

SENATE BILL No. 1037

May 30, 2018, Introduced by Senators MACGREGOR, STAMAS and HANSEN and referred to the Committee on Oversight.

A bill to amend 1939 PA 280, entitled
"The social welfare act,"
(MCL 400.1 to 400.119b) by adding section 111n.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 111N. (1) IF THE DEPARTMENT CHANGES HOW IT INTERPRETS
2 EXISTING MEDICAID PROVIDER POLICY, THAT CHANGE IN POLICY MUST BE
3 PROCESSED IN THE SAME MANNER THAT THE DEPARTMENT USES WHEN
4 PROMULGATING NEW MEDICAID PROVIDER POLICY. THIS PROCESS SHALL
5 INCLUDE, BUT IS NOT LIMITED TO, ALLOWING MEDICAID PROVIDERS THE
6 OPPORTUNITY TO COMMENT ON THE CHANGE OF POLICY AND PROVIDING A
7 PROSPECTIVE EFFECTIVE DATE FOR THE CHANGE OF POLICY.

8 (2) THE DEPARTMENT SHALL ESTABLISH A BED ESCROW PROGRAM THAT

1 ALLOWS A NURSING FACILITY TO SET ASIDE BEDS FOR NOT LESS THAN 10
2 YEARS WITHOUT HAVING TO REESTABLISH OR RELINQUISH THE BEDS. THIS
3 PROGRAM SHALL NOT REQUIRE THE BEDS SET ASIDE TO BE CONTIGUOUS AND
4 SHALL REPLACE THE CURRENT MEDICAID POLICY FOR NONAVAILABLE BED
5 PLANS FOR A NURSING FACILITY.

6 (3) THE DEPARTMENT SHALL ALLOW THE ENTIRE NURSING FACILITY TO
7 BE UTILIZED DURING THE PERIOD WHEN THE NURSING FACILITY HAS A BED
8 IN THE BED ESCROW PROGRAM DESCRIBED IN SUBSECTION (2).

9 (4) THE DEPARTMENT SHALL ESTABLISH A CURRENT ASSET VALUE BED
10 LIMIT USING A ROLLING 10-YEAR HISTORY OF NEW CONSTRUCTION.

11 (5) THE DEPARTMENT SHALL ESTABLISH A PROCESS TO AUTOMATICALLY
12 CHANGE THE LEVEL OF CARE CODE IN THE COMMUNITY HEALTH AUTOMATED
13 MEDICAID PROCESSING SYSTEM (CHAMPS) IMMEDIATELY WHEN A FILING HAS
14 BEEN MADE TO DISENROLL A NURSING FACILITY RESIDENT FROM A HEALTH
15 MAINTENANCE ORGANIZATION AND THE RESIDENT HAS COMPLETED 45 DAYS OF
16 CARE AT THE NURSING FACILITY.

17 (6) WITHIN 60 DAYS AFTER RECEIPT OF A REQUEST FROM A NURSING
18 FACILITY, THE DEPARTMENT SHALL PERFORM A SECONDARY REVIEW OF A
19 DENIED RATE EXCEPTION, INCLUDING, BUT NOT LIMITED TO, RATE RELIEF,
20 OR APPLICATION OF A CLASSWIDE AVERAGE RATE. THE SECONDARY REVIEW
21 REQUIRED UNDER THIS SUBSECTION MUST BE PERFORMED BY THE DIRECTOR OF
22 THE OFFICE OF AUDIT.

23 (7) THE DEPARTMENT SHALL CONDUCT A QUARTERLY MEETING AND
24 INVITE APPROPRIATE STAKEHOLDERS. APPROPRIATE STAKEHOLDERS SHALL
25 INCLUDE AT LEAST 1 REPRESENTATIVE FROM EACH NURSING FACILITY
26 PROVIDER TRADE ASSOCIATION, AND ANY OTHER EXPERTS. INDIVIDUALS WHO
27 PARTICIPATE IN THESE QUARTERLY MEETINGS, IN CONJUNCTION WITH THE

1 DEPARTMENT, MAY DESIGNATE ADVISORY WORKGROUPS TO DEVELOP
2 RECOMMENDATIONS ON THE DISCUSSION TOPICS THAT SHOULD INCLUDE, AT A
3 MINIMUM, THE FOLLOWING:

4 (A) SEEKING QUALITY IMPROVEMENT TO THE COST REPORT AUDIT AND
5 SETTLEMENT PROCESS, INCLUDING CLARIFICATION TO PROCESS-RELATED
6 POLICIES AND PROTOCOLS THAT INCLUDE, BUT ARE NOT LIMITED TO, THE
7 FOLLOWING:

8 (i) IMPROVING THE AUDITORS' QUALITY AND PREPAREDNESS.

9 (ii) ENHANCED COMMUNICATION BETWEEN DEPARTMENT STAFF AND
10 PROVIDERS.

11 (B) PROMOTING TRANSPARENCY BETWEEN PROVIDERS AND DEPARTMENT
12 STAFF, INCLUDING, BUT NOT LIMITED TO, APPLYING REGULATIONS AND
13 POLICY IN AN ACCURATE, CONSISTENT, AND TIMELY MANNER AND EVALUATING
14 CHANGES THAT HAVE BEEN IMPLEMENTED TO RESOLVE ANY IDENTIFIED
15 PROBLEMS AND CONCERNS.

16 Enacting section 1. This amendatory act takes effect 90 days
17 after the date it is enacted into law.