

# HOUSE BILL NO. 4959

September 07, 2023, Introduced by Reps. Grant, Pohutsky, Koleszar, Brixie, Dievendorf, Morse, Price, Glanville, Rheingans, Arbit, Wilson, Tsernoglou, Steckloff, Liberati, Stone, Paiz, Mentzer, Byrnes, Breen, Skaggs, Wegela, Brabec, Haadsma, Hood, Hoskins, MacDonell, Conlin, Hill, Weiss and Morgan and referred to the Committee on Health Policy.

A bill to amend 1939 PA 280, entitled "The social welfare act," by amending sections 108 and 109 (MCL 400.108 and 400.109), section 108 as amended by 2013 PA 107 and section 109 as amended by 2022 PA 98.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1           Sec. 108. A medically indigent ~~person~~**individual** as defined  
2 under section 106(1)(a) is entitled to all the services enumerated  
3 in section 109. A medically indigent ~~person~~**individual** as defined  
4 under section 106(1)(b) is entitled to medical services enumerated  
5 in section 109(1)(a), (c), ~~and (e)~~, **and (i)**. ~~He or she~~**The**

1 **medically indigent individual** is entitled to the services  
 2 enumerated in section 109(1)(b), (d), and (f) to the extent of  
 3 appropriations made available by the legislature for the fiscal  
 4 year. Medical services shall be rendered upon certification by the  
 5 attending licensed physician and dental services shall be rendered  
 6 upon certification of the attending licensed dentist that a service  
 7 is required for the treatment of an individual. The services of a  
 8 medical institution shall be rendered only after referral by a  
 9 licensed physician or dentist and certification by ~~him or her~~ **the**  
 10 **licensed physician or dentist** that the services of the medical  
 11 institution are required for the medical or dental treatment of the  
 12 individual, except that referral is not necessary in case of an  
 13 emergency. Periodic recertification that medical treatment that  
 14 extends over a period of time is required in accordance with  
 15 regulations of the department ~~of community health~~ is a condition of  
 16 continuing eligibility to receive medical assistance. To comply  
 17 with federal statutes governing ~~medicaid~~, **Medicaid**, the department  
 18 ~~of community health~~ shall provide early and periodic screening,  
 19 diagnostic and treatment services to eligible children as it  
 20 considers necessary.

21       Sec. 109. (1) The following medical services may be provided  
 22 under this act:

23       (a) Hospital services that an eligible individual may receive  
 24 consist of medical, surgical, or obstetrical care, together with  
 25 necessary drugs, X-rays, physical therapy, prosthesis,  
 26 transportation, and nursing care incident to the medical, surgical,  
 27 or obstetrical care. The period of inpatient hospital service shall  
 28 be the minimum period necessary in this type of facility for the  
 29 proper care and treatment of the individual. Necessary

1 hospitalization to provide dental care must be provided if  
2 certified by the attending dentist with the approval of the  
3 department. An individual who is receiving medical treatment as an  
4 inpatient because of a diagnosis of mental disease may receive  
5 service under this section, notwithstanding the mental health code,  
6 1974 PA 258, MCL 330.1001 to 330.2106. The department must pay for  
7 hospital services according to the state plan for medical  
8 assistance adopted under section 10 and approved by the United  
9 States Department of Health and Human Services.

10 (b) An eligible individual may receive physician services  
11 authorized by the department. The service may be furnished in the  
12 physician's office, the eligible individual's home, a medical  
13 institution, or elsewhere in case of emergency. A physician must be  
14 paid a reasonable charge for the service rendered. The department  
15 must determine reasonable charges. Reasonable charges must not be  
16 more than those paid in this state for services rendered under  
17 title XVIII.

18 (c) An eligible individual may receive nursing home services  
19 in a state licensed nursing home, a medical care facility, or other  
20 facility or identifiable unit of that facility, certified by the  
21 appropriate authority as meeting established standards for a  
22 nursing home under the laws and rules of this state and the United  
23 States Department of Health and Human Services, to the extent found  
24 necessary by the attending physician, dentist, or certified  
25 Christian Science practitioner. An eligible individual may receive  
26 nursing services in an extended care services program established  
27 under section 22210 of the public health code, 1978 PA 368, MCL  
28 333.22210, to the extent found necessary by the attending physician  
29 when the combined length of stay in the acute care bed and short-

1 term nursing care bed exceeds the average length of stay for  
2 Medicaid hospital diagnostic related group reimbursement. The  
3 department shall not make a final payment under title XIX for  
4 benefits available under title XVIII without documentation that  
5 title XVIII claims have been filed and denied. The department must  
6 pay for nursing home services according to the state plan for  
7 medical assistance adopted according to section 10 and approved by  
8 the United States Department of Health and Human Services. A county  
9 must reimburse a county maintenance of effort rate determined on an  
10 annual basis for each patient day of Medicaid nursing home services  
11 provided to eligible individuals in long-term care facilities owned  
12 by the county and licensed to provide nursing home services. For  
13 purposes of determining rates and costs described in this  
14 subdivision, all of the following apply:

15 (i) For county-owned facilities with per patient day updated  
16 variable costs exceeding the variable cost limit for the county  
17 facility, county maintenance of effort rate means 45% of the  
18 difference between per patient day updated variable cost and the  
19 concomitant nursing home-class variable cost limit, the quantity  
20 offset by the difference between per patient day updated variable  
21 cost and the concomitant variable cost limit for the county  
22 facility. The county rate must not be less than zero.

23 (ii) For county-owned facilities with per patient day updated  
24 variable costs not exceeding the variable cost limit for the county  
25 facility, county maintenance of effort rate means 45% of the  
26 difference between per patient day updated variable cost and the  
27 concomitant nursing home class variable cost limit.

28 (iii) For county-owned facilities with per patient day updated  
29 variable costs not exceeding the concomitant nursing home class

1 variable cost limit, the county maintenance of effort rate must  
2 equal zero.

3 (iv) For the purposes of this section: "per patient day updated  
4 variable costs and the variable cost limit for the county facility"  
5 must be determined according to the state plan for medical  
6 assistance; for freestanding county facilities the "nursing home  
7 class variable cost limit" must be determined according to the  
8 state plan for medical assistance and for hospital attached county  
9 facilities the "nursing class variable cost limit" must be  
10 determined according to the state plan for medical assistance plus  
11 \$5.00 per patient day; and "freestanding" and "hospital attached"  
12 must be determined according to the federal regulations.

13 (v) If the county maintenance of effort rate computed under  
14 this section exceeds the county maintenance of effort rate in  
15 effect as of September 30, 1984, the rate in effect as of September  
16 30, 1984 must remain in effect until a time that the rate computed  
17 under this section is less than the September 30, 1984 rate. This  
18 limitation remains in effect until December 31, 2025 or until a new  
19 reimbursement system determined by the department replaces the  
20 current system, whichever is sooner. For each subsequent county  
21 fiscal year, the maintenance of effort rate may not increase by  
22 more than \$1.00 per patient day each year.

23 (vi) For county-owned facilities, reimbursement for plant costs  
24 must continue to be based on interest expense and depreciation  
25 allowance unless otherwise provided by law.

26 (d) An eligible individual may receive pharmaceutical services  
27 from a licensed pharmacist of the individual's choice as prescribed  
28 by a licensed physician or dentist and approved by the department.  
29 In an emergency, but not routinely, the individual may receive

1 pharmaceutical services rendered personally by a licensed physician  
2 or dentist on the same basis as approved for pharmacists.

3 (e) An eligible individual may receive other medical and  
4 health services as authorized by the department.

5 (f) Psychiatric care may also be provided according to the  
6 guidelines established by the department to the extent of  
7 appropriations made available by the legislature for the fiscal  
8 year.

9 (g) An eligible individual may receive screening, laboratory  
10 services, diagnostic services, early intervention services, and  
11 treatment for chronic kidney disease under guidelines established  
12 by the department. A clinical laboratory performing a creatinine  
13 test on an eligible individual under this subdivision must include  
14 in the lab report the glomerular filtration rate (eGFR) of the  
15 individual and must report it as a percentage of kidney function  
16 remaining.

17 (h) An eligible individual may receive medically necessary  
18 acute medical detoxification for opioid use disorder, medically  
19 necessary inpatient care at an approved facility, or care in an  
20 appropriately licensed substance use disorder residential treatment  
21 facility.

22 **(i) An eligible individual may receive abortion services from**  
23 **any provider of the eligible individual's choice. The department**  
24 **must set and pay to any provider reasonable rates that take account**  
25 **of the prevailing charges and reimbursement rates in the region. No**  
26 **plan offered under the medical assistance program shall impose any**  
27 **cost sharing or case-by-case utilization management or utilization**  
28 **review requirement or limitation.**

29 (2) The director must provide notice to the public, according

1 to applicable federal regulations, and must obtain the approval of  
2 the committees on appropriations of the house of representatives  
3 and senate of the state legislature, of a proposed change in the  
4 statewide method or level of reimbursement for a service, if the  
5 proposed change is expected to increase or decrease payments for  
6 that service by 1% or more during the 12 months after the effective  
7 date of the change.

8 (3) As used in this act:

9 (a) "Title XVIII" means title XVIII of the social security  
10 act, 42 USC 1395 to 1395lll.

11 (b) "Title XIX" means title XIX of the social security act, 42  
12 USC 1396 to ~~1396w-6~~.**1396w-7**.

13 (c) "Title XX" means title XX of the social security act, 42  
14 USC 1397 to 1397n-13.

15 Enacting section 1. This amendatory act takes effect January  
16 1, 2025.

17 Enacting section 2. This amendatory act does not take effect  
18 unless Senate Bill No. \_\_\_\_\_ or House Bill No. 4958 (request no.  
19 03049'23 \*) of the 102nd Legislature is enacted into law.