SUBSTITUTE FOR

HOUSE BILL NO. 4714

A bill to amend 1939 PA 280, entitled

"The social welfare act,"

by amending sections 105, 105a, 106, 107, 108, and 109c (MCL 400.105, 400.105a, 400.106, 400.107, 400.108, and 400.109c), section 105 as amended by 1980 PA 321, section 105a as added by 1988 PA 438, sections 106 and 107 as amended by 2006 PA 144, and section 109c as amended by 1994 PA 302, and by adding sections 105c and 105d.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 105. (1) The ~~state~~ department **OF COMMUNITY HEALTH** shall
2 establish a program for medical assistance for the medically
3 indigent under title XIX. The director of the ~~state~~ department **OF**
4 **COMMUNITY HEALTH** shall administer the program established by the

1 ~~state~~ department **OF COMMUNITY HEALTH** and shall be responsible for
2 determining eligibility under this act. Except as otherwise
3 provided in this act, the director may delegate the authority to
4 perform a function necessary or appropriate for the proper
5 administration of the program.
6 (2) As used in this section and sections 106 to 112, "peer
7 review advisory committee" means an entity comprising professionals
8 and experts who are selected by the director and nominated by an
9 organization or association or organizations or associations
10 representing a class of providers.
11 (3) As used in sections 106 to 112, "professionally accepted
12 standards" means those standards developed by peer review advisory
13 committees and professionals and experts with whom the director is
14 required to consult.
15 (4) As used in this section and sections 106 to 112,
16 "provider" means an individual, sole proprietorship, partnership,
17 association, corporation, institution, agency, or other legal
18 entity, who has entered into an agreement of enrollment specified
19 by the director ~~pursuant to~~ **UNDER** section ~~111b(1)(c).~~**111B(4).**
20 Sec. 105a. (1) The department **OF COMMUNITY HEALTH** shall
21 develop written information that sets forth the eligibility
22 requirements for participation in the program of medical assistance
23 administered under this act. The written information shall be
24 updated not less than every 2 years.
25 (2) The department **OF COMMUNITY HEALTH** shall provide copies of
26 the written information described in subsection (1) to all of the
27 following persons, agencies, and health facilities:

1 (a) A person applying to the department **OF COMMUNITY HEALTH**
2 for participation in the program of medical assistance administered
3 under this act who is considering institutionalization for the
4 person or person's family member in a nursing home or home for the
5 aged.
6 (b) Each nursing home in the state.
7 (c) Each hospital in the state.
8 (d) Each adult foster care facility in the state.
9 (e) Each area agency on aging.
10 (f) The office of services to the aging.
11 (g) Local health departments.
12 (h) Community mental health boards.
13 (i) Medicaid and medicare certified home health agencies.
14 (j) County medical care facilities.
15 (k) Appropriate department of ~~social services~~ **COMMUNITY HEALTH**
16 personnel.
17 (*l*) Any other person, agency, or health facility determined to
18 be appropriate by the department **OF COMMUNITY HEALTH**.
19 **SEC. 105C. THE DEPARTMENT OF COMMUNITY HEALTH SHALL PROVIDE A**
20 **PROCESS BY WHICH INDIVIDUALS MAY APPLY FOR OR RENEW MEDICAL**
21 **ASSISTANCE ELIGIBILITY THROUGH IN-PERSON ASSISTANCE, BY TELEPHONE,**
22 **OR ON A WEBSITE FROM WHICH THE DEPARTMENT OF COMMUNITY HEALTH SHALL**
23 **ENROLL INDIVIDUALS WHO ARE ELIGIBLE FOR THE MEDICAL ASSISTANCE**
24 **PROGRAM OR THE MICHILD PROGRAM WITHOUT REGARD TO THE PROGRAM FOR**
25 **WHICH THE INDIVIDUAL APPLIED. THIS SECTION DOES NOT APPLY IF EITHER**
26 **OF THE FOLLOWING OCCURS:**
27 **(A) IF THE DEPARTMENT OF COMMUNITY HEALTH IS UNABLE TO OBTAIN**

House Bill No. 4714 (H-3) as amended June 13, 2013

1 A FEDERAL WAIVER AS PROVIDED IN SECTION 105D.

2 [(B) IF FEDERAL GOVERNMENT MATCHING FUNDS FOR THE PROGRAM
3 DESCRIBED IN SECTION 105D ARE REDUCED BELOW 100% AND ANNUAL STATE
4 SAVINGS AND OTHER SAVINGS ASSOCIATED WITH THE IMPLEMENTATION OF THAT
5 PROGRAM ARE NOT SUFFICIENT TO COVER THE REDUCED FEDERAL MATCH. THE
6 DEPARTMENT OF COMMUNITY HEALTH SHALL DETERMINE HOW ANNUAL STATE SAVINGS
7 AND OTHER SAVINGS WILL BE CALCULATED BY JUNE 1, 2014.]

8 SEC. 105D. (1) THE DEPARTMENT OF COMMUNITY HEALTH SHALL SEEK A
9 WAIVER FROM THE UNITED STATES DEPARTMENT OF HEALTH AND HUMAN
10 SERVICES TO DO, AND UPON APPROVAL OF THE WAIVER SHALL DO, ALL OF
11 THE FOLLOWING:

12 (A) ENROLL INDIVIDUALS ELIGIBLE UNDER SECTION
13 1396A(A)(10)(A)(I)(VIII) OF TITLE XIX WHO MEET THE CITIZENSHIP
14 PROVISIONS OF 42 CFR 435.406 AND WHO ARE OTHERWISE ELIGIBLE FOR THE
15 MEDICAL ASSISTANCE PROGRAM UNDER THIS ACT INTO A CONTRACTED HEALTH
16 PLAN THAT PROVIDES FOR AN ACCOUNT INTO WHICH MONEY FROM ANY SOURCE,
17 INCLUDING, BUT NOT LIMITED TO, THE ENROLLEE, THE ENROLLEE'S
18 EMPLOYER, AND PRIVATE OR PUBLIC ENTITIES ON THE ENROLLEE'S BEHALF,
19 CAN BE DEPOSITED TO PAY FOR INCURRED HEALTH EXPENSES.

20 (B) GIVE ENROLLEES DESCRIBED IN SUBDIVISION (A) A CHOICE IN
21 CHOOSING A CONTRACTED HEALTH PLAN.

22 (C) ENSURE THAT ALL ENROLLEES DESCRIBED IN SUBDIVISION (A)
23 HAVE ACCESS TO A PRIMARY CARE PHYSICIAN AND TO PREVENTIVE SERVICES.

24 (D) REQUIRE ENROLLEES DESCRIBED IN SUBDIVISION (A) WITH ANNUAL
25 INCOMES BETWEEN 100% TO 133% OF THE FEDERAL POVERTY GUIDELINES TO
26 CONTRIBUTE NOT MORE THAN 5% OF INCOME FOR COST-SHARING
27 REQUIREMENTS. CONTRIBUTIONS REQUIRED IN THIS SUBDIVISION DO NOT

1 APPLY FOR THE FIRST 6 MONTHS AN INDIVIDUAL DESCRIBED IN SUBDIVISION
2 (A) IS ENROLLED. REQUIRED CONTRIBUTIONS TO AN ACCOUNT USED TO PAY
3 FOR INCURRED HEALTH EXPENSES CAN BE REDUCED TO 0% IF HEALTHY
4 BEHAVIORS ARE MET. CO-PAYS CANNOT BE REDUCED TO LESS THAN 2% OF
5 INCOME. CONTRIBUTIONS MAY BE REDUCED BY THE CONTRACTED HEALTH PLAN
6 BASED ON THE ENROLLEE'S ATTAINING SPECIFIC GOALS TO IMPROVE OR
7 MAINTAIN HEALTHY BEHAVIORS THAT INCLUDE, BUT ARE NOT LIMITED TO,
8 COMPLETING A DEPARTMENT OF COMMUNITY HEALTH-APPROVED ANNUAL HEALTH
9 RISK ASSESSMENT TO IDENTIFY UNHEALTHY CHARACTERISTICS, INCLUDING
10 ALCOHOL AND TOBACCO USE, OBESITY, AND IMMUNIZATION STATUS. IF THE
11 ENROLLEE DESCRIBED IN SUBDIVISION (A) BECOMES INELIGIBLE FOR
12 MEDICAL ASSISTANCE UNDER THE PROGRAM DESCRIBED IN THIS SECTION, ANY
13 CONTRIBUTION MADE ON HIS OR HER BEHALF INTO THE ACCOUNT DESCRIBED
14 IN SUBDIVISION (A) SHALL BE RETURNED TO THAT ENROLLEE IN THE FORM
15 OF A VOUCHER TO PURCHASE PRIVATE INSURANCE.
16 (E) DURING THE ENROLLMENT PROCESS, INFORM ENROLLEES DESCRIBED
17 IN SUBDIVISION (A) ABOUT ADVANCE DIRECTIVES AND REQUIRE THE
18 ENROLLEES TO COMPLETE A DEPARTMENT OF COMMUNITY HEALTH-APPROVED
19 ADVANCE DIRECTIVE ON A FORM THAT INCLUDES AN OPTION TO DECLINE.
20 (F) DEVELOP INCENTIVES FOR ENROLLEES WHO ASSIST THE DEPARTMENT
21 OF COMMUNITY HEALTH IN DETECTING FRAUD AND ABUSE IN THE MEDICAL
22 ASSISTANCE PROGRAM.
23 (G) ALLOW FOR SERVICES PROVIDED THROUGH TELEMEDICINE.
24 (2) ANY HOSPITAL THAT PARTICIPATES IN THE MEDICAL ASSISTANCE
25 PROGRAM UNDER THIS ACT SHALL DISCOUNT CHARGES TO UNINSURED
26 INDIVIDUALS WHO HAVE AN ANNUAL INCOME LEVEL UNDER 133% OF THE
27 FEDERAL POVERTY GUIDELINES TO 115% OF RATES PAID BY MEDICARE.

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1 (3) NOT MORE THAN 7 CALENDAR DAYS AFTER RECEIVING A WAIVER
2 FROM THE UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES TO
3 IMPLEMENT THE PROVISIONS OF THIS SECTION, THE DEPARTMENT OF
4 COMMUNITY HEALTH SHALL SUBMIT A WRITTEN COPY OF THE APPROVED WAIVER
5 PROVISIONS TO THE SENATE MAJORITY LEADER, THE SPEAKER OF THE HOUSE
6 OF REPRESENTATIVES, AND THE SENATE AND HOUSE STANDING COMMITTEES ON
7 MATTERS OF HEALTH FOR REVIEW.

8 [(4) THE DEPARTMENT OF COMMUNITY HEALTH SHALL DEVELOP AND IMPLEMENT
9 A PLAN TO ENROLL ALL FEE-FOR-SERVICE ENROLLEES INTO CONTRACTED HEALTH
10 PLANS IF ALLOWABLE BY LAW AND IF THE MEDICAL ASSISTANCE PROGRAM IS THE
11 PRIMARY PAYER. THIS INCLUDES ALL NEWLY ELIGIBLE ENROLLEES AS DESCRIBED
IN SUBSECTION (1)(A). THE DEPARTMENT OF COMMUNITY HEALTH IS DIRECTED TO
INCLUDE CONTRACTED HEALTH PLANS AS THE MANDATORY DELIVERY SYSTEM IN ITS
WAIVER REQUEST. THE DEPARTMENT OF COMMUNITY HEALTH ALSO SHALL PURSUE ANY
AND ALL NECESSARY WAIVERS TO ENROLL PERSONS ELIGIBLE FOR BOTH MEDICAID
AND MEDICARE INTO MANAGED CARE BEGINNING JULY 1, 2014. BY SEPTEMBER 30,
2015, THE DEPARTMENT OF COMMUNITY HEALTH SHALL IDENTIFY ALL REMAINING
POPULATIONS ELIGIBLE FOR MANAGED CARE AND DEVELOP PLANS FOR THEIR
INTEGRATION INTO MANAGED CARE.]

12 (5) BY SEPTEMBER 30, 2016, THE DEPARTMENT OF COMMUNITY HEALTH
13 SHALL IMPLEMENT A PHARMACEUTICAL BENEFIT THAT UTILIZES CO-PAYS AT
14 APPROPRIATE LEVELS ALLOWABLE BY THE CENTERS FOR MEDICARE AND
15 MEDICAID SERVICES TO ENCOURAGE THE USE OF HIGH-VALUE, LOW-COST
16 PRESCRIPTIONS, SUCH AS GENERIC PRESCRIPTIONS AND 90-DAY
17 PRESCRIPTION SUPPLIES, AS RECOMMENDED BY THE ENROLLEE'S PHYSICIAN.

18 (6) THE DEPARTMENT OF COMMUNITY HEALTH SHALL WORK WITH
19 PROVIDERS, CONTRACTED HEALTH PLANS, AND OTHER DEPARTMENTS AS
20 NECESSARY TO CREATE PROCESSES THAT REDUCE THE AMOUNT OF UNCOLLECTED
21 CO-PAYS AND DEDUCTIBLES FOR THE PROGRAM DESCRIBED IN THIS SECTION
22 AND REDUCE THE ADMINISTRATIVE COST OF COLLECTING THOSE CO-PAYS AND
23 DEDUCTIBLES.

24 (7) THE PROGRAM DESCRIBED IN THIS SECTION SHALL INCLUDE
25 INFORMATION REGARDING THE IMPACT ON THE HEALTH STATUS OF THE
26 COVERED POPULATION OF ENROLLEES DESCRIBED IN SUBSECTION (1)(A)
27 INCLUDING A TARGETED ASSESSMENT RELATED TO EMPLOYABILITY AND SHALL

1 PROMOTE EMPLOYMENT-RELATED SERVICES AND JOB TRAINING AVAILABLE TO
2 LOWER THE MEDICAL ASSISTANCE PROGRAM CASELOADS BY ASSISTING ABLE-
3 BODIED ADULT MEDICAL ASSISTANCE RECIPIENTS WHO ARE UNEMPLOYED INTO
4 THE WORKFORCE. "ABLE-BODIED ADULT MEDICAL ASSISTANCE RECIPIENTS"
5 MEANS ADULTS AGED 21 TO UNDER 65 WHO ARE NOT INCLUDED IN THE
6 PROVISIONS OF 42 CFR 440.315.
7 (8) THE PROGRAM DESCRIBED IN THIS SECTION IS CREATED TO EXTEND
8 HEALTH COVERAGE TO THIS STATE'S LOW-INCOME CITIZENS AND TO PROVIDE
9 HEALTH INSURANCE COST RELIEF TO INDIVIDUALS AND TO THE BUSINESS
10 COMMUNITY BY REDUCING THE COST SHIFT OF UNCOMPENSATED CARE. TO THAT
11 END, THE DEPARTMENT OF COMMUNITY HEALTH SHALL EXAMINE THE FINANCIAL
12 REPORTS OF HOSPITALS AND EVALUATE THE IMPACT THAT PROVIDING MEDICAL
13 COVERAGE TO THE EXPANDED POPULATION OF ENROLLEES DESCRIBED IN
14 SUBSECTION (1)(A) HAS HAD ON UNCOMPENSATED CARE. BY DECEMBER 31,
15 2014, THE DEPARTMENT OF COMMUNITY HEALTH SHALL MAKE AN INITIAL
16 BASELINE REPORT TO THE LEGISLATURE REGARDING UNCOMPENSATED CARE AND
17 EACH DECEMBER 31 AFTER THAT SHALL MAKE A REPORT REGARDING THE
18 EVIDENCE OF THE REDUCTION IN UNCOMPENSATED CARE COMPARED TO THE
19 INITIAL BASELINE REPORT. BASED ON THE EVIDENCE OF THE REDUCTION IN
20 UNCOMPENSATED CARE BORNE BY THE HOSPITALS IN THIS STATE, BEGINNING
21 APRIL 1, 2015, THE DEPARTMENT OF COMMUNITY HEALTH SHALL
22 PROPORTIONATELY REDUCE THE DISPROPORTIONATE SHARE PAYMENTS TO
23 HOSPITALS FOR THE PURPOSE OF PRODUCING GENERAL FUND SAVINGS. THE
24 DEPARTMENT OF COMMUNITY HEALTH SHALL RECOGNIZE ANY SAVINGS FROM
25 THIS REDUCTION BY SEPTEMBER 30, 2016. ALL THE REPORTS REQUIRED
26 UNDER THIS SUBSECTION SHALL BE MADE AVAILABLE TO THE LEGISLATURE
27 AND SHALL BE MADE AVAILABLE AND EASILY ACCESSIBLE ON THE DEPARTMENT

1 OF COMMUNITY HEALTH'S AND THE LEGISLATURE'S WEBSITES.
2 (9) THE DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES SHALL
3 EXAMINE THE FINANCIAL REPORTS OF HEALTH INSURERS AND EVALUATE THE
4 IMPACT THAT PROVIDING MEDICAL COVERAGE TO THE EXPANDED POPULATION
5 OF ENROLLEES DESCRIBED IN SUBSECTION (1)(A) HAS HAD ON RATES. THE
6 DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES SHALL CONSIDER THE
7 EVALUATION DESCRIBED IN THIS SUBSECTION IN THE ANNUAL APPROVAL OF
8 RATES. BY DECEMBER 31, 2014, THE DEPARTMENT OF INSURANCE AND
9 FINANCIAL SERVICES SHALL MAKE AN INITIAL BASELINE REPORT TO THE
10 LEGISLATURE REGARDING RATES AND EACH DECEMBER 31 AFTER THAT SHALL
11 MAKE A REPORT REGARDING THE EVIDENCE OF THE REDUCTION IN RATES
12 COMPARED TO THE INITIAL BASELINE REPORT. ALL THE REPORTS REQUIRED
13 UNDER THIS SUBSECTION SHALL BE MADE AVAILABLE TO THE LEGISLATURE
14 AND SHALL BE MADE AVAILABLE AND EASILY ACCESSIBLE ON THE DEPARTMENT
15 OF COMMUNITY HEALTH'S AND THE LEGISLATURE'S WEBSITES.
16 (10) THE DEPARTMENT OF COMMUNITY HEALTH SHALL EXPLORE AND
17 DEVELOP A RANGE OF INNOVATIONS AND INITIATIVES TO IMPROVE THE
18 EFFECTIVENESS AND PERFORMANCE OF THE MEDICAL ASSISTANCE PROGRAM AND
19 TO LOWER OVERALL HEALTH CARE COSTS IN THIS STATE. THE DEPARTMENT OF
20 COMMUNITY HEALTH SHALL REPORT THE RESULTS OF THE EFFORTS DESCRIBED
21 IN THIS SUBSECTION TO THE CHAIRS OF THE HOUSE AND SENATE
22 APPROPRIATION SUBCOMMITTEES ON DEPARTMENT OF COMMUNITY HEALTH
23 MATTERS AND TO THE HOUSE AND SENATE FISCAL AGENCIES BY SEPTEMBER
24 30, 2015. THE REPORT REQUIRED UNDER THIS SUBSECTION SHALL ALSO BE
25 MADE AVAILABLE AND EASILY ACCESSIBLE ON THE DEPARTMENT OF COMMUNITY
26 HEALTH'S AND THE LEGISLATURE'S WEBSITES. THE DEPARTMENT OF
27 COMMUNITY HEALTH SHALL PURSUE A BROAD RANGE OF INNOVATIONS AND

1 INITIATIVES AS TIME AND RESOURCES ALLOW. HOWEVER, THESE INNOVATIONS
2 AND INITIATIVES SHALL INCLUDE, AT A MINIMUM, ALL OF THE FOLLOWING:
3 (A) THE VALUE AND COST-EFFECTIVENESS OF OPTIONAL MEDICAID
4 BENEFITS AS DESCRIBED IN FEDERAL STATUTE.
5 (B) THE IDENTIFICATION OF PRIVATE SECTOR, PRIMARILY SMALL
6 BUSINESS, BENEFIT DIFFERENCES COMPARED TO THE MEDICAL ASSISTANCE
7 PROGRAM SERVICES AND JUSTIFICATION FOR THE DIFFERENCES.
8 (C) THE MINIMUM MEASURES AND DATA SETS REQUIRED TO EFFECTIVELY
9 MEASURE THE MEDICAL ASSISTANCE PROGRAM'S RETURN ON INVESTMENT FOR
10 TAXPAYERS.
11 (D) REVIEW AND EVALUATION OF THE EFFECTIVENESS OF CURRENT
12 INCENTIVES FOR CONTRACTED HEALTH PLANS, PROVIDERS, AND
13 BENEFICIARIES WITH RECOMMENDATIONS FOR EXPANDING AND REFINING
14 INCENTIVES TO ACCELERATE IMPROVEMENT IN HEALTH OUTCOMES, HEALTHY
15 BEHAVIORS, AND COST-EFFECTIVENESS.
16 (E) REVIEW AND EVALUATION OF THE CURRENT DESIGN PRINCIPLES
17 THAT SERVE AS THE FOUNDATION FOR THE STATE'S MEDICAL ASSISTANCE
18 PROGRAM.
19 (11) BY JANUARY 1, 2014, THE DEPARTMENT OF COMMUNITY HEALTH
20 AND THE CONTRACTED HEALTH PLANS IN COLLABORATION WITH PROVIDERS
21 SHALL CREATE FINANCIAL INCENTIVES FOR ALL OF THE FOLLOWING:
22 (A) CONTRACTED HEALTH PLANS THAT MEET SPECIFIED POPULATION
23 IMPROVEMENT GOALS.
24 (B) PROVIDERS WHO MEET SPECIFIED QUALITY AND COST TARGETS.
25 (C) ENROLLEES WHO DEMONSTRATE IMPROVED HEALTH OUTCOMES OR
26 MAINTAIN HEALTHY BEHAVIORS AS IDENTIFIED IN A HEALTH RISK
27 ASSESSMENT AS IDENTIFIED BY THEIR PRIMARY CARE PRACTITIONER.

1 **(12) THE DEPARTMENT OF COMMUNITY HEALTH SHALL ENSURE THAT ALL**
2 **CAPITATED PAYMENTS MADE TO CONTRACTED HEALTH PLANS ARE ACTUARIALLY**
3 **SOUND.**
4 **(13) THE DEPARTMENT OF COMMUNITY HEALTH SHALL MAINTAIN**
5 **ADMINISTRATIVE COSTS AT A LEVEL OF NOT MORE THAN 1% OF THE**
6 **DEPARTMENT OF COMMUNITY HEALTH'S PORTION OF THE STATE MEDICAL**
7 **ASSISTANCE PROGRAM. THESE ADMINISTRATIVE COSTS SHALL BE CAPPED AT**
8 **THE TOTAL ADMINISTRATIVE COSTS FOR THE FISCAL YEAR ENDING SEPTEMBER**
9 **30, 2016, EXCEPT FOR INFLATION AND PROJECT-RELATED COSTS REQUIRED**
10 **TO ACHIEVE MEDICAL ASSISTANCE SAVINGS.**
11 **(14) THE DEPARTMENT OF COMMUNITY HEALTH SHALL REQUIRE**
12 **CONTRACTED HEALTH PLANS TO HAVE PROCEDURES AND COMPLIANCE METRICS**
13 **FOR CONTRIBUTION PAYMENTS TO ENSURE THAT CONTRIBUTION REQUIREMENTS**
14 **ARE BEING MET.**
15 **(15) THE DEPARTMENT OF COMMUNITY HEALTH SHALL MEASURE**
16 **CONTRACTED HEALTH PLAN PERFORMANCE ON APPLICATION OF STANDARDS OF**
17 **CARE AS THAT RELATES TO APPROPRIATE TREATMENT OF SUBSTANCE ABUSE.**
18 **(16) IF A WAIVER REQUESTED UNDER THIS SECTION IS NOT APPROVED**
19 **BY THE UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES BY**
20 **DECEMBER 31, 2015, MEDICAL COVERAGE FOR INDIVIDUALS DESCRIBED IN**
21 **SUBSECTION (1)(A) SHALL NO LONGER BE PROVIDED. IF THE WAIVER IS NOT**
22 **APPROVED BY DECEMBER 31, 2015, THEN BY JANUARY 31, 2016, THE**
23 **DEPARTMENT OF COMMUNITY HEALTH SHALL NOTIFY ENROLLEES THAT THE**
24 **PROGRAM DESCRIBED IN SUBSECTION (1) SHALL BE TERMINATED ON APRIL**
25 **30, 2016. INDIVIDUALS WHO ARE ELIGIBLE UNDER 42 CFR 440.315 ARE NOT**
26 **SUBJECT TO THE PROVISIONS OF THE WAIVER. THE WAIVER MUST ALLOW**
27 **INDIVIDUALS WHO HAVE HAD MEDICAL ASSISTANCE COVERAGE FOR 48**

1 **CUMULATIVE MONTHS BEGINNING ON THE DATE OF THEIR ENROLLMENT UNDER**
2 **SUBSECTION (1)(A) AND WHO ARE BETWEEN 100% TO 133% OF THE FEDERAL**
3 **POVERTY GUIDELINES TO CHOOSE TO DO EITHER OF THE FOLLOWING:**
4 **(A) PURCHASE PRIVATE INSURANCE COVERAGE THROUGH AN EXCHANGE**
5 **OPERATED IN THIS STATE AND BE CONSIDERED ELIGIBLE FOR FEDERAL**
6 **SUBSIDIES BY THE FEDERAL GOVERNMENT.**
7 **(B) REMAIN IN THE MEDICAL ASSISTANCE PROGRAM BUT INCREASE**
8 **COST-SHARING REQUIREMENTS UP TO 7% OF INCOME. REQUIRED**
9 **CONTRIBUTIONS TO AN ACCOUNT USED TO PAY FOR INCURRED HEALTH**
10 **EXPENSES CAN BE REDUCED TO 0%. CO-PAYS CANNOT BE REDUCED TO LESS**
11 **THAN 3% OF INCOME.**
12 **(17) THE DEPARTMENT OF COMMUNITY HEALTH SHALL MAKE AVAILABLE**
13 **AT LEAST 3 YEARS OF STATE MEDICAL ASSISTANCE PROGRAM DATA, WITHOUT**
14 **CHARGE, TO ANY VENDOR CONSIDERED QUALIFIED BY THE DEPARTMENT OF**
15 **COMMUNITY HEALTH WHO INDICATES INTEREST IN SUBMITTING PROPOSALS TO**
16 **CONTRACTED HEALTH PLANS IN ORDER TO IMPLEMENT COST SAVINGS AND**
17 **POPULATION HEALTH IMPROVEMENT OPPORTUNITIES THROUGH THE USE OF**
18 **INNOVATIVE INFORMATION AND DATA MANAGEMENT TECHNOLOGIES. ANY**
19 **PROGRAM OR PROPOSAL TO THE CONTRACTED HEALTH PLANS MUST BE**
20 **CONSISTENT WITH THE STATE'S GOALS OF IMPROVING HEALTH, INCREASING**
21 **THE QUALITY, RELIABILITY, AVAILABILITY, AND CONTINUITY OF CARE, AND**
22 **REDUCING THE COST OF CARE OF THE ELIGIBLE POPULATION OF ENROLLEES**
23 **DESCRIBED IN SUBSECTION (1)(A). THE USE OF THE DATA DESCRIBED IN**
24 **THIS SUBSECTION FOR THE PURPOSE OF ASSESSING THE POTENTIAL**
25 **OPPORTUNITY AND SUBSEQUENT DEVELOPMENT AND SUBMISSION OF FORMAL**
26 **PROPOSALS TO CONTRACTED HEALTH PLANS IS NOT A COST OR CONTRACTUAL**
27 **OBLIGATION TO THE DEPARTMENT OF COMMUNITY HEALTH OR THE STATE.**

1 **(18) IN ORDER TO CONTINUE WITH THE REFORM AND EXPANSION**
2 **PROGRAM DESCRIBED IN THIS SECTION BEYOND DECEMBER 31, 2015, THE**
3 **DEPARTMENT OF COMMUNITY HEALTH MUST RECEIVE FULL WAIVER APPROVAL**
4 **BEFORE DECEMBER 31, 2015. IF THE DEPARTMENT OF COMMUNITY HEALTH HAS**
5 **NOT RECEIVED FULL WAIVER APPROVAL BY DECEMBER 31, 2013, THE**
6 **DEPARTMENT OF COMMUNITY HEALTH SHALL REQUEST WRITTEN DOCUMENTATION**
7 **FROM THE UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES BY**
8 **DECEMBER 31, 2013 THAT IF THE WAIVERS DESCRIBED IN THIS SECTION ARE**
9 **REJECTED CAUSING THE MEDICAL ASSISTANCE PROGRAM TO REVERT BACK TO**
10 **THE ELIGIBILITY REQUIREMENTS IN EFFECT ON THE EFFECTIVE DATE OF THE**
11 **AMENDATORY ACT THAT ADDED THIS SECTION, THERE WILL BE NO FINANCIAL**
12 **FEDERAL FUNDING PENALTY.**
13 **(19) AS USED IN THIS SECTION, "TELEMEDICINE" MEANS THAT TERM**
14 **AS DEFINED IN SECTION 3476 OF THE INSURANCE CODE OF 1956, 1956 PA**
15 **218, MCL 500.3476.**
16 Sec. 106. (1) A medically indigent individual is defined as:
17 (a) An individual receiving family independence program
18 benefits or an individual receiving supplemental security income
19 under title XVI or state supplementation under title XVI subject to
20 limitations imposed by the director according to title XIX.
21 (b) Except as provided in section 106a, an individual who
22 meets all of the following conditions:
23 (*i*) The individual has applied in the manner the ~~family~~
24 ~~independence agency~~ **DEPARTMENT OF COMMUNITY HEALTH** prescribes.
25 (*ii*) The individual's need for the type of medical assistance
26 available under this act for which the individual applied has been
27 professionally established and payment for it is not available

1 through the legal obligation of a public or private contractor to
2 pay or provide for the care without regard to the income or
3 resources of the patient. The state department ~~is~~ **AND THE**
4 **DEPARTMENT OF COMMUNITY HEALTH ARE** subrogated to any right of
5 recovery that a patient may have for the cost of hospitalization,
6 pharmaceutical services, physician services, nursing services, and
7 other medical services not to exceed the amount of funds expended
8 by the state department **OR THE DEPARTMENT OF COMMUNITY HEALTH** for
9 the care and treatment of the patient. The patient or other person
10 acting in the patient's behalf shall execute and deliver an
11 assignment of claim or other authorizations as necessary to secure
12 the right of recovery to the department **OR THE DEPARTMENT OF**
13 **COMMUNITY HEALTH**. A payment may be withheld under this act for
14 medical assistance for an injury or disability for which the
15 individual is entitled to medical care or reimbursement for the
16 cost of medical care under sections 3101 to 3179 of the insurance
17 code of 1956, 1956 PA 218, MCL 500.3101 to 500.3179, or under
18 another policy of insurance providing medical or hospital benefits,
19 or both, for the individual unless the individual's entitlement to
20 that medical care or reimbursement is at issue. If a payment is
21 made, the state department **OR THE DEPARTMENT OF COMMUNITY HEALTH**,
22 to enforce its subrogation right, may do either of the following:
23 (a) intervene or join in an action or proceeding brought by the
24 injured, diseased, or disabled individual, the individual's
25 guardian, personal representative, estate, dependents, or
26 survivors, against the third person who may be liable for the
27 injury, disease, or disability, or against contractors, public or

1 private, who may be liable to pay or provide medical care and
2 services rendered to an injured, diseased, or disabled individual;
3 (b) institute and prosecute a legal proceeding against a third
4 person who may be liable for the injury, disease, or disability, or
5 against contractors, public or private, who may be liable to pay or
6 provide medical care and services rendered to an injured, diseased,
7 or disabled individual, in state or federal court, either alone or
8 in conjunction with the injured, diseased, or disabled individual,
9 the individual's guardian, personal representative, estate,
10 dependents, or survivors. The state department may institute the
11 proceedings in its own name or in the name of the injured,
12 diseased, or disabled individual, the individual's guardian,
13 personal representative, estate, dependents, or survivors. As
14 provided in section 6023 of the revised judicature act of 1961,
15 1961 PA 236, MCL 600.6023, the state department **OR THE DEPARTMENT**
16 **OF COMMUNITY HEALTH**, in enforcing its subrogation right, shall not
17 satisfy a judgment against the third person's property that is
18 exempt from levy and sale. The injured, diseased, or disabled
19 individual may proceed in his or her own name, collecting the costs
20 without the necessity of joining the state department**, THE**
21 **DEPARTMENT OF COMMUNITY HEALTH,** or the state as a named party. The
22 injured, diseased, or disabled individual shall notify the state
23 department **OR THE DEPARTMENT OF COMMUNITY HEALTH** of the action or
24 proceeding entered into upon commencement of the action or
25 proceeding. An action taken by the state**,** ~~or~~ the state department**,**
26 **OR THE DEPARTMENT OF COMMUNITY HEALTH** in connection with the right
27 of recovery afforded by this section does not deny the injured,

1 diseased, or disabled individual any part of the recovery beyond
2 the costs expended on the individual's behalf by the state
3 department **OR THE DEPARTMENT OF COMMUNITY HEALTH**. The costs of
4 legal action initiated by the state shall be paid by the state. A
5 payment shall not be made under this act for medical assistance for
6 an injury, disease, or disability for which the individual is
7 entitled to medical care or the cost of medical care under the
8 worker's disability compensation act of 1969, 1969 PA 317, MCL
9 418.101 to 418.941; except that payment may be made if an
10 appropriate application for medical care or the cost of the medical
11 care has been made under the worker's disability compensation act
12 of 1969, 1969 PA 317, MCL 418.101 to 418.941, entitlement has not
13 been finally determined, and an arrangement satisfactory to the
14 state department **OR THE DEPARTMENT OF COMMUNITY HEALTH** has been
15 made for reimbursement if the claim under the worker's disability
16 compensation act of 1969, 1969 PA 317, MCL 418.101 to 418.941, is
17 finally sustained.
18 (*iii*) The individual has an annual income that is below, or
19 subject to limitations imposed by the director and because of
20 medical expenses falls below, the protected basic maintenance
21 level. The protected basic maintenance level for 1-person and 2-
22 person families shall be at least 100% of the payment standards
23 generally used to determine eligibility in the family independence
24 program. For families of 3 or more persons, the protected basic
25 maintenance level shall be at least 100% of the payment standard
26 generally used to determine eligibility in the family independence
27 program. These levels shall recognize regional variations and shall

1 not exceed 133-1/3% of the payment standard generally used to
2 determine eligibility in the family independence program.
3 (*iv*) The individual, if a family independence program related
4 individual and living alone, has liquid or marketable assets of not
5 more than $2,000.00 in value, or, if a 2-person family, the family
6 has liquid or marketable assets of not more than $3,000.00 in
7 value. The ~~state~~ department **OF COMMUNITY HEALTH** shall establish
8 comparable liquid or marketable asset amounts for larger family
9 groups. Excluded in making the determination of the value of liquid
10 or marketable assets are the values of: the homestead; clothing;
11 household effects; $1,000.00 of cash surrender value of life
12 insurance, except that if the health of the insured makes
13 continuance of the insurance desirable, the entire cash surrender
14 value of life insurance is excluded from consideration, up to the
15 maximum provided or allowed by federal regulations and in
16 accordance with ~~state~~ department **OF COMMUNITY HEALTH** rules; the
17 fair market value of tangible personal property used in earning
18 income; an amount paid as judgment or settlement for damages
19 suffered as a result of exposure to agent orange, as defined in
20 section 5701 of the public health code, 1978 PA 368, MCL 333.5701;
21 and a space or plot purchased for the purposes of burial for the
22 person. For individuals related to the title XVI program, the
23 appropriate resource levels and property exemptions specified in
24 title XVI shall be used.
25 (*v*) The individual is not an inmate of a public institution
26 except as a patient in a medical institution.
27 (*vi*) The individual meets the eligibility standards for

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1 supplemental security income under title XVI or for state
2 supplementation under the act, subject to limitations imposed by
3 the director **OF THE DEPARTMENT OF COMMUNITY HEALTH** according to
4 title XIX; or meets the eligibility standards for family
5 independence program benefits; or meets the eligibility standards
6 for optional eligibility groups under title XIX, subject to
7 limitations imposed by the director **OF THE DEPARTMENT OF COMMUNITY**
8 **HEALTH** according to title XIX.

9 **(C) AN INDIVIDUAL IS ELIGIBLE UNDER SECTION**
10 **1396A(A)(10)(A)(I)(VIII) OF TITLE XIX. THIS SUBDIVISION DOES NOT**
11 **APPLY IF EITHER OF THE FOLLOWING OCCURS:**

12 **(*i*) IF THE DEPARTMENT OF COMMUNITY HEALTH IS UNABLE TO OBTAIN A**
13 **FEDERAL WAIVER AS PROVIDED IN SECTION 105D.**

14 [**(*ii*) IF FEDERAL GOVERNMENT MATCHING FUNDS FOR THE PROGRAM**
15 **DESCRIBED IN SECTION 105D ARE REDUCED BELOW 100% AND ANNUAL STATE**
16 **SAVINGS AND OTHER SAVINGS ASSOCIATED WITH THE IMPLEMENTATION OF THAT**
17 **PROGRAM ARE NOT SUFFICIENT TO COVER THE REDUCED FEDERAL MATCH. THE**
18 **DEPARTMENT OF COMMUNITY HEALTH SHALL DETERMINE HOW ANNUAL STATE SAVINGS**
AND OTHER SAVINGS WILL BE CALCULATED BY JUNE 1, 2014.]

19 (2) As used in this act:

20 (a) ~~"Medicaid contracted~~ **"CONTRACTED** health plan" means a
21 managed care organization with whom the state department **OR THE**
22 **DEPARTMENT OF COMMUNITY HEALTH** contracts to provide or arrange for
23 the delivery of comprehensive health care services as authorized
24 under this act.

25 **(B) "FEDERAL POVERTY GUIDELINES" MEANS THE POVERTY GUIDELINES**
26 **PUBLISHED ANNUALLY IN THE FEDERAL REGISTER BY THE UNITED STATES**
27 **DEPARTMENT OF HEALTH AND HUMAN SERVICES UNDER ITS AUTHORITY TO**

1 **REVISE THE POVERTY LINE UNDER SECTION 673(2) OF SUBTITLE B OF TITLE**
2 **VI OF THE OMNIBUS BUDGET RECONCILIATION ACT OF 1981, 42 USC 9902.**
3 **(C)** ~~(b)~~ "Medical institution" means a state licensed or
4 approved hospital, nursing home, medical care facility, psychiatric
5 hospital, or other facility or identifiable unit of a listed
6 institution certified as meeting established standards for a
7 nursing home or hospital in accordance with the laws of this state.
8 **(D)** ~~(c)~~ "Title XVI" means title XVI of the social security
9 act, 42 USC 1381 to ~~1382j and 1383 to~~ 1383f.
10 (3) An individual receiving medical assistance under this act
11 or his or her legal counsel shall notify the state department **OR**
12 **THE DEPARTMENT OF COMMUNITY HEALTH** when filing an action in which
13 the state department **OR THE DEPARTMENT OF COMMUNITY HEALTH** may have
14 a right to recover expenses paid under this act. If the individual
15 is enrolled in a ~~medicaid~~ contracted health plan, the individual or
16 his or her legal counsel shall provide notice to the ~~medicaid~~
17 contracted health plan in addition to providing notice to the state
18 department.
19 (4) If a legal action in which the state department, **THE**
20 **DEPARTMENT OF COMMUNITY HEALTH,** a ~~medicaid~~ contracted health plan,
21 or ~~both has~~ **ALL 3 HAVE** a right to recover expenses paid under this
22 act is filed and settled after November 29, 2004 without notice to
23 the state department**, THE DEPARTMENT OF COMMUNITY HEALTH,** or the
24 ~~medicaid~~ contracted health plan, the state department**, THE**
25 **DEPARTMENT OF COMMUNITY HEALTH,** or the ~~medicaid~~ contracted health
26 plan may file a legal action against the individual or his or her
27 legal counsel, or both, to recover expenses paid under this act.

The attorney general shall recover any cost or attorney fees associated with a recovery under this subsection.

(5) The state department **OR THE DEPARTMENT OF COMMUNITY HEALTH** has first priority against the proceeds of the net recovery from the settlement or judgment in an action settled in which notice has been provided under subsection (3). A ~~medicaid~~ contracted health plan has priority immediately after the state department **OR THE DEPARTMENT OF COMMUNITY HEALTH** in an action settled in which notice has been provided under subsection (3). The state department**, THE DEPARTMENT OF COMMUNITY HEALTH,** and a ~~medicaid~~ contracted health plan shall recover the full cost of expenses paid under this act unless the state department**, THE DEPARTMENT OF COMMUNITY HEALTH,** or the ~~medicaid~~ contracted health plan agrees to accept an amount less than the full amount. If the individual would recover less against the proceeds of the net recovery than the expenses paid under this act, the state department**, THE DEPARTMENT OF COMMUNITY HEALTH,** or ~~medicaid~~ contracted health plan, and the individual shall share equally in the proceeds of the net recovery. As used in this subsection, "net recovery" means the total settlement or judgment less the costs and fees incurred by or on behalf of the individual who obtains the settlement or judgment.

Sec. 107. **(1)** In establishing financial eligibility for the medically indigent**,** ~~as defined in section 106,~~ income shall be disregarded in accordance with standards established for the related categorical assistance program. For medical assistance only, income shall include the amount of contribution that an estranged spouse or parent for a minor child is making to the

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1 applicant according to the standards of the ~~state~~ department **OF**
2 **COMMUNITY HEALTH**, or according to a court determination, if there
3 is a court determination. Nothing in this section eliminates the
4 responsibility of support established in section 76 for cash
5 assistance received under this act.

6 **(2) THE DEPARTMENT OF COMMUNITY HEALTH SHALL APPLY A MODIFIED**
7 **ADJUSTED GROSS INCOME METHODOLOGY IN DETERMINING IF AN INDIVIDUAL'S**
8 **ANNUAL INCOME LEVEL IS BELOW 133% OF THE FEDERAL POVERTY**
9 **GUIDELINES. THIS SUBSECTION DOES NOT APPLY IF EITHER OF THE**
10 **FOLLOWING OCCURS:**

11 **(A) IF THE DEPARTMENT OF COMMUNITY HEALTH IS UNABLE TO OBTAIN**
12 **A FEDERAL WAIVER AS PROVIDED IN SECTION 105D.**

13 [**(B) IF FEDERAL GOVERNMENT MATCHING FUNDS FOR THE PROGRAM DESCRIBED**
14 **IN SECTION 105D ARE REDUCED BELOW 100% AND ANNUAL STATE SAVINGS AND**
15 **OTHER SAVINGS ASSOCIATED WITH THE IMPLEMENTATION OF THAT PROGRAM ARE NOT**
16 **SUFFICIENT TO COVER THE REDUCED FEDERAL MATCH. THE DEPARTMENT OF**
17 **COMMUNITY HEALTH SHALL DETERMINE HOW ANNUAL STATE SAVINGS AND OTHER**
SAVINGS WILL BE CALCULATED BY JUNE 1, 2014.]

18 Sec. 108. A medically indigent person as defined under
19 ~~subdivision (1) of~~ section ~~106,~~ **106(1)** is entitled to all the
20 services enumerated in ~~subsections (a), (b), (c), (d), (e) and (f)~~
21 ~~of~~ section 109. A medically indigent person as defined under
22 ~~subdivision (2) of~~ section ~~106~~ **106(2)** is entitled to medical
23 services enumerated in ~~subsections (a), (c) and (e) of section 109.~~
24 **SECTION 109(A), (C), AND (E).** He ~~shall also be~~ **OR SHE IS** entitled
25 to the services enumerated in ~~subsections (b),~~ **SECTION 109(B),** (d),
26 and (f) ~~of section 109~~ to the extent of appropriations made
27 available by the legislature for the fiscal year. Medical services

1 shall be rendered upon certification by the attending licensed
2 physician and dental services shall be rendered upon certification
3 of the attending licensed dentist that a service is required for
4 the treatment of an individual. The services of a medical
5 institution shall be rendered only after referral by a licensed
6 physician or dentist and certification by him **OR HER** that the
7 services of the medical institution are required for the medical or
8 dental treatment of the individual, except that referral is not
9 necessary in case of an emergency. Periodic recertification that
10 medical treatment ~~which~~ **THAT** extends over a period of time is
11 required in accordance with regulations of the ~~state~~ department
12 ~~shall be~~ **OF COMMUNITY HEALTH IS** a condition of continuing
13 eligibility to receive medical assistance. To comply with federal
14 statutes governing medicaid, the ~~state~~ department **OF COMMUNITY**
15 **HEALTH** shall provide ~~such~~ early and periodic screening, diagnostic
16 and treatment services to eligible children as it ~~deems~~ **CONSIDERS**
17 necessary.

18 Sec. 109c. (1) The ~~state~~ department **OF COMMUNITY HEALTH** shall
19 include, as part of its program of medical services under this act,
20 home- or community-based services to eligible persons whom the
21 ~~state~~ department **OF COMMUNITY HEALTH** determines would otherwise
22 require nursing home services or similar institutional care
23 services under section 109. The home- or community-based services
24 shall be offered to qualified eligible persons who are receiving
25 inpatient hospital or nursing home services as an alternative to
26 those forms of care.

27 (2) The home- or community-based services shall include

safeguards adequate to protect the health and welfare of participating eligible persons, and shall be provided according to a written plan of care for each person. The services available under the home- or community-based services program shall include, at a minimum, all of the following:

(a) Home delivered meals.

(b) Chore services.

(c) Homemaker services.

(d) Respite care.

(e) Personal care.

(f) Adult day care.

(g) Private duty nursing.

(h) Mental health counseling.

(i) Caregiver training.

(j) Emergency response systems.

(k) Home modification.

(*l*) Transportation.

(m) Medical equipment and supply services.

(3) This section shall be implemented so that the average per capita expenditure for home- or community-based services for eligible persons receiving those services does not exceed the estimated average per capita expenditure that would have been made for those persons had they been receiving nursing home services, inpatient hospital or similar institutional care services instead.

(4) The ~~state~~ department **OF COMMUNITY HEALTH** shall seek a waiver necessary to implement this program from the federal department of health and human services, as provided in section

1 1915 of title XIX, 42 ~~U.S.C.~~ **USC** 1396n. The department **OF COMMUNITY**
2 **HEALTH** shall request any modifications of the waiver that are
3 necessary in order to expand the program in accordance with
4 subsection (9).
5 (5) The ~~state~~ department **OF COMMUNITY HEALTH** shall establish
6 policy for identifying the rules for persons receiving inpatient
7 hospital or nursing home services who may qualify for home- or
8 community-based services. The rules shall contain, at a minimum, a
9 listing of diagnoses and patient conditions to which the option of
10 home- or community-based services may apply, and a procedure to
11 determine if the person qualifies for home- or community-based
12 services.
13 (6) The ~~state~~ department **OF COMMUNITY HEALTH** shall provide to
14 the legislature and the governor an annual report showing the
15 detail of its home- and community-based case finding and placement
16 activities. At a minimum, the report shall contain each of the
17 following:
18 (a) The number of persons provided home- or community-based
19 services who would otherwise require inpatient hospital services.
20 This shall include a description of medical conditions, services
21 provided, and projected cost savings for these persons.
22 (b) The number of persons provided home- or community-based
23 services who would otherwise require nursing home services. This
24 shall include a description of medical conditions, services
25 provided, and projected cost savings for these persons.
26 (c) The number of persons and the annual expenditure for
27 personal care services.

1 (d) The number of hearings requested concerning home- or
2 community-based services and the outcome of each hearing which has
3 been adjudicated during the year.
4 (7) The written plan of care required under subsection (2) for
5 an eligible person shall not be changed unless the change is
6 prospective only, and the ~~state~~ department **OF COMMUNITY HEALTH** does
7 both of the following:
8 (a) Not later than 30 days before making the change, except in
9 the case of emergency, consults with the eligible person or, in the
10 case of a child, with the child's parent or guardian.
11 (b) Consults with each medical service provider involved in
12 the change. This consultation shall be documented in writing.
13 (8) An eligible person who is receiving home- or community-
14 based services under this section, and who is dissatisfied with a
15 change in his or her plan of care or a denial of any home- or
16 community-based service, may demand a hearing as provided in
17 section 9, and subsequently may appeal the hearing decision to
18 circuit court as provided in section 37.
19 (9) The ~~state~~ department **OF COMMUNITY HEALTH** shall expand the
20 home- and community-based services program by increasing the number
21 of counties in which it is available, in conformance with this
22 subsection. The program may be limited in total cost and in the
23 number of recipients per county who may receive services at 1 time.
24 Subject to obtaining the waiver and any modifications of the waiver
25 sought under subsection (4), the program shall be expanded as
26 follows:
27 (a) Not later than ~~1 year after the effective date of this~~

~~subsection,~~ **JULY 14, 1995,** home- and community-based services shall be available to eligible applicants in those counties that, when combined, contain at least 1/4 of the population of this state.

(b) Not later than ~~2 years after the effective date of this subsection,~~ **JULY 14, 1996,** home- and community-based services shall be available to eligible applicants in those counties that, when combined, contain at least 1/2 of the population of this state.

(c) Not later than ~~3 years after the effective date of this subsection,~~ **JULY 14, 1997,** home- and community-based services shall be available to eligible applicants in those counties that, when combined, contain at least 3/4 of the population of this state.

(d) Not later than ~~4 years after the effective date of this subsection,~~ **JULY 14, 1998,** home- and community-based services shall be available to eligible applicants on a statewide basis.

(10) The ~~state~~ department **OF COMMUNITY HEALTH** shall work with the office of services to the aging in implementing the home- and community-based services program, including the provision of preadmission screening, case management, and recipient access to services.

Enacting section 1. This amendatory act does not do either of the following:

(a) Authorize the establishment or operation of a state-created American health benefit exchange in this state related to the patient protection and affordable care act, Public Law 111-148, as amended by the federal health care and education reconciliation act of 2010, Public Law 111-152.

(b) Convey any additional statutory, administrative, rule-

1 making, or other power to this state or an agency of this state
2 that did not exist before the effective date of the amendatory act
3 that added section 105d to the social welfare act, 1939 PA 280, MCL
4 400.105d, that would authorize, establish, or operate a state-
5 created American health benefit exchange.