

# SENATE BILL No. 460

July 31, 2013, Introduced by Senator COLBECK and referred to the Committee on Government Operations.

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

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1           SEC. 105C. (1) BEGINNING JANUARY 1, 2015 OR UPON TERMINATION  
2           OF THE CURRENT CONTRACTED HEALTH PLANS, ALL CURRENT MEDICAL  
3           ASSISTANCE RECIPIENTS WILL BE MIGRATED TO AN INDIVIDUAL HEALTH  
4           SAVINGS ACCOUNT WHEREIN THEY CAN PURCHASE A QUALIFIED HEALTH PLAN  
5           WITH THE BALANCE OF FUNDS PROVIDED BY ELIGIBLE GOVERNMENT  
6           ASSISTANCE.

7           (2) ELIGIBLE GOVERNMENT ASSISTANCE AMOUNT IS DETERMINED ON AN  
8           ANNUAL BASIS AS A RESULT OF SURVEYING THE COMMERCIAL HEALTH CARE  
9           MARKET IN THE STATE AND ESTABLISHING THE AVERAGE COST OF A  
10          QUALIFIED HEALTH PLAN THAT IS COMPOSED OF DIRECT PRIMARY CARE  
11          SERVICES AND A HIGH-DEDUCTIBLE INSURANCE PLAN. THE AVERAGE COST

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1 WOULD BE THE GOVERNMENT ASSISTANCE AMOUNT.

2 (3) MIGRATION SAVINGS IS THE DIFFERENCE BETWEEN THE CURRENT  
3 MEDICAID COST FOR ALL ENROLLEES MINUS THE AVERAGE GOVERNMENT  
4 ASSISTANCE AMOUNT FOR ALL ENROLLEES TIMES THE NUMBER OF ENROLLEES.

5 (4) A PORTION OF THE MIGRATION SAVINGS DESCRIBED IN SUBSECTION  
6 (3) SHALL BE DEPOSITED INTO THE LOW-INCOME TRUST FUND AT AN AMOUNT  
7 NOT TO EXCEED THE AMOUNT NECESSARY TO PAY THE LESSER OF GAP  
8 INSURANCE OR THE AVERAGE DEDUCTIBLE UNDER A HIGH-DEDUCTIBLE HEALTH  
9 INSURANCE PLAN COMPONENT OF A QUALIFIED HEALTH PLAN UNTIL THE  
10 INDIVIDUAL'S HEALTH SAVINGS ACCOUNT BALANCE HAS BEEN DETERMINED  
11 ACTUARIALLY SUFFICIENT TO COVER THE DEDUCTIBLE OF THE HEALTH  
12 INSURANCE PLAN WITHOUT MONEY FROM THE LOW-INCOME TRUST FUND.

13 (5) BEFORE IMPLEMENTING THE PROVISIONS OF THIS SECTION, THE  
14 DEPARTMENT OF COMMUNITY HEALTH SHALL REQUEST A WAIVER FROM THE  
15 UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES.

16 (6) AS USED IN THIS SECTION:

17 (A) "LOW-INCOME TRUST FUND" MEANS THE LOW-INCOME TRUST FUND  
18 CREATED IN SECTION 11 OF THE PATIENT-CENTERED CARE ACT.

19 (B) "QUALIFIED HEALTH PLAN" MEANS THE QUALIFIED HEALTH PLAN  
20 CERTIFIED UNDER THE PATIENT-CENTERED CARE ACT.

21 Enacting section 1. This amendatory act does not take effect  
22 unless Senate Bill No. 459 of the 97th Legislature is enacted into  
23 law.