this section:

4 (a) "Department" means the department of management and
5 budget.

6 (b) "Director" means the director of the office of services
7 to the aging.

8 (c) "Elderly person" means a person 65 years of age or
9 older.

10 (d) "Family member" means an elderly person's spouse, child,
11 parent, stepparent, grandparent, grandchild, brother, sister,

1 parent-in-law, brother-in-law, sister-in-law, nephew, niece,
2 aunt, uncle, first cousin, or the spouse or guardian of a person
3 listed in this subdivision.

4 (e) "Office" means the office of services to the aging cre-
5 ated by section 5 of the older Michiganians act, 1981 PA 180, MCL
6 400.585.

7 Sec. 3. The director shall establish an elderly support
8 subsidy program. The purpose of the elderly support subsidy pro-
9 gram is to keep families together and to reduce capacity in state
10 facilities by defraying some of the special costs of caring for
11 eligible elderly people, allowing elderly people to reside with a
12 family member in their family home.

13 Sec. 4. (1) The office shall create an application form and
14 shall make the form available to the public for determining the
15 eligibility of an applicant. The form shall require at least the
16 following information, which constitutes the criteria for eligi-
17 bility for an elderly support subsidy:

18 (a) The name of the family member who is or will be the
19 recipient of an elderly support subsidy and with whom the elderly
20 person resides or is expected to reside.

21 (b) Verification that the elderly person is 65 years of age
22 or older.

23 (c) A statement that the elderly person resides or is
24 expected to reside with the recipient family member of the
25 elderly support subsidy.

26 (d) A statement that the recipient family member for the
27 elderly person resides in this state.

1 (2) The department may promulgate rules to implement this
2 act.

3 Sec. 5. (1) If an application for an elderly support sub-
4 sidy is approved by the office, all of the following apply:

5 (a) The elderly support subsidy shall be paid to the family
6 member designated as the recipient of the elderly support subsidy
7 in the application. The elderly support subsidy shall be consid-
8 ered a benefit to the elderly person. An approved subsidy shall
9 be payable as of the first of the next month after the office
10 determines that the criteria for eligibility for an elderly sup-
11 port subsidy are met.

12 (b) An elderly support subsidy shall be used to provide
13 long-term care to the elderly person, including but not limited
14 to housing and assistance with activities of daily living.
15 Except as otherwise provided in this act, this subsidy is
16 intended to complement but not replace public assistance or
17 social service benefits based on economic need available through
18 governmental programs.

19 (c) Except as provided in section 8, an elderly support sub-
20 sidy for a fiscal year shall be in an amount equivalent to the
21 monthly maximum supplemental security income payment available in
22 Michigan for an adult recipient living in the household of anoth-
23 er, as formulated under federal regulations as of July 1, 1998.
24 Increases to this rate shall be determined annually by legisla-
25 tive appropriation.

26 (d) In addition to the elderly support subsidy, 1 recipient
27 of the subsidy for each elderly person for whose benefit an

1 elderly support subsidy is paid may receive a 1-time, lump-sum
2 payment of twice the monthly elderly support subsidy amount for
3 the purpose of alterations to the home or acquisitions of equip-
4 ment to accommodate in-home care of the elderly person. If a
5 recipient of an elderly support subsidy for the benefit of an
6 elderly person receives a lump-sum payment under this subsection,
7 neither that recipient nor any other recipient of an elderly sup-
8 port subsidy for the benefit of the elderly person may receive
9 another lump-sum payment under this act.

10 (2) Each recipient of an elderly support subsidy shall
11 report, in writing, at least the following information to the
12 office:

13 (a) Not less than annually, a statement that the elderly
14 support subsidy was used to provide long-term care to the elderly
15 person, including but not limited to housing and assistance with
16 activities of daily living.

17 (b) Immediately, the occurrence of an event listed in sec-
18 tion 7.

19 (c) Immediately, if the recipient of the elderly support
20 subsidy requests termination of the elderly support subsidy.

21 Sec. 6. An elderly support subsidy payment is a benefit of
22 the elderly person and is not subject to assignment, sale, trans-
23 fer, lien, or encumbrance. In the event of bankruptcy, an
24 elderly support subsidy does not pass to or through a trustee or
25 another person acting on behalf of creditors.

26 Sec. 7. (1) The elderly support subsidy terminates if
27 either of the following occurs:

1 (a) The elderly person dies.

2 (b) The recipient of the elderly support subsidy no longer
3 meets the eligibility criteria in section 4.

4 (2) The office may terminate an elderly support subsidy if
5 the office determines that a report required by section 5 is not
6 made on a timely basis or that an application for an elderly sup-
7 port subsidy or a report required by section 5(2)(a) contains
8 information or a statement that is false.

9 (3) If the office denies an application for or terminates an
10 elderly support subsidy, the applicant or recipient of the
11 elderly support subsidy may demand, in writing, a hearing by the
12 office. The office shall conduct the hearing in the same manner
13 as provided for contested case hearings under chapter 4 of the
14 administrative procedures act of 1969, 1969 PA 306, MCL 24.271 to
15 24.287.

16 Sec. 8. In the event the legislature appropriates insuffi-
17 cient funds to pay the full amount of all elderly support subsi-
18 dies estimated by the department for a fiscal year, the depart-
19 ment, after notifying the governor and the house and senate
20 appropriations committees, may reduce each elderly support sub-
21 sidy on a pro rata basis. The department shall not reduce the
22 amount of the monthly payment by more than an aggregate of 25% in
23 1 fiscal year without written approval of the house and senate
24 appropriations committees.

25 Sec. 9. In conjunction with the office, the department
26 shall conduct annually and forward to the governor and the house
27 and senate appropriations committees, and the senate and house

1 committees with legislative oversight of human services and
2 senior citizens, an evaluation of the elderly support subsidy
3 program that must include, but is not limited to, all of the
4 following:

5 (a) The impact of the elderly support subsidy program upon
6 elderly people including, to the extent possible, sample case
7 reviews of families who choose not to participate.

8 (b) Case reviews of families who voluntarily terminate par-
9 ticipation in the elderly support subsidy program, particularly
10 when the eligible elderly person is placed out of the family
11 home, including the involvement of the office in offering suit-
12 able alternatives.

13 (c) Sample assessments of families receiving elderly support
14 subsidy payments, including adequacy of the subsidy and need for
15 services not available.

16 (d) The efforts to encourage program participation of eligi-
17 ble families.

18 (e) The geographic distribution of families receiving sub-
19 sidy payments and, to the extent possible, each elderly person
20 presumed to be eligible for elderly support subsidy payments.

21 (f) Programmatic and legislative recommendations to further
22 assist families in providing care for eligible elderly people.

23 (g) Problems that arise in identifying eligible elderly
24 people.

25 (h) The number of beds reduced in public and private facili-
26 ties serving elderly people when the elderly people reside with
27 family members as a result of the subsidy program.

1 (i) Caseload figures.

2 (j) An estimate of the total amount of elderly support sub-

3 sidies projected for the next fiscal year.