



HOUSE BILL No. 5559

May 12 1994 Introduced by Reps Griffin Dobronski Olshove Barns Gagliardi Gire Mathieu and Leland and referred to the Committee on Human Services and Children

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 119b of the Michigan Compiled Laws by adding section 112a

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 119b of the Michigan
3 Compiled Laws is amended by adding section 112a to read as
4 follows

5 SEC 112A (1) SUBJECT TO SUBSECTION (5), THE DEPARTMENT
6 SHALL ESTABLISH A PILOT PROGRAM AS DESCRIBED IN THIS SECTION TO
7 FINANCE LONG-TERM CARE BY COMBINING MEDICAID FUNDS WITH FUNDS
8 FROM PRIVATE INSURANCE THE PILOT PROGRAM SHALL BEGIN ON JULY 1,

1 1995 AND SHALL BE ENTITLED THE MICHIGAN PARTNERSHIP FOR
2 LONG-TERM CARE

3 (2) AN INDIVIDUAL SHALL BE ELIGIBLE TO PARTICIPATE IN THE
4 MICHIGAN PARTNERSHIP FOR LONG-TERM CARE PROGRAM IF HE OR SHE PUR-
5 CHASES A LONG-TERM CARE INSURANCE POLICY THAT IS DELIVERED
6 ISSUED FOR DELIVERY OR RENEWED ON OR AFTER JANUARY 1 1995

7 (3) IN MAKING A DETERMINATION OF AN INDIVIDUAL S ELIGIBILITY
8 FOR MEDICAID AND IN ANY SUBSEQUENT RECOVERY BY THE DEPARTMENT OF
9 MEDICAID PAYMENTS MADE ON AN INDIVIDUAL S BEHALF THE DEPARTMENT
10 SHALL DISREGARD RESOURCES OF AN INDIVIDUAL DESCRIBED IN SUBSEC-
11 TION (2) TO THE EXTENT THOSE RESOURCES ARE EQUAL TO THE AMOUNT OF
12 LONG-TERM CARE INSURANCE BENEFIT PAYMENTS DESCRIBED IN SUBSECTION
13 (4)

14 (4) LONG-TERM CARE INSURANCE BENEFIT PAYMENTS QUALIFY FOR
15 THE RESOURCE EXCLUSION DESCRIBED IN SUBSECTION (3) IF THEY MEET
16 ALL OF THE FOLLOWING REQUIREMENTS

17 (A) THEY ARE FOR SERVICES MEDICAID APPROVES OR COVERS FOR
18 ITS RECIPIENTS

19 (B) THEY ARE FOR THE LOWER OF THE ACTUAL CHARGE AND THE
20 AMOUNT PAID BY THE INSURANCE COMPANY

21 (C) THEY ARE FOR NURSING HOME CARE, OR FOR SERVICES OF THE
22 TYPE COVERED BY MEDICAID UNDER SECTION 109C

23 (D) THEY ARE FOR SERVICES PROVIDED AFTER THE INDIVIDUAL
24 MEETS THE COVERAGE REQUIREMENTS FOR LONG-TERM CARE BENEFITS
25 ESTABLISHED BY THE DEPARTMENT PURSUANT TO SUBSECTION (6)

26 (5) THE DEPARTMENT SHALL SEEK APPROPRIATE AMENDMENTS TO THE
27 MEDICAID STATE PLAN AND APPROVAL FROM THE FEDERAL HEALTH CARE

1 FINANCING ADMINISTRATION TO IMPLEMENT THE PILOT PROGRAM DESCRIBED
2 IN THIS SECTION THE DEPARTMENT SHALL NOT IMPLEMENT THE PROGRAM
3 UNLESS FEDERAL APPROVAL IS OBTAINED

4 (6) THE DEPARTMENT SHALL PROMULGATE RULES PURSUANT TO THE
5 ADMINISTRATIVE PROCEDURES ACT OF 1969, ACT NO 306 OF THE PUBLIC
6 ACTS OF 1969, BEING SECTIONS 24 201 TO 24 328 OF THE MICHIGAN
7 COMPILED LAWS TO IMPLEMENT THE PILOT PROGRAM DESCRIBED IN THIS
8 SECTION, INCLUDING, BUT NOT LIMITED TO, THE COVERAGE REQUIREMENTS
9 FOR LONG-TERM CARE BENEFITS

10 (7) AS USED IN THIS SECTION

11 (A) LONG-TERM CARE INSURANCE POLICY MEANS A POLICY
12 DESCRIBED IN CHAPTER 39 OF THE INSURANCE CODE OF 1956 ACT NO
13 218 OF THE PUBLIC ACTS OF 1956 BEING SECTIONS 500 3901 TO
14 500 3955 OF THE MICHIGAN COMPILED LAWS

15 (B) MEDICAID MEANS THE PROGRAM OF MEDICAL ASSISTANCE
16 ESTABLISHED BY THE DEPARTMENT PURSUANT TO SECTION 105