

HOUSE BILL No. 6008

November 9, 2016, Introduced by Rep. Hoadley and referred to the Committee on Appropriations.

A bill to require a feasibility study for long-term care; and to prescribe the responsibilities of certain state departments.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. As used in this act:

2 (a) "Department" means the department of health and human
3 services.

4 (b) "Director" means the director of the department.

5 (c) "Medicaid" and "state Medicaid program" mean the medical
6 assistance program administered under the social welfare act, 1939
7 PA 280, MCL 400.1 to 400.119b.

8 Sec. 2. (1) The department shall contract for an independent
9 feasibility study and actuarial model of public, private, and

1 public-private hybrid options to help individuals prepare for,
2 access, and afford the long-term services and supports they need.
3 The study shall include a report of its findings and a model for
4 all of the following:

5 (a) An affordable annual long-term care benefit available to
6 all who meet the minimum eligibility of needing assistance with 2
7 activities of daily living, with the maximum benefit amount to be
8 determined by actuarial analysis.

9 (b) A public-private reinsurance or risk-sharing model, with
10 the purpose of providing a stable and ongoing source of
11 reimbursement to insurers for a portion of their catastrophic long-
12 term care services and supports losses in order to provide
13 additional insurance capacity for the state. The entity would
14 operate as a public-private partnership supporting the private
15 sector's role as the primary risk bearer.

16 (c) A long-term care benefit paid for and open to those that
17 are not currently eligible for the state Medicaid program.

18 (2) The report required under subsection (1) shall include all
19 of the following:

20 (a) An analysis of public and private long-term care programs
21 that exist in the state, the participation rates for those
22 programs, and any clear gaps that exist, including, but not limited
23 to, gaps in coverage, affordability, and participation.

24 (b) The expected costs and benefits for participants in a new
25 long-term care benefit program, when accounting for a living wage
26 rate for home care workers and compliance with the fair labor
27 standards act of 1938, 29 USC 201 to 219, the federal regulations

1 in 29 CFR 552 relating to that act, and state labor laws.

2 (c) The total anticipated number of participants.

3 (d) The impact on the current workforce.

4 (e) A recruitment and retention plan to meet anticipated
5 shortage in the workforce due to the increasing aging population.

6 (f) The impact of current services, access to a paid
7 workforce, and affordability of care on family caregivers,
8 including how many family members are providing care to the
9 individual, the impact that providing care has on a family
10 caregiver's job, family caregivers' access to training programs,
11 how many hours of care a family caregiver is providing, the types
12 of services a family caregiver is performing, if the primary
13 caregiver is also caring for a child, and if there are children
14 present in the home who also assist with caring for the aging adult
15 in the home.

16 (g) The projected savings to the state Medicaid program, if
17 any.

18 (h) Legal and financial risks to the state.

19 (3) The department shall provide oversight and direction for
20 the analysis described in subsection (2) and shall convene
21 interested stakeholders, including consumer and worker
22 representatives, to provide ongoing input on the feasibility study
23 design. The department shall hold not fewer than 3 meetings for
24 stakeholders to comply with the provisions of this subsection, as
25 follows: a meeting before the study begins, during the study's
26 implementation, and after the study is completed.

27 (4) The feasibility study and the actuarial analysis that is

1 included in the feasibility study must be completed and submitted
2 to the department no later than 9 months after the start date of
3 the feasibility study. The department shall hold a public hearing
4 presenting its findings. The department shall submit a report,
5 including the director's findings and recommendations based on the
6 feasibility study and actuarial analysis, to the legislature no
7 later than 60 days after the completion of the feasibility study.

8 Enacting section 1. This act takes effect 90 days after the
9 date it is enacted into law.