

**THE SOCIAL WELFARE ACT (EXCERPT)**  
**Act 280 of 1939**

**400.115h Medical subsidy; payment; requirements; prohibited payment; determination of amount; third party payments; waiver of subsection (3); time of request; payment for treatment of mental or emotional condition.**

Sec. 115h. (1) Except as provided in subsection (2), the department may pay a medical subsidy as reimbursement for services either to a service provider or to the adoptive parent of an adoptee who is placed for adoption in the home of the adoptive parent under the adoption code or the laws of any other state or a tribal government, if all of the following requirements are met:

(a) The expenses to be covered by the medical subsidy are necessitated by a physical, mental, or emotional condition of the adoptee that existed or the cause of which existed before the adoption petition was filed or certification was established, whichever occurred first.

(b) The adoptee was in foster care at the time the petition for adoption was filed.

(c) Certification was made before the adoptee's eighteenth birthday.

(2) The department shall not pay a medical subsidy to an adoptive parent for providing treatment or services to his or her own adopted child.

(3) The department shall determine the amount of the medical subsidy without respect to the income of the adoptive parent or parents. The department shall not pay a medical subsidy until all other available public money and third party payments have been exhausted. For purposes of this subsection, third party payment is available if an adoptive parent has an option, at or after the time of certification, to obtain from the parent's employer health coverage for the child, with or without cost to the adoptive parent. The department may waive this subsection in cases of undue hardship.

(4) The adoptive parent may request a medical subsidy before or after the adoption is finalized. A medical subsidy requested after the adoptee is placed in adoption is effective the date the application request is received by the department if the necessary required documentation is received within 90 calendar days after the date the application is received. In allocating available funding for medical subsidies, the department shall not give preferential treatment to requests that are made before the adoption is finalized, but shall allocate funds based on a child's need for the subsidy.

(5) Payment of a medical subsidy for treatment of a mental or emotional condition is limited to outpatient treatment unless 1 or more of the following apply:

(a) Certification for the medical subsidy was made before the date the adoption was finalized.

(b) The adoptee was placed in foster care by the court before the petition for adoption was filed.

(c) The adoptee was certified for a support subsidy or redetermined adoption assistance.

**History:** Add. 1994, Act 238, Eff. July 5, 1994;—Am. 2014, Act 308, Imd. Eff. Oct. 10, 2014.

**Popular name:** Act 280