

# Legislative Analysis



## COMPLEX NEEDS PATIENT ACTS

Phone: (517) 373-8080  
<http://www.house.mi.gov/hfa>

**Senate Bill 499 (S-2) as passed by the Senate**  
**Sponsor: Sen. Kevin Daley**

Analysis available at  
<http://www.legislature.mi.gov>

**Senate Bill 500 (S-1) as passed by the Senate**  
**Sponsor: Sen. Jeff Irwin**

**House Committee: Health Policy**  
**Senate Committee: Health Policy and Human Services**  
**Complete to 4-27-22**

## SUMMARY:

Senate Bill 500 would create a new act, the Complex Needs Patient Act, to require the Department of Health and Human Services (DHHS) to develop focused policies and rules for complex rehabilitation technology products and services, as described below. Senate Bill 499 would create a new act called the Complex Needs Patient Definition Act to provide definitions for terms used in the other act.

Senate Bill 500 would require DHHS to establish focused policies and promulgate focused rules for *complex rehabilitation technology* products and services. The policies and rules would have to do all of the following to take into consideration the *individually configured* nature of complex rehabilitation technology and the broad range of services necessary to meet the unique medical and functional needs of an individual with complex medical needs:

- Designate specific *HCPCS* billing codes for complex rehabilitation technology and any appropriate new codes in the future.
- Exempt the related complex rehabilitation technology *HCPCS* billing codes from inclusion in bidding, selective contracting, or similar initiative.
- Establish specific supplier standards for a company or entity that provides complex rehabilitation technology and restrict providing complex rehabilitation technology only to a *qualified complex rehabilitation technology supplier* or, if a qualified complex rehabilitative technology supplier is unavailable, to an individual, company, or entity approved by DHHS.
- Require a *complex needs patient* receiving a complex rehabilitation manual wheelchair, power wheelchair, or seating component to be evaluated by both a *qualified health care professional* and a *qualified complex rehabilitation technology professional*.
- Maintain payment policies and rates for complex rehabilitation technology to ensure that payment amounts are adequate to provide complex needs patients with access to those items, taking into account the significant resources, infrastructure, and staff needed to appropriately provide complex rehabilitation technology to meet the unique needs of a complex needs patient.
- Require managed care Medicaid plans to adopt the regulations and policies outlined in the bill and to include these regulations and policies in their contracts with qualified complex rehabilitation technology suppliers.
- Make other changes as needed to protect access to complex rehabilitation technology by complex needs patients.

***Complex rehabilitation technology*** would mean an item classified in the Medicare program as of January 1, 2020, as durable medical equipment that is individually configured for an individual to meet his or her specific and unique medical, physical, and functional needs and capacity for basic activities of daily living and instrumental activities of daily living identified as medically necessary. The term would include complex rehabilitation manual and power wheelchairs and options or accessories, adaptive seating and positioning items and options or accessories, and other specialized equipment such as standing frames and gait trainers and options or accessories.

***Individually configured*** would mean that a device has a combination of sizes, features, adjustments, or modifications that a qualified complex rehabilitation technology supplier can alter or apply to a specific individual by measuring, fitting, programming, adjusting, or adapting the device as appropriate so that the device is consistent with an assessment or evaluation of the individual by a qualified health care professional and consistent with the individual's medical condition, physical and functional needs and capacities, body size, period of need, and intended use.

***HCPCS*** ("healthcare common procedure coding system") would mean the billing codes used by Medicare and overseen by the federal Centers for Medicare and Medicaid Services that are based on the current procedural technology codes developed by the American Medical Association.

***Qualified complex rehabilitation technology supplier*** would mean either of the following:

- A company or entity that meets all of the following:
  - It is accredited by a recognized accrediting organization as a supplier of complex rehabilitation technology.
  - It is an enrolled Medicare supplier and meets the supplier and quality standards established for durable medical equipment suppliers under the Medicare program, including for complex rehabilitation technology.
  - It has at least one ***employee*** for each location who is a qualified complex rehabilitation technology professional to do the following:
    - Analyze the needs and capacities of the complex needs patient in consultation with qualified health care professionals.
    - Participate in the selection of appropriate complex rehabilitation technology for the needs and capacities of the complex needs patient.
    - Provide technology-related training in the proper use of the complex rehabilitation technology.
  - It requires a qualified complex rehabilitation technology professional to be physically present for the evaluation and determination of appropriate complex rehabilitation technology.
  - It has the capability to provide service and repair by a qualified technician for all complex rehabilitation technology it sells.
  - At the time of delivery of complex rehabilitation technology, it provides written information regarding how the complex needs patient may receive service and repair.
- If a qualified complex rehabilitation technology supplier as defined above is unavailable, a company or entity approved by DHHS.

***Employee*** would mean an employee as defined in the Internal Revenue Code. A person from whom an employer is required to withhold for federal income tax purposes would *prima facie* be considered an employee. Employee would not include a contract employee.

***Complex needs patient*** would mean an individual with a diagnosis of a medical condition that results in significant physical impairment or functional limitation, such as spinal cord injury, traumatic brain injury, cerebral palsy, muscular dystrophy, spina bifida, osteogenesis imperfecta, arthrogryposis, amyotrophic lateral sclerosis, multiple sclerosis, demyelinating disease, myelopathy, myopathy, progressive muscular atrophy, anterior horn cell disease, post-polio syndrome, cerebellar degeneration, dystonia, Huntington's disease, spinocerebellar disease, and certain types of amputation, paralysis, or paresis that result in significant physical impairment or functional limitation. A complex needs patient would have to meet medical necessity requirements to qualify for receiving complex rehabilitation technology.

***Qualified health care professional*** would mean a health care professional licensed under Article 15 of the Public Health Code who has no financial relationship with a qualified complex rehabilitation technology supplier and would include a licensed health care professional who performs specialty evaluations within the professional's scope of practice. If a qualified complex rehabilitation technology supplier were owned by a hospital, the health care professional could be employed by the hospital and work in an inpatient or outpatient setting.

***Qualified complex rehabilitation technology professional*** would mean either of the following:

- An individual who is certified as an assistive technology professional by the Rehabilitation Engineering and Assistive Technology Society of North America or as a certified complex rehabilitation technology supplier by the National Registry of Rehabilitation Technology Suppliers.
- If a qualified complex rehabilitation technology supplier is unavailable, an individual approved by DHHS.

Neither bill would take effect unless both bills were enacted.

## **FISCAL IMPACT:**

Senate Bills 499 and 500 would have a negligible fiscal impact on the state and no fiscal impact on local units of government. For fiscal year 2021-22, any fiscal impact related to Medicaid reimbursements would be financed with federal and state funds at 65.48% and 34.52%, respectively.

Legislative Analyst: Rick Yuille  
Fiscal Analyst: Kevin Koorstra

---

■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations and does not constitute an official statement of legislative intent.