

SUBSTITUTE FOR
SENATE BILL NO. 1039

A bill to amend 1939 PA 280, entitled
"The social welfare act,"
(MCL 400.1 to 400.119b) by adding section 105g.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 105G. (1) CONSISTENT WITH FEDERAL REGULATIONS, THE
2 STANDARD OF PROMPTNESS FOR ESTABLISHING MEDICAL ASSISTANCE
3 ELIGIBILITY FOR INDIVIDUALS IN NURSING FACILITIES SHALL BE NOT MORE
4 THAN 90 DAYS FOR A DISABLED INDIVIDUAL AND NOT MORE THAN 45 DAYS
5 FOR A NONDISABLED INDIVIDUAL. TO ENSURE TIMELY ELIGIBILITY
6 DETERMINATION, THE DEPARTMENT SHALL DO ALL OF THE FOLLOWING:
7 (A) ESTABLISH STAFF DEDICATED TO SPECIALIZED CASELOADS FOR
8 NURSING FACILITY RESIDENTS APPLYING FOR MEDICAL ASSISTANCE IN ORDER
9 TO ENSURE COMPLIANCE WITH THE STANDARD OF PROMPTNESS.

1 (B) COLLABORATE WITH THE NURSING FACILITY TRADE ASSOCIATIONS
2 TO PROVIDE PERIODIC TRAINING ON MEDICAL ASSISTANCE ELIGIBILITY
3 PROCESSES AND REQUIREMENTS.

4 (C) BEGINNING OCTOBER 1, 2019, REPORT QUARTERLY TO THE NURSING
5 FACILITY TRADE ASSOCIATIONS, SENATE AND HOUSE APPROPRIATIONS
6 SUBCOMMITTEES, SENATE AND HOUSE STANDING COMMITTEES HAVING
7 JURISDICTION OVER ISSUES INVOLVING SENIOR CITIZENS, AND THE SENATE
8 AND HOUSE FISCAL AGENCIES ON COMPLIANCE WITH THE STANDARD OF
9 PROMPTNESS TIMELINES FOR MEDICAL-ASSISTANCE-ELIGIBLE NURSING
10 FACILITY RESIDENTS. THE REPORT SHALL LIST COMPLIANCE WITH THE
11 STANDARD OF PROMPTNESS BY COUNTY AND IDENTIFY MEASURES NECESSARY TO
12 MEET THAT STANDARD.

13 (2) BEGINNING OCTOBER 1, 2019, THE DEPARTMENT SHALL DO ALL OF
14 THE FOLLOWING:

15 (A) IMPLEMENT AN ASSET DETECTION AND VERIFICATION PROCESS FOR
16 A MEDICAL-ASSISTANCE-ELIGIBLE NURSING FACILITY RESIDENT.

17 (B) ALLOW THE RECIPIENT OR HIS OR HER REPRESENTATIVE TO ATTEST
18 TO ANY CHANGE IN ASSETS OR INCOME TO PROVIDE AN ACCELERATED
19 REDETERMINATION PROCESS.

20 (C) COLLABORATE WITH THE NURSING FACILITY TRADE ASSOCIATIONS
21 TO PROVIDE PERIODIC TRAINING ON MEDICAL ASSISTANCE ELIGIBILITY
22 REDETERMINATIONS.

23 (3) THE DEPARTMENT SHALL ESTABLISH A DIVESTMENT PENALTY
24 REPAYMENT FUND OF \$3,000,000.00 TO PAY NURSING FACILITIES FOR CARE
25 PROVIDED TO RESIDENTS WHILE SUBJECT TO A DIVESTMENT PENALTY PERIOD.
26 IF THE TOTAL DIVESTMENT PENALTY DEBT CLAIMED BY ALL NURSING
27 FACILITIES IN THE STATE EXCEEDS \$3,000,000.00, THE FUNDS SHALL BE

1 DISPERSED TO EACH NURSING FACILITY CLAIMING DIVESTMENT PENALTY DEBT
2 AT A PERCENTAGE COVERED BY THE FUND. IF THE TOTAL DIVESTMENT
3 PENALTY DEBT CLAIMED BY ALL NURSING FACILITIES IN THE STATE IS LESS
4 THAN \$3,000,000.00, GENERAL FUND MONEY REMAINING SHALL NOT LAPSE TO
5 THE GENERAL FUND, BUT SHALL REMAIN AVAILABLE IN THE NEXT FISCAL
6 YEAR.

7 (4) THE DEPARTMENT SHALL MAKE AVAILABLE AN OUTSTATION WORKER
8 TO UTILIZE TO FACILITATE MEDICAID ELIGIBILITY DETERMINATION TO A
9 NURSING FACILITY THAT REQUESTS AN OUTSTATION WORKER.

10 (5) BEGINNING OCTOBER 1, 2018, IF A RECIPIENT RESIDING IN A
11 NURSING FACILITY HAS A COURT-ORDERED PAYMENT OR GARNISHMENT, THE
12 DEPARTMENT MUST AUTOMATICALLY APPLY THE COURT-ORDERED PAYMENT OR
13 GARNISHMENT BEFORE DETERMINING THE PATIENT-PAY AMOUNT.

14 Enacting section 1. This amendatory act takes effect 90 days
15 after the date it is enacted into law.