

# HOUSE BILL No. 4443

March 15, 2011, Introduced by Reps. Muxlow, Foster, Huuki, Bumstead, Walsh, Lyons, Franz, Lori, Somerville, Ouimet, Johnson, Hughes, Zorn, Liss, Glardon, Haugh, Jacobsen, Daley, Shirkey, Rendon, Irwin and Meadows and referred to the Committee on Health Policy.

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

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

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

20 (c) An eligible individual may receive nursing home services  
21 in a state licensed nursing home, a medical care facility, or other  
22 facility or identifiable unit of that facility, certified by the  
23 appropriate authority as meeting established standards for a  
24 nursing home under the laws and rules of this state and the United  
25 States department of health and human services, to the extent found  
26 necessary by the attending physician, dentist, or certified  
27 Christian Science practitioner. An eligible individual may receive

1   nursing services ~~in a short term nursing care program established~~  
2   ~~under section 22210 of the public health code, 1978 PA 368, MCL~~  
3   ~~333.22210,~~ **FROM A HOSPITAL PROVIDER OF EXTENDED CARE SERVICES UNDER**  
4   **42 USC 1395TT**, to the extent found necessary by the attending  
5   physician when the combined length of stay in the acute care bed  
6   and short-term nursing care bed exceeds the average length of stay  
7   for medicaid hospital diagnostic related group reimbursement. The  
8   department of community health shall not make a final payment  
9   ~~pursuant to~~ **UNDER** title XIX for benefits available under title  
10   XVIII without documentation that title XVIII claims have been filed  
11   and denied. The department of community health shall pay for  
12   nursing home services ~~in accordance with~~ **ACCORDING TO** the state  
13   plan for medical assistance adopted according to section 10 and  
14   approved by the United States department of health and human  
15   services. A county shall reimburse a county maintenance of effort  
16   rate determined on an annual basis for each patient day of medicaid  
17   nursing home services provided to eligible individuals in long-term  
18   care facilities owned by the county and licensed to provide nursing  
19   home services. For purposes of determining rates and costs  
20   described in this subdivision, all of the following apply:

21       (i) For county owned facilities with per patient day updated  
22   variable costs exceeding the variable cost limit for the county  
23   facility, county maintenance of effort rate means 45% of the  
24   difference between per patient day updated variable cost and the  
25   concomitant nursing home-class variable cost limit, the quantity  
26   offset by the difference between per patient day updated variable  
27   cost and the concomitant variable cost limit for the county

1 facility. The county rate shall not be less than zero.

2 (ii) For county owned facilities with per patient day updated  
3 variable costs not exceeding the variable cost limit for the county  
4 facility, county maintenance of effort rate means 45% of the  
5 difference between per patient day updated variable cost and the  
6 concomitant nursing home class variable cost limit.

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

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

22 (v) If the county maintenance of effort rate computed ~~in~~  
23 ~~accordance with~~ **UNDER** this section exceeds the county maintenance  
24 of effort rate in effect as of September 30, 1984, the rate in  
25 effect as of September 30, 1984 shall remain in effect until a time  
26 that the rate computed ~~in accordance with~~ **UNDER** this section is  
27 less than the September 30, 1984 rate. This limitation remains in

1 effect until December 31, 2012. For each subsequent county fiscal  
2 year the maintenance of effort may not increase by more than \$1.00  
3 per patient day each year.

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

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

14 (e) An eligible individual may receive other medical and  
15 health services as authorized by the department of community  
16 health.

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

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

1 report it as a percent of kidney function remaining.

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

10 (3) As used in this act:

11 (a) "Title XVIII" means title XVIII of the social security  
 12 act, ~~42 USC 1395 to 1395b, 1395b-2, 1395b-6 to 1395b-7, 1395c to~~  
 13 ~~1395i, 1395i-2 to 1395i-5, 1395j to 1395t, 1395u to 1395w, 1395w-2~~  
 14 ~~to 1395w-4, 1395w-21 to 1395w-28, 1395x to 1395yy, and 1395bbb to~~  
 15 ~~1395ggg~~ **42 USC 1395 TO 1395KKK.**

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

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

20 Enacting section 1. This amendatory act does not take effect  
 21 unless Senate Bill No. \_\_\_\_ or House Bill No. 4441(request no.  
 22 01066'11) of the 96th Legislature is enacted into law.