



**House
Legislative
Analysis
Section**

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THE APPARENT PROBLEM:

There have been concerns in recent years about the lack of standardized, timely information on Medicaid financial requirements available to people entering nursing homes and their families. It is important that people know who is eligible for Medicaid and what that program will cover, and that they know how spousal assets are to be treated when one spouse is to go into a nursing home and the other is not. Getting information at the right time, experts have said, can help a non-institutionalized spouse avoid impoverishment and maintain his or her independence. It is also considered important that people understand the rights nursing home patients are guaranteed under the Public Health Code.

THE CONTENT OF THE BILL:

The bill would amend the Public Health Code to require the production and distribution of two pamphlets and a videotape aimed at explaining to nursing home residents (and others) the eligibility requirements and coverage of the federal Medicaid program and their rights as patients. The Department of Social Services would be responsible for the Medicaid pamphlet, and the Department of Public Health would be responsible for the pamphlet and videotape on patients' rights. The materials would be supplied to licensed nursing homes free of charge, and nursing homes would be required to make the pamphlets available or play the videotape at certain specified times.

Medicaid Pamphlet. The Department of Social Services, in consultation with appropriate representatives of the nursing home industry and of consumers, would be required to prepare a pamphlet or pamphlets that contained at least the following information:

- How and where to apply for Medicaid.
- Nursing home benefits provided by Medicaid.
- Financial eligibility requirements for Medicaid, including, but not limited to, income and asset standards for Medicaid eligibility.
- A description of special income and asset standards that apply to a married couple when only one spouse is a patient in a nursing home.
- How to obtain a refund from a nursing home of payments made by the patient or another private source on behalf of the patient to a nursing home for services covered by Medicaid.
- A listing of the nursing home services covered by Medicaid and an explanation that a nursing home may not charge the patient separately for one or more of those services.
- A listing of the nursing home services not covered by Medicaid and an explanation that a home may charge separately for one or more services.
- How the patient's financial responsibility is calculated for a patient enrolled in Medicaid.

No later than 90 days after the bill's effective date, the DSS would have to supply the pamphlets free of charge

NURSING HOME INFORMATIONAL PAMPHLETS

House Bill 4439 (Substitute H-4) **RECEIVED**
First Analysis (12-12-89)

MAR 05 1990

Sponsor: Rep. Perry Bullard
Committee: Public Health

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upon request to each licensed nursing home in the state in sufficient number to meet the home's needs. (When the pamphlets are revised, as the bill would require, the revised pamphlets would be supplied.) A nursing home would be required to distribute the pamphlet free of charge as follows: to an applicant for admission, or the applicant's spouse or guardian, if any, before an admission form is signed; to a patient, patient's spouse, patient representative, or guardian, upon learning that the patient is eligible for Medicaid or upon a change in the content of a pamphlet; or to anyone, upon reasonable request.

Patients' Rights Pamphlet. The Department of Public Health would be required, in consultation with representatives of the nursing home industry and of consumers, to prepare a pamphlet that contains a listing of the rights of nursing home patients as found in the health code, with examples and explanations to help the reader understand those rights, and a notice that a patient has the right to file a complaint with the department concerning patient abuse, neglect, or misappropriation of property.

No later than 90 days after the bill's effective date, the department would have to supply the pamphlet to each licensed nursing home free of charge and in sufficient number to meet a home's needs. (When the pamphlet is revised, as the bill requires, the revised pamphlet would be distributed.)

A nursing home would distribute the pamphlet free of charge to the patient, patient's spouse, representative, or guardian, upon a patient's admission, and annually thereafter to those people and to any interested family member. The pamphlet would also be provided to employees or others involved in patient care under the direction of the nursing home during initial and ongoing patients' rights training. (When the pamphlet is changed, it would have to be distributed to all those named above.) The pamphlet would also be available to anyone, upon reasonable request.

Patients' Rights Videotape. The public health department would also be required to produce a videotape (again in consultation with industry and consumer representatives) designed to reach an audience of nursing home patients and dealing with the same information as the patients' rights pamphlet. No later than 90 days after the bill's effective date, the department would have to supply one copy of the tape to each licensed nursing home. When a patient is admitted to a nursing home, the home would be required either to play the videotape and provide an opportunity for the patient to discuss it with a staff member, or have a staff member explain patients' rights information in a language the patient understands. If a patient is a minor or has a legal guardian, the patient's parent or guardian must be present when the tape is shown or the explanation given. If a patient has a developmental disability, the nursing home would instead have a staff

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member explain patients' rights in a manner the patient can understand and to a family member of the patient, the patient's guardian, or the patient's representative. The explanation would have to be witnessed by a third person.

MCL 333.21765

FISCAL IMPLICATIONS:

The Department of Social Services has estimated its cost for the initial printing and distribution of its pamphlet on Medicaid Care and Coverage Rights at \$16,000. That pamphlet, the DSS says, has already been prepared with anticipated distribution by January 1, 1990, and appears to meet the bill's requirements. Other eligibility pamphlets are in preparation or have been completed. One distributed in October of 1989 aimed at patients without spouses cost approximately \$83 per 1,000 copies. (Some 50,000 have been printed with another 200,000 to be printed in the spring.) Another pamphlet for patients with spouses is expected to be more costly due to its length. Obviously there will be costs when pamphlets must be updated. Information on the patients' rights pamphlet and videotape is not available at present. (12-7-89)

ARGUMENTS:

For:

The bill would make sure that nursing home residents are fully aware of the availability of Medicaid and of their rights as patients. The bill requires that clear explanations of these issues be provided free of charge to nursing home patients and their representatives. The bill is consistent with informational requirements passed in the previous session, which were in response, in part, to a report issued by the Michigan Task Force on Alzheimer's Disease and Related Conditions. That report emphasized the need for timely, accurate, standardized information on Medicaid financial requirements. Information obtained at the right time can prevent a family or a non-institutionalized spouse from becoming impoverished because of a lack of understanding of income and asset standards for Medicaid. The patients' rights information would replace a requirement in the health code that a copy of guaranteed patients' rights be given to patients or read to them.

POSITIONS:

The Michigan Nonprofit Homes Association supports the bill. (12-11-89)