

HOUSE BILL No. 6081

September 25, 1990, Introduced by Reps. Krause, Crandall, Nye, Sikkema, Dolan, DeLange, Walberg, Bender, Wartner, Oxender, Muxlow, Law, O'Connor, Willis Bullard, London, Miller and Bennett and referred to the Committee on Social Services and Youth.

A bill to amend the title of Act No. 280 of the Public Acts of 1939, entitled as amended

"The social welfare act,"

as amended, being sections 400.1 to 400.121 of the Michigan Compiled Laws; and to add section 105b.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. The title of Act No. 280 of the Public Acts of
2 1939, as amended, being sections 400.1 to 400.121 of the Michigan
3 Compiled Laws, is amended and section 105b is added to read as
4 follows:

5	TITLE
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6 An act to protect the welfare of the people of this state;
7 to provide general assistance, hospitalization, infirmary and
8 medical care to poor or unfortunate persons; to provide for
9 compliance by this state with the social security act; to provide

1 protection, welfare and services to aged persons, dependent
2 children, the blind, and the permanently and totally disabled; TO
3 PROVIDE MEDICAL SERVICES BENEFITS TO CERTAIN DISABLED PERSONS; to
4 administer programs and services for the prevention and treatment
5 of delinquency, dependency and neglect of children; to create a
6 state department of social services; to prescribe the powers and
7 duties of the department; to provide for the interstate and
8 intercounty transfer of dependents; to create county and district
9 departments of social services; to create within certain county
10 departments, bureaus of social aid and certain divisions and
11 offices thereunder; to prescribe the powers and duties of the
12 departments, bureaus and officers; to provide for appeals in cer-
13 tain cases; to prescribe the powers and duties of the state
14 department with respect to county and district departments; to
15 prescribe certain duties of certain other state departments,
16 officers, and agencies; to make an appropriation; to prescribe
17 penalties for the violation of the provisions of this act; and to
18 repeal certain parts of this act on specific dates.

19 SEC. 105B. (1) THE DEPARTMENT SHALL ESTABLISH A PROGRAM OF
20 PRIMARY AND SUPPLEMENTAL MEDICAL ASSISTANCE FOR DISABLED ADULTS
21 AND MINORS WHO ARE NOT OTHERWISE ELIGIBLE FOR MEDICAL ASSISTANCE
22 UNDER THIS ACT AND WHO MEET THE ELIGIBILITY AND PARTICIPATION
23 REQUIREMENTS OF THIS SECTION.

24 (2) SUBJECT TO SUBSECTION (4), A DISABLED ADULT WHO MEETS
25 ALL OF THE FOLLOWING ELIGIBILITY REQUIREMENTS MAY ENROLL IN THE
26 PROGRAM AND RECEIVE ALL OF THE SERVICES ENUMERATED IN
27 SECTION 109(1):

1 (A) THE INDIVIDUAL APPLIES FOR ASSISTANCE UNDER THIS
2 SECTION.

3 (B) THE INDIVIDUAL IS EMPLOYED OR OTHERWISE RECEIVES EARNED
4 INCOME AS DEFINED IN SECTION 1382a OF TITLE XVI OF THE SOCIAL
5 SECURITY ACT, 42 U.S.C. 1382a.

6 (C) THE INDIVIDUAL RECEIVES OR HAS PURCHASED AT LEAST THE
7 MINIMUM HEALTH INSURANCE COVERAGE, IF ANY, OFFERED BY THE
8 INDIVIDUAL'S EMPLOYER.

9 (D) THE INDIVIDUAL IS NOT OTHERWISE ELIGIBLE UNDER SECTION
10 106 FOR MEDICAL ASSISTANCE.

11 (E) AT THE TIME OF APPLICATION, THE INDIVIDUAL WOULD MEET
12 THE DISABILITY CRITERIA UNDER TITLE XVI OF THE SOCIAL SECURITY
13 ACT, 42 U.S.C. 1381 TO 1383d, IF THE PERSON WERE NOT ENGAGED IN
14 SUBSTANTIAL GAINFUL ACTIVITY.

15 (F) THE INDIVIDUAL OR THE INDIVIDUAL'S EMPLOYER PAYS THE
16 APPLICABLE PREMIUM CONTRIBUTION, IF ANY, SET BY THE DEPARTMENT
17 UNDER SUBSECTION (7).

18 (G) THE INDIVIDUAL FULFILLS ALL OTHER OBLIGATIONS IMPOSED BY
19 THIS SECTION OR BY DEPARTMENT RULE.

20 (3) SUBJECT TO SUBSECTION (4), A PARENT OR LEGAL GUARDIAN OF
21 A DISABLED MINOR WHO MEETS ALL OF THE FOLLOWING ELIGIBILITY
22 REQUIREMENTS MAY ENROLL ON BEHALF OF THE MINOR IN THE PROGRAM AND
23 THE MINOR MAY RECEIVE ALL OF THE SERVICES ENUMERATED IN
24 SECTION 109(1):

25 (A) THE PARENT OR LEGAL GUARDIAN APPLIES ON THE MINOR'S
26 BEHALF FOR ASSISTANCE UNDER THIS SECTION.

1 (B) THE MINOR IS NOT OTHERWISE ELIGIBLE UNDER SECTION 106
2 FOR MEDICAL ASSISTANCE.

3 (C) THE MINOR MEETS THE DISABILITY REQUIREMENTS OF TITLE XVI
4 OF THE SOCIAL SECURITY ACT, 42 U.S.C. 1381 TO 1383d.

5 (D) THE PARENT OR LEGAL GUARDIAN OF THE MINOR HAS PURCHASED
6 AT LEAST THE MINIMUM FAMILY HEALTH INSURANCE COVERAGE, IF ANY,
7 OFFERED BY THE PARENT'S OR GUARDIAN'S EMPLOYER.

8 (E) PAYMENT OF THE APPLICABLE PREMIUM CONTRIBUTION, IF ANY,
9 SET BY THE DEPARTMENT UNDER SUBSECTION (7) IS MADE ON BEHALF OF
10 THE MINOR.

11 (F) THE PARENT OR LEGAL GUARDIAN FULFILLS ALL OTHER OBLIGA-
12 TIONS IMPOSED BY THIS SECTION OR BY DEPARTMENT RULE.

13 (4) AN ENROLLEE OR DISABLED MINOR SHALL RECEIVE BENEFITS
14 UNDER SUBSECTION (2) OR (3) ONLY TO THE EXTENT THAT A PARTICULAR
15 SERVICE IS NOT COVERED BY THE ENROLLEE'S HEALTH INSURANCE COVER-
16 AGE, IF ANY.

17 (5) AN ENROLLEE SHALL TAKE ALL NECESSARY STEPS TO MAINTAIN
18 EXISTING HEALTH CARE INSURANCE OR BENEFITS ON BEHALF OF THE
19 ENROLLEE OR DISABLED MINOR.

20 (6) IF AN ENROLLEE IS ELIGIBLE TO RECEIVE COMPENSATION FROM
21 A THIRD PARTY FOR MEDICAL SERVICES ARISING FROM AN ACCIDENT,
22 INJURY, OR ILLNESS, THE ENROLLEE SHALL FILE A CLAIM FOR THAT COM-
23 PENSATION, AND THE DEPARTMENT SHALL BE SUBROGATED TO A RIGHT OF
24 RECOVERY FOR THE CLAIM IN THE SAME MANNER AND UNDER THE SAME
25 TERMS AS PROVIDED IN SECTION 106(1)(B)(ii). THE ENROLLEE SHALL
26 PROVIDE TO THE DEPARTMENT INFORMATION REQUESTED BY THE DEPARTMENT
27 REGARDING THE THIRD PARTY CLAIM. THE DEPARTMENT MAY DENY OR

1 TERMINATE BENEFITS UNDER THIS SECTION TO AN ENROLLEE WHO FAILS TO
2 PROVIDE THE REQUESTED INFORMATION.

3 (7) THE COST OF THE PROGRAM CREATED IN THIS SECTION SHALL BE
4 FUNDED BY MONTHLY PREMIUM CONTRIBUTIONS ACCORDING TO A SLIDING
5 SCALE SCHEDULE SET BY DEPARTMENT RULE BASED ON THE ADJUSTED
6 INCOME OF THE ENROLLEE. THE DEPARTMENT MAY ESTABLISH SEPARATE
7 PREMIUM SCHEDULES FOR ENROLLEES WITH OTHER HEALTH INSURANCE COV-
8 ERAGE AND ENROLLEES WITH NO HEALTH INSURANCE COVERAGE. IF SEPA-
9 RATE PREMIUM SCHEDULES ARE ESTABLISHED, THE PREMIUM PAYMENT FOR
10 AN ENROLLEE WITH OTHER HEALTH INSURANCE COVERAGE SHALL BE 2/3 OF
11 THE AMOUNT SET FOR AN ENROLLEE WITHOUT HEALTH INSURANCE COVERAGE
12 WHO IS IN THE SAME INCOME BRACKET.

13 (8) THE DEPARTMENT SHALL ANNUALLY REVIEW THE INCOME OF EACH
14 ENROLLEE AND, IF AN ADJUSTMENT IS WARRANTED BY A CHANGE IN
15 INCOME, SHALL ADJUST THE AMOUNT OF THE ENROLLEE'S REQUIRED PRE-
16 MIUM PAYMENT.

17 (9) IF AN ENROLLEE OR EMPLOYER PAYING PREMIUMS ON BEHALF OF
18 THE ENROLLEE FAILS TO PAY THE APPLICABLE MONTHLY PREMIUM CONTRI-
19 BUTION, IF ANY, WITHIN 90 DAYS AFTER THE BILLING DATE, THE
20 DEPARTMENT SHALL GIVE 30 DAYS' NOTICE TO THE ENROLLEE THAT THE
21 ENROLLEE'S PARTICIPATION WILL BE TERMINATED. IF THE ENROLLEE OR
22 EMPLOYER PAYING PREMIUMS ON BEHALF OF THE ENROLLEE DOES NOT PAY
23 THE PREMIUM DURING THE 30-DAY NOTICE PERIOD, THE DEPARTMENT SHALL
24 TERMINATE PARTICIPATION UPON EXPIRATION OF THE 30-DAY NOTICE
25 PERIOD. THE DEPARTMENT SHALL NOT ALLOW AN INDIVIDUAL WHOSE PAR-
26 TICIPATION IS TERMINATED UNDER THIS SECTION TO SUBSEQUENTLY

1 ENROLL IN THE PROGRAM UNLESS THE AMOUNT OF ALL PREVIOUSLY UNPAID
2 PREMIUMS IS PAID TO THE DEPARTMENT.

3 (10) PARTICIPATION IN THE PROGRAM MAY CONTINUE AS LONG AS
4 THE ENROLLEE CONTINUES TO MEET ALL ELIGIBILITY REQUIREMENTS. IF
5 A DISABLED ADULT ENROLLEE'S EMPLOYMENT TERMINATES, THE ENROLLEE
6 MAY CONTINUE TO PARTICIPATE FOR UP TO 3 CALENDAR MONTHS AFTER THE
7 MONTH IN WHICH THE EMPLOYMENT TERMINATES.

8 (11) THE DEPARTMENT SHALL PROMULGATE RULES UNDER THE ADMIN-
9 ISTRATIVE PROCEDURES ACT OF 1969, ACT NO. 306 OF THE PUBLIC ACTS
10 OF 1969, BEING SECTIONS 24.201 TO 24.328 OF THE MICHIGAN COMPILED
11 LAWS, FOR ENROLLMENT, VERIFICATION OF ELIGIBILITY, REVIEW OF CON-
12 TINUED ELIGIBILITY, TERMINATION OF BENEFITS, AND OTHER MATTERS
13 NECESSARY TO IMPLEMENT AND MAINTAIN THE PROGRAM UNDER THIS
14 SECTION.

15 (12) AS USED IN THIS SECTION:

16 (A) "ADJUSTED INCOME" MEANS THE ANNUAL GROSS INCOME OF THE
17 APPLICANT OR ENROLLEE CALCULATED ACCORDING TO DEPARTMENT RULE,
18 ADJUSTED BY DEDUCTING \$2,000.00 FOR EACH OF THE FOLLOWING:

19 (i) THE ENROLLEE.

20 (ii) THE ENROLLEE'S SPOUSE, IF RESIDING WITH THE ENROLLEE.

21 (iii) EACH MINOR CHILD OF THE ENROLLEE FOR WHOM THE ENROLLEE
22 IS FINANCIALLY RESPONSIBLE, IF THE MINOR CHILD'S INCOME, IF ANY,
23 IS INCLUDED IN CALCULATING THE ENROLLEE'S ANNUAL GROSS INCOME.

24 (B) "ENROLLEE" MEANS AN INDIVIDUAL RECEIVING BENEFITS UNDER
25 SUBSECTION (2) OR THE FINANCIALLY RESPONSIBLE PARENT OR LEGAL
26 GUARDIAN OF A MINOR RECEIVING BENEFITS UNDER SUBSECTION (3).

27 (C) "MINOR" MEANS AN INDIVIDUAL UNDER 18 YEARS OF AGE.