

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

**400.66j Patient care management system; establishment; certification; procedures; recertification; rates of reimbursement and length of hospital stay; contracts; report; system.**

Sec. 66j. (1) As an alternative to sections 55(k), 66a, and 66i, a county other than a county described in subsection (2) may establish a patient care management system as described in this section and sections 66k to 66p.

(2) If a county intending to establish a patient care management system is one in which the total payments to hospitals in the county for the county's resident county hospitalization program was less than \$10,000,000.00 during the county's full fiscal year immediately preceding the effective date of this section, the county shall apply to the state department for certification of its proposed patient care management system, and the state department shall approve or disapprove the application based upon minimum standards that are established by the state department for county patient care management systems and are based upon this section and sections 66k to 66n. The department shall submit recommended procedures to the appropriate standing committees of the legislature for approval in order to allow other counties to adopt a patient care management system pursuant to this act. Such procedures shall be submitted by January 1, 1989. If a county's original application for certification of a patient care management system is approved under this section, the county shall apply to the state department in each subsequent year for recertification of its patient care management system according to the standards established under this subsection. The application for recertification shall be submitted not later than April 1 of each year, and shall be considered automatically approved by the state department unless denied by the state department, based upon the standards established under this section, within 30 days after being received by the state department. An approval or disapproval of a patient care management system by the state department may be reversed by the legislature by subsequent appropriations legislation or other legislation. An original application for certification or an application for recertification shall be in a form as prescribed by the department.

(3) Under a patient care management system, a county shall establish sufficient rates of reimbursement and appropriate length of stay for inpatient treatments for hospitals and other health care providers and shall contract with hospitals and other health care providers for medical care of persons determined to be eligible by the county. The county shall enter into sufficient contracts to assure that persons determined to be eligible by the county have access to hospital services, physician services, and other medical services considered appropriate by the county board of social services.

(4) A county that establishes a patient care management system annually shall submit a report to the state department containing information on the number of patients served, the services rendered for those patients, the amount of funds spent for those services and the terms of the contracts entered into pursuant to subsection (3). The report shall be submitted not later than 90 days after the end of the county's fiscal year. A county's expenditures for the operation and administration of a patient care management system are subject to audit by the state.

(5) A county that establishes a patient care management system shall create a system to provide the data specified in subsection (4) and to keep track of records of admissions, diagnoses, treatments, and payment records for individuals eligible under the patient care management system.

**History:** Add. 1987, Act 266, Imd. Eff. Dec. 28, 1987.

**Popular name:** Act 280