

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) ALLOCATE TO SPECIFIC STAFF CASELOADS OF NURSING FACILITY  
8        RESIDENTS APPLYING FOR MEDICAL ASSISTANCE IN ORDER TO ENSURE  
9        COMPLIANCE WITH THE STANDARD OF PROMPTNESS. THE STAFF ALLOCATED TO  
10        RECEIVE CASELOADS OF NURSING FACILITY RESIDENTS APPLYING FOR

1 MEDICAL ASSISTANCE MAY ALSO RECEIVE CASELOADS FOR APPLICATIONS IN  
2 SETTINGS OTHER THAN NURSING FACILITIES.

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

6 (C) BEGINNING OCTOBER 1, 2019, REPORT QUARTERLY TO THE NURSING  
7 FACILITY TRADE ASSOCIATIONS ON COMPLIANCE WITH THE STANDARD OF  
8 PROMPTNESS TIMELINES FOR MEDICAL-ASSISTANCE-ELIGIBLE NURSING  
9 FACILITY RESIDENTS. THE REPORT SHALL LIST COMPLIANCE WITH THE  
10 STANDARD OF PROMPTNESS BY COUNTY AND IDENTIFY MEASURES NECESSARY TO  
11 MEET THAT STANDARD.

12 (2) BEGINNING OCTOBER 1, 2019, FOR A NURSING FACILITY  
13 RESIDENT'S ANNUAL ELIGIBILITY REDETERMINATION, THE DEPARTMENT SHALL  
14 DO ALL OF THE FOLLOWING:

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

17 (B) PROVIDE TO THE RECIPIENT OR HIS OR HER REPRESENTATIVE A  
18 PREPOPULATED FORM REFLECTING THE INFORMATION FROM THE MOST RECENT  
19 MEDICAID APPLICATION AND ALLOW THE RECIPIENT OR HIS OR HER  
20 REPRESENTATIVE TO ATTEST TO THE INFORMATION ON THE PREPOPULATED  
21 FORM TO PROVIDE AN ACCELERATED REDETERMINATION PROCESS.

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

25 (3) THE DEPARTMENT SHALL ESTABLISH A DIVESTMENT PENALTY  
26 REPAYMENT FUND OF \$3,000,000.00 TO PAY NURSING FACILITIES FOR CARE  
27 PROVIDED TO RESIDENTS WHILE SUBJECT TO A DIVESTMENT PENALTY PERIOD.

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

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

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

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