



**House
Legislative
Analysis
Section**

Manufacturer's Bank Building, 12th Floor
Lansing, Michigan 48909
Phone: 517/373-6466

SERVICES FOR WELFARE RECIPIENTS

House Bill 4231
Sponsor: Rep. Wilfred Webb
Committee: Social Services & Youth

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Ans'd.....

Complete to 10-26-89

A SUMMARY OF HOUSE BILL 4231 AS INTRODUCED 2-21-89

The bill would create the Work Incentive Welfare Reduction Act to require the Department of Social Services (DSS) to establish a program to provide medical services and other services to persons who leave public assistance to obtain employment. The director of the DSS would obtain periodic evaluations of the effect of the bill through arrangements with public colleges and universities within the state. Medical, day care and transportation services would be paid for with state funds except to the extent that federal funds were permitted to be used for all or any part of those programs. The bill would require the department to determine client eligibility for other federally funded programs prior to use of programs established under the bill.

Persons eligible for services. The program of medical services would be established for persons who received public assistance after the effective date of the bill and eventually became financially ineligible for further assistance because of becoming employed and for persons who received income that was equal to or less than 185 percent of the poverty level as determined for Medicaid eligibility, after subtracting the cost of any medical expenses paid. A person would remain eligible for medical services four years after the date he or she became ineligible for further public assistance because of employment. The eligibility of a person who received medical services would be redetermined every six months.

Ineligibility for services. When a person's employment was terminated, the person would be ineligible for medical services. However, there would be an extension period of 90 days after termination of employment during which a person would receive medical services, and a person would receive medical services for the duration of receipt of unemployment benefits, whichever was longer. In any case, services under the bill would not be provided for longer than four years after a person became ineligible for assistance. A person who was financially ineligible for public assistance because of employment and was not eligible for medical services under the bill due to income could become eligible for medical services at any time during the four year period after going off of assistance if the person's income level decreased to the limit set by the bill. The person would then become subject to the same conditions of continuing eligibility prescribed under the bill.

Medical Services. The services would be available to the employed person and his or her dependents subject to a monthly premium of \$5 per individual or \$10 per household. Services offered would include hospitalization (inpatient and outpatient), physician and ambulatory services, prescription drugs, preventive health care for young children and pregnant women, dental care, vision and hearing care. If a person or the person's dependents were provided health insurance or health care coverage from the person's employer or another source, the medical services provided under the bill would be secondary. The department would reimburse providers of medical services in the same manner as providers are reimbursed under the Medicaid system. In addition, providers

under the bill would have to meet the same standards required of participants in Medicaid in regards to licensure, quality of services, financial accountability, and other factors.

Community-based programs. The DSS could award a grant or enter into a contract for support of community-based programs that provided transportation to and from work and to and from day care facilities for persons eligible for medical services. The state share of the program would not exceed 40 percent of the total cost of services rendered during the term of the contract or grant. A person would be eligible for transportation services as long as the person was eligible for medical services under the act.

Day care services. The DSS would make day care services available to children of persons eligible for medical services through day care programs operated by the department, including programs funded under the federal Social Security Act. The department could enter into contracts with nonprofit organizations in the state to provide services related to day care service, including identification of eligible persons whose children required day care services, documentation of day care needs and establishment of a day care plan, continual and ongoing case management in regards to day care services provided and provision of information related to the licensing of day care providers. A person would be eligible for day care services as long as the person was eligible for medical services.

Employers. An employer could not deny health insurance or health care coverage or revoke health care or insurance coverage to a person in order to allow the person to become or remain eligible for medical services under the bill. In addition, an employer could not offer to hire a person on the condition that the person become eligible for medical services under the bill, nor could a person discharge or lay off an employee for the purpose of hiring a person who was eligible for medical services under the bill. Violation of the bill would be a misdemeanor punishable by a fine of up to \$1,000 or by imprisonment for up to 90 days, or both.