

Legislative Analysis



NURSING HOME LEAVE DAYS

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Senate Bill 1164 (H-2)

Sponsor: Sen. Robert Emerson

Committee: House Appropriations

Date: September 29, 2004

A SUMMARY OF SENATE BILL 1164 (H-2) AS PASSED BY THE HOUSE

Senate Bill 1164 would amend the Public Health Code to modify the requirements on nursing homes to hold beds open for patients who are temporarily absent from the home for emergency medical or physician approved therapeutic reasons. The absent beds are to be held open for 10 days for emergency care and 18 days for therapeutic leave if the facilities receive payment for each day of absence that the nursing homes are at 98% or more occupancy. Under current law, there is no requirement that limits this provision only to nursing homes at 98% or more occupancy.

FISCAL IMPACT:

It is estimated that the bill would enable the Department of Community Health to achieve Medicaid savings of \$12.7 million Gross (\$5.5 million GF/GP) by reducing the amount it pays for nursing beds to be held open for temporarily absent Medicaid patients. The proposed savings related to this proposal are included in the FY 2004-05 Department of Community Health Budget recently adopted by the Legislature (Senate Bill 1063).

As the primary payer of nursing homes services in Michigan, the Medicaid program currently reimburses nursing homes for patients who are temporarily absent from the home for the stated reasons regardless of the occupancy level of the facilities. Under the bill, the Department would no longer be required to pay for nursing home leave days unless nearly all of the beds in the nursing home are full. According to the Department of Community Health, Medicaid currently reimburses nursing homes for approximately 210,000 hospital leave days per year at an average cost of \$60 per day.

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