

HOUSE BILL NO. 4496

May 02, 2023, Introduced by Reps. Filler, Snyder, Glanville, Liberati, Rheingans, McFall, Steckloff, Byrnes, Scott, Churches, Coleman, Hood, Fitzgerald, Tyrone Carter, Paiz, McKinney, Zorn, Farhat, Aiyash and Phil Green and referred to the Committee on Health Policy.

A bill to amend 1939 PA 280, entitled
"The social welfare act,"
by amending sections 105b and 109f (MCL 400.105b and 400.109f),
section 105b as added by 2007 PA 100 and section 109f as amended by
2017 PA 224; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 105b. (1) The department ~~of community health~~ shall **work**
2 **with contracted health plans to** create incentives for individual
3 medical assistance recipients who practice specified positive

1 health behaviors. The incentives described in this subsection may
 2 include, but are not limited to, expanded benefits and incentives
 3 relating to premiums, co-pays, or benefits. The positive health
 4 behaviors described in this subsection may include, but are not
 5 limited to, participation in health risk assessments and health
 6 screenings, compliance with medical treatment, attendance at
 7 scheduled medical appointments, participation in smoking cessation
 8 treatment, exercise, prenatal visits, immunizations, and attendance
 9 at recommended educational health programs.

10 (2) The department ~~of community health~~ shall create pay-for-
 11 performance incentives for contracted ~~medicaid~~ **Medicaid** health
 12 maintenance organizations. The ~~medicaid~~ **Medicaid** health maintenance
 13 organization contracts ~~shall~~ **may** include incentives for meeting
 14 health outcome targets for chronic disease states, increasing the
 15 number of medical assistance recipients who practice positive
 16 health behaviors, and meeting patient compliance targets
 17 established by the department. ~~of community health.~~ Priority ~~shall~~
 18 **may** be given to strategies that prevent and manage the 10 most
 19 prevalent and costly ailments affecting medical assistance
 20 recipients.

21 (3) The department ~~of community health~~ shall establish a
 22 preferred product and service formulary program for durable medical
 23 equipment. The department ~~of community health~~ shall work with the
 24 ~~centers for medicare and medicaid services~~ **Centers for Medicare and**
 25 **Medicaid** to determine if a joint partnership with ~~medicare~~ **Medicare**
 26 is possible in establishing the program described in this
 27 subsection as a means of achieving savings and efficiencies for
 28 both the ~~medicaid and medicare~~ **Medicaid and Medicare** programs. The
 29 preferred product and service formulary program for durable medical

1 equipment shall require participation from the department of
 2 ~~community health~~ and shall permit the contracted ~~medicaid~~ **Medicaid**
 3 health maintenance organizations and provider organizations to
 4 participate.

5 (4) The department of ~~community health~~ shall seek financial
 6 support for electronic health records, including, but not limited
 7 to, personal health records, e-prescribing, web-based medical
 8 records, and other health information technology initiatives using
 9 ~~medicaid~~ **Medicaid** funds.

10 ~~(5) The department of community health shall include in any~~
 11 ~~federal waiver request that is submitted with the intent to secure~~
 12 ~~federal matching funds to cover the medically uninsured nonmedicaid~~
 13 ~~population in the state language to allow the department of~~
 14 ~~community health to establish, at a minimum, the programs required~~
 15 ~~under subsections (1) and (2).~~

16 (5) ~~(6)~~ The department of ~~community health~~ shall not implement
 17 incentives under this section that conflict with federal statute or
 18 regulation.

19 Sec. 109f. (1) The department shall support the use of
 20 Medicaid funds for specialty services and supports for eligible
 21 Medicaid beneficiaries with a serious mental illness, developmental
 22 disability, serious emotional disturbance, or substance use
 23 disorder. Medicaid-covered specialty services and supports shall be
 24 managed and delivered by specialty prepaid health plans chosen by
 25 the department. ~~The~~ **Except for beneficiaries who are eligible for**
 26 **dual enrollment in Medicare and Medicaid, the** specialty services
 27 and supports shall be carved out from the basic Medicaid health
 28 care benefits package.

29 (2) Specialty prepaid health plans are Medicaid managed care

1 organizations as described in section 1903(m)(1)(A) of title XIX,
2 42 USC 1396b, and are responsible for providing defined inpatient
3 services, outpatient hospital services, physician services, other
4 specified Medicaid state plan services, and additional services
5 approved by the Centers for Medicare and Medicaid Services under
6 section 1915(b)(3) of title XIX, 42 USC 1396n.

7 (3) This section does not apply to a pilot project authorized
8 under section 298(3) of article X of 2017 PA 107.

9 Enacting section 1. Sections 105c, 105f, 107a, and 107b of the
10 social welfare act, 1939 PA 280, MCL 400.105c, 400.105f, 400.107a,
11 and 400.107b, are repealed.