

HOUSE BILL No. 5014

June 27, 1991, Introduced by Reps. Muxlow, Van Singel, Hillegonds, London, Walberg, Sparks, Willis Bullard, Nye and Middaugh and referred to the Committee on Appropriations.

A bill to amend 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, by adding section 105b.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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

4 SEC. 105B. (1) THE STATE DEPARTMENT SHALL ESTABLISH A PRO-
5 GRAM OF PRIMARY AND SUPPLEMENTAL MEDICAL ASSISTANCE FOR DISABLED
6 ADULTS AND MINORS WHO ARE NOT OTHERWISE ELIGIBLE FOR MEDICAL
7 ASSISTANCE UNDER THIS ACT AND WHO MEET THE ELIGIBILITY AND
8 PARTICIPATION REQUIREMENTS OF THIS SECTION.

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

5 (A) THE INDIVIDUAL APPLIES FOR ASSISTANCE UNDER THIS
6 SECTION.

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

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

13 (D) THE INDIVIDUAL IS NOT OTHERWISE ELIGIBLE UNDER SECTION
14 106 FOR MEDICAL ASSISTANCE.

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

19 (F) THE INDIVIDUAL OR THE INDIVIDUAL'S EMPLOYER PAYS THE
20 APPLICABLE PREMIUM CONTRIBUTION, IF ANY, SET BY THE DEPARTMENT
21 UNDER SUBSECTION (7).

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

24 (3) SUBJECT TO SUBSECTION (4), A PARENT OR LEGAL GUARDIAN OF
25 A DISABLED MINOR WHO MEETS ALL OF THE FOLLOWING ELIGIBILITY
26 REQUIREMENTS MAY ENROLL ON BEHALF OF THE MINOR IN THE PROGRAM AND

1 THE MINOR MAY RECEIVE ALL OF THE SERVICES ENUMERATED IN

2 SECTION 109(1):

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

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

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

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

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

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

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

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

24 (6) IF AN ENROLLEE IS ELIGIBLE TO RECEIVE COMPENSATION FROM
25 A THIRD PARTY FOR MEDICAL SERVICES ARISING FROM AN ACCIDENT,
26 INJURY, OR ILLNESS, THE ENROLLEE SHALL FILE A CLAIM FOR THAT
27 COMPENSATION, AND THE DEPARTMENT SHALL BE SUBROGATED TO A RIGHT

1 OF RECOVERY FOR THE CLAIM IN THE SAME MANNER AND UNDER THE SAME
2 TERMS AS PROVIDED IN SECTION 106(1)(B)(ii). THE ENROLLEE SHALL
3 PROVIDE TO THE DEPARTMENT INFORMATION REQUESTED BY THE DEPARTMENT
4 REGARDING THE THIRD PARTY CLAIM. THE DEPARTMENT MAY DENY OR TER-
5 MINATE BENEFITS UNDER THIS SECTION TO AN ENROLLEE WHO FAILS TO
6 PROVIDE THE REQUESTED INFORMATION.

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

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

21 (9) IF AN ENROLLEE OR EMPLOYER PAYING PREMIUMS ON BEHALF OF
22 THE ENROLLEE FAILS TO PAY THE APPLICABLE MONTHLY PREMIUM CONTRI-
23 BUTION, IF ANY, WITHIN 90 DAYS AFTER THE BILLING DATE, THE
24 DEPARTMENT SHALL GIVE 30 DAYS' NOTICE TO THE ENROLLEE THAT THE
25 ENROLLEE'S PARTICIPATION WILL BE TERMINATED. IF THE ENROLLEE OR
26 EMPLOYER PAYING PREMIUMS ON BEHALF OF THE ENROLLEE DOES NOT PAY
27 THE PREMIUM DURING THE 30-DAY NOTICE PERIOD, THE DEPARTMENT SHALL

1 TERMINATE PARTICIPATION UPON EXPIRATION OF THE 30-DAY NOTICE
2 PERIOD. THE DEPARTMENT SHALL NOT ALLOW AN INDIVIDUAL WHOSE PAR-
3 TICIPATION IS TERMINATED UNDER THIS SECTION TO SUBSEQUENTLY
4 ENROLL IN THE PROGRAM UNLESS THE AMOUNT OF ALL PREVIOUSLY UNPAID
5 PREMIUMS IS PAID TO THE DEPARTMENT.

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

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

18 (12) AS USED IN THIS SECTION:

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

22 (i) THE ENROLLEE.

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

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

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

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