

SENATE BILL No. 47

January 20, 2011, Introduced by Senator GREGORY and referred to the Committee on Appropriations.

A bill to amend 1939 PA 280, entitled
"The social welfare act,"
by amending section 109 (MCL 400.109), as amended by 2006 PA 576.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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

3 (a) Hospital services that an eligible individual may receive
4 consist of medical, surgical, or obstetrical care, together with
5 necessary drugs, X-rays, physical therapy, prosthesis,
6 transportation, and nursing care incident to the medical, surgical,
7 or obstetrical care. The period of inpatient hospital service shall
8 be the minimum period necessary in this type of facility for the
9 proper care and treatment of the individual. Necessary
10 hospitalization to provide dental care shall be provided if
11 certified by the attending dentist with the approval of the

1 department of community health. An individual who is receiving
2 medical treatment as an inpatient because of a diagnosis of
3 tuberculosis or mental disease may receive service under this
4 section, notwithstanding the mental health code, 1974 PA 258, MCL
5 330.1001 to 330.2106, and 1925 PA 177, MCL 332.151 to 332.164. The
6 department of community health shall pay for hospital services in
7 accordance with the state plan for medical assistance adopted under
8 section 10 and approved by the United States department of health
9 and human services.

10 (b) An eligible individual may receive physician services
11 authorized by the department of community health. The service may
12 be furnished in the physician's office, the eligible individual's
13 home, a medical institution, or elsewhere in case of emergency. A
14 physician shall be paid a reasonable charge for the service
15 rendered. Reasonable charges shall be determined by the department
16 of community health and shall not be more than those paid in this
17 state for services rendered under 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 a short-term nursing care program established
27 under section 22210 of the public health code, 1978 PA 368, MCL

1 333.22210, to the extent found necessary by the attending physician
2 when the combined length of stay in the acute care bed and short-
3 term nursing care bed exceeds the average length of stay for
4 medicaid hospital diagnostic related group reimbursement. The
5 department of community health shall not make a final payment
6 pursuant ~~to~~ **ACCORDING** to title XIX for benefits available under title
7 XVIII without documentation that title XVIII claims have been filed
8 and denied. The department of community health shall pay for
9 nursing home services in accordance with the state plan for medical
10 assistance adopted according to section 10 and approved by the
11 United States department of health and human services. A county
12 shall reimburse a county maintenance of effort rate determined on
13 an annual basis for each patient day of medicaid nursing home
14 services provided to eligible individuals in long-term care
15 facilities owned by the county and licensed to provide nursing home
16 services. For purposes of determining rates and costs described in
17 this subdivision, all of the following apply:

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

26 (ii) For county owned facilities with per patient day updated
27 variable costs not exceeding the variable cost limit for the county

1 facility, county maintenance of effort rate means 45% of the
2 difference between per patient day updated variable cost and the
3 concomitant nursing home class variable cost limit.

4 (iii) For county owned facilities with per patient day updated
5 variable costs not exceeding the concomitant nursing home class
6 variable cost limit, the county maintenance of effort rate shall
7 equal zero.

8 (iv) For the purposes of this section: "per patient day updated
9 variable costs and the variable cost limit for the county facility"
10 shall be determined ~~pursuant~~ **ACCORDING** to the state plan for
11 medical assistance; for freestanding county facilities the "nursing
12 home class variable cost limit" shall be determined ~~pursuant~~
13 **ACCORDING** to the state plan for medical assistance and for hospital
14 attached county facilities the "nursing class variable cost limit"
15 shall be determined ~~pursuant~~ **ACCORDING** to the state plan for
16 medical assistance plus \$5.00 per patient day; and "freestanding"
17 and "hospital attached" shall be determined in accordance with the
18 federal regulations.

19 (v) If the county maintenance of effort rate computed in
20 accordance with this section exceeds the county maintenance of
21 effort rate in effect as of September 30, 1984, the rate in effect
22 as of September 30, 1984 shall remain in effect until a time that
23 the rate computed in accordance with this section is less than the
24 September 30, 1984 rate. This limitation remains in effect until
25 December 31, 2012. For each subsequent county fiscal year the
26 maintenance of effort may not increase by more than \$1.00 per
27 patient day each year.

1 (vi) For county owned facilities, reimbursement for plant costs
2 will continue to be based on interest expense and depreciation
3 allowance unless otherwise provided by law.

4 (d) An eligible individual may receive pharmaceutical services
5 from a licensed pharmacist of the person's choice as prescribed by
6 a licensed physician or dentist and approved by the department of
7 community health. In an emergency, but not routinely, the
8 individual may receive pharmaceutical services rendered personally
9 by a licensed physician or dentist on the same basis as approved
10 for pharmacists.

11 (e) An eligible individual may receive other medical and
12 health services as authorized by the department of community
13 health.

14 (f) Psychiatric care may also be provided ~~pursuant~~ **ACCORDING**
15 to the guidelines established by the department of community health
16 to the extent of appropriations made available by the legislature
17 for the fiscal year.

18 (g) An eligible individual may receive screening, laboratory
19 services, diagnostic services, early intervention services, and
20 treatment for chronic kidney disease ~~pursuant~~ **ACCORDING** to
21 guidelines established by the department of community health. A
22 clinical laboratory performing a creatinine test on an eligible
23 individual ~~pursuant to~~ **UNDER** this subdivision shall include in the
24 lab report the glomerular filtration rate (eGFR) of the individual
25 and shall report it as a percent of kidney function remaining.

26 **(H) AN ELIGIBLE INDIVIDUAL MAY RECEIVE DENTAL HYGIENE SERVICES**
27 **PROVIDED BY A DENTAL HYGIENIST AS ALLOWED UNDER SECTION 16625 OF**

1 THE PUBLIC HEALTH CODE, 1978 PA 368, MCL 333.16625. THE DEPARTMENT
2 OF COMMUNITY HEALTH SHALL AUTHORIZE REIMBURSEMENT TO BE MADE
3 DIRECTLY TO THE DENTAL HYGIENIST FOR DENTAL HYGIENE SERVICES
4 PROVIDED BY THE DENTAL HYGIENIST UNDER THE SUPERVISION OF A DENTIST
5 AS ALLOWED UNDER SECTION 16625 OF THE PUBLIC HEALTH CODE, 1978 PA
6 368, MCL 333.16625.

7 (2) The director shall provide notice to the public, in
8 accordance with applicable federal regulations, and shall obtain
9 the approval of the committees on appropriations of the house of
10 representatives and senate of the legislature of this state, of a
11 proposed change in the statewide method or level of reimbursement
12 for a service, if the proposed change is expected to increase or
13 decrease payments for that service by 1% or more during the 12
14 months after the effective date of the change.

15 (3) As used in this act:

16 (a) "Title XVIII" means title XVIII of the social security
17 act, 42 USC 1395 to ~~1395b, 1395b-2, 1395b-6 to 1395b-7, 1395c to~~
18 ~~1395i, 1395i-2 to 1395i-5, 1395j to 1395t, 1395u to 1395w, 1395w-2~~
19 ~~to 1395w-4, 1395w-21 to 1395w-28, 1395x to 1395yy, and 1395bbb to~~
20 ~~1395ggg-1395III.~~

21 (b) "Title XIX" means title XIX of the social security act, 42
22 USC 1396 to ~~1396r-6 and 1396r-8 to 1396v.~~**1396W-5.**

23 (c) "Title XX" means title XX of the social security act, 42
24 USC 1397 to 1397f.