

HOUSE SUBSTITUTE FOR
SENATE BILL NO. 1

A bill to amend 1939 PA 280, entitled
"The social welfare act,"
(MCL 400.1 to 400.119b) by adding section 105b.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 105B. (1) THE DEPARTMENT OF COMMUNITY HEALTH SHALL CREATE
2 INCENTIVES FOR INDIVIDUAL MEDICAL ASSISTANCE RECIPIENTS WHO
3 PRACTICE SPECIFIED POSITIVE HEALTH BEHAVIORS. THE INCENTIVES
4 DESCRIBED IN THIS SUBSECTION MAY INCLUDE, BUT ARE NOT LIMITED TO,
5 EXPANDED BENEFITS AND INCENTIVES RELATING TO PREMIUMS, CO-PAYS, OR
6 BENEFITS. THE POSITIVE HEALTH BEHAVIORS DESCRIBED IN THIS
7 SUBSECTION MAY INCLUDE, BUT ARE NOT LIMITED TO, PARTICIPATION IN
8 HEALTH RISK ASSESSMENTS AND HEALTH SCREENINGS, COMPLIANCE WITH
9 MEDICAL TREATMENT, ATTENDANCE AT SCHEDULED MEDICAL APPOINTMENTS,
10 PARTICIPATION IN SMOKING CESSATION TREATMENT, EXERCISE, PRENATAL

1 VISITS, IMMUNIZATIONS, AND ATTENDANCE AT RECOMMENDED EDUCATIONAL
2 HEALTH PROGRAMS.

3 (2) THE DEPARTMENT OF COMMUNITY HEALTH SHALL CREATE PAY-FOR-
4 PERFORMANCE INCENTIVES FOR CONTRACTED MEDICAID HEALTH MAINTENANCE
5 ORGANIZATIONS. THE MEDICAID HEALTH MAINTENANCE ORGANIZATION
6 CONTRACTS SHALL INCLUDE INCENTIVES FOR MEETING HEALTH OUTCOME
7 TARGETS FOR CHRONIC DISEASE STATES, INCREASING THE NUMBER OF
8 MEDICAL ASSISTANCE RECIPIENTS WHO PRACTICE POSITIVE HEALTH
9 BEHAVIORS, AND MEETING PATIENT COMPLIANCE TARGETS ESTABLISHED BY
10 THE DEPARTMENT OF COMMUNITY HEALTH. PRIORITY SHALL BE GIVEN TO
11 STRATEGIES THAT PREVENT AND MANAGE THE 10 MOST PREVALENT AND COSTLY
12 AILMENTS AFFECTING MEDICAL ASSISTANCE RECIPIENTS.

13 (3) THE DEPARTMENT OF COMMUNITY HEALTH SHALL ESTABLISH A
14 PREFERRED PRODUCT AND SERVICE FORMULARY PROGRAM FOR DURABLE MEDICAL
15 EQUIPMENT. THE DEPARTMENT OF COMMUNITY HEALTH SHALL WORK WITH THE
16 CENTERS FOR MEDICARE AND MEDICAID SERVICES TO DETERMINE IF A JOINT
17 PARTNERSHIP WITH MEDICARE IS POSSIBLE IN ESTABLISHING THE PROGRAM
18 DESCRIBED IN THIS SUBSECTION AS A MEANS OF ACHIEVING SAVINGS AND
19 EFFICIENCIES FOR BOTH THE MEDICAID AND MEDICARE PROGRAMS. THE
20 PREFERRED PRODUCT AND SERVICE FORMULARY PROGRAM FOR DURABLE MEDICAL
21 EQUIPMENT SHALL REQUIRE PARTICIPATION FROM THE DEPARTMENT OF
22 COMMUNITY HEALTH AND SHALL PERMIT THE CONTRACTED MEDICAID HEALTH
23 MAINTENANCE ORGANIZATIONS AND PROVIDER ORGANIZATIONS TO
24 PARTICIPATE.

25 (4) THE DEPARTMENT OF COMMUNITY HEALTH SHALL SEEK FINANCIAL
26 SUPPORT FOR ELECTRONIC HEALTH RECORDS, INCLUDING, BUT NOT LIMITED
27 TO, PERSONAL HEALTH RECORDS, E-PRESCRIBING, WEB-BASED MEDICAL

1 RECORDS, AND OTHER HEALTH INFORMATION TECHNOLOGY INITIATIVES USING
2 MEDICAID FUNDS.

3 (5) THE DEPARTMENT OF COMMUNITY HEALTH SHALL INCLUDE IN ANY
4 FEDERAL WAIVER REQUEST THAT IS SUBMITTED WITH THE INTENT TO SECURE
5 FEDERAL MATCHING FUNDS TO COVER THE MEDICALLY UNINSURED NONMEDICAID
6 POPULATION IN THE STATE LANGUAGE TO ALLOW THE DEPARTMENT OF
7 COMMUNITY HEALTH TO ESTABLISH, AT A MINIMUM, THE PROGRAMS REQUIRED
8 UNDER SUBSECTIONS (1) AND (2).

9 (6) THE DEPARTMENT OF COMMUNITY HEALTH SHALL NOT IMPLEMENT
10 INCENTIVES UNDER THIS SECTION THAT CONFLICT WITH FEDERAL STATUTE OR
11 REGULATION.

12 Enacting section 1. This amendatory act does not take effect
13 unless all of the following bills of the 94th Legislature are
14 enacted into law:

15 (a) House Bill No. 5194.

16 (b) House Bill No. 5198.