

SENATE BILL NO. 362

June 05, 2019, Introduced by Senators HERTEL, SHIRKEY, ANANICH, MACGREGOR, GEISS, WOJNO, STAMAS, MACDONALD, BRINKS, LASATA, BULLOCK, OUTMAN, POLEHANKI, VANDERWALL, MCMORROW, IRWIN, ALEXANDER, HOLLIER and SCHMIDT and referred to the Committee on Health Policy and Human Services.

A bill to amend 1939 PA 280, entitled
"The social welfare act,"
by amending section 107b (MCL 400.107b), as added by 2018 PA 208.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 107b. (1) No later than October 1, 2018, the department
2 must apply for or apply to amend a waiver under section 1115 of the
3 social security act, 42 USC 1315, and submit subsequent waivers to
4 prohibit and prevent a lapse in the workforce engagement
5 requirements as a condition of receiving medical assistance under

1 section 105d. The waiver must be a request to allow for all of the
2 following:

3 (a) A requirement of 80 hours average per month of qualifying
4 activities or a combination of any qualifying activities, to count
5 toward the workforce engagement requirement under this section.

6 (b) A requirement that ~~an able-bodied recipients verify that~~
7 ~~they are~~ **recipient verifies that he or she is** meeting the workforce
8 engagement requirements by the ~~tenth~~ **last day** of each month for the
9 previous month's qualifying activities through MiBridges or any
10 other subsequent system. **If a recipient does not verify that he or**
11 **she is meeting the workforce engagement requirements by the last**
12 **day of the month for the previous month, he or she may verify**
13 **compliance with the workforce engagement requirements up to 60 days**
14 **after the missed date for reporting. If the recipient verifies**
15 **compliance within this time period, the month is not a**
16 **noncompliance month.** A recipient is allowed 3 months of
17 noncompliance within a 12-month period. The recipient may use a
18 noncompliance month either by self-reporting that he or she is not
19 in compliance that month or by the default method of not reporting
20 compliance for that month. The department shall notify the
21 recipient after each time a noncompliance month is used. After a
22 recipient uses 3 noncompliance months in a 12-month period, the
23 recipient loses coverage for at least 1 month until he or she
24 becomes compliant under this section.

25 (c) Allow substance use disorder treatment that is court-
26 ordered, prescribed by a licensed medical professional, or is a
27 Medicaid-funded substance use disorder treatment, to count toward
28 the workforce engagement requirements if the treatment impedes the
29 ability to meet the workforce engagement requirements.

1 (d) A requirement that community service must be completed
2 with a nonprofit organization that is exempt from taxation under
3 section 501(c)(3) or 501(c)(4) of the internal revenue code of
4 1986, 26 USC 501. Community service can only be used as a
5 qualifying activity for up to 3 months in a 12-month period.

6 (e) A requirement that a recipient who is also a recipient of
7 the supplemental nutrition assistance program or the temporary
8 assistance for needy families program who is in compliance with or
9 exempt from the work requirements of the supplemental nutrition
10 assistance program or the temporary assistance for needy families
11 program is considered to be in compliance with or exempt from the
12 workforce engagement requirements in this section.

13 (f) An exemption for a recipient who meets 1 or more of the
14 following conditions:

15 (i) A recipient who is the caretaker of a family member who is
16 under the age of 6 years. This exemption allows only 1 parent at a
17 time to be a caretaker, no matter how many children are being cared
18 for.

19 (ii) A recipient who is currently receiving temporary or
20 permanent long-term disability benefits from a private insurer or
21 from the government.

22 (iii) A recipient who is a full-time student who is not a
23 dependent of a parent or guardian or whose parent or guardian
24 qualifies for Medicaid. This subparagraph includes a student in a
25 postsecondary institution or certificate program.

26 (iv) A recipient who is pregnant.

27 (v) A recipient who is the caretaker of a dependent with a
28 disability which dependent needs full-time care based on a licensed
29 medical professional's order. This exemption is allowed 1 time per

1 household.

2 (vi) A recipient who is the caretaker of an incapacitated
3 individual even if the incapacitated individual is not a dependent
4 of the caretaker.

5 (vii) A recipient who has proven that he or she has met the
6 good cause temporary exemption.

7 (viii) A recipient who has been designated as medically frail.

8 (ix) A recipient who has a medical condition that results in a
9 work limitation according to a licensed medical professional's
10 order.

11 (x) A recipient who has been incarcerated within the last 6
12 months.

13 (xi) A recipient who is receiving unemployment benefits from
14 this state. This exemption applies during the period the recipient
15 received unemployment benefits and ends when the recipient is no
16 longer receiving unemployment benefits.

17 (xii) A recipient who is under 21 years of age who had
18 previously been in a foster care placement in this state.

19 (2) After the waiver requested under this section is approved,
20 the department must include, but is not limited to, all of the
21 following, as approved in the waiver, in its implementation of the
22 workforce engagement requirements under this section:

23 (a) A requirement of 80 hours average per month of qualifying
24 activities or a combination of any qualifying activities counts
25 toward the workforce engagement requirement under this section.

26 (b) A requirement that ~~an able-bodied recipients must verify~~
27 ~~that they are~~ **recipient verifies that he or she is** meeting the
28 workforce engagement requirements by the ~~tenth~~ **last day** of each
29 month for the previous month's qualifying activities through

1 MiBridges or any other subsequent system. **If a recipient does not**
2 **verify that he or she is meeting the workforce engagement**
3 **requirements by the last day of the month for the previous month,**
4 **he or she may verify compliance with the workforce engagement**
5 **requirements at a date after the missed date for reporting. If the**
6 **recipient verifies compliance at a later date, the month is not a**
7 **noncompliance month.** A recipient is allowed 3 months of
8 noncompliance within a 12-month period. The recipient may use a
9 noncompliance month either by self-reporting that he or she is not
10 in compliance that month or by the default method of not reporting
11 compliance for that month. The department shall notify the
12 recipient after each time a noncompliance month is used. After a
13 recipient uses 3 noncompliance months in a 12-month period, the
14 recipient loses coverage for at least 1 month until he or she
15 becomes compliant under this section.

16 (c) Allowing substance use disorder treatment that is court-
17 ordered, is prescribed by a licensed medical professional, or is a
18 Medicaid-funded substance use disorder treatment, to count toward
19 the workforce engagement requirements if the treatment impedes the
20 ability to meet the workforce engagement requirements.

21 (d) A requirement that community service must be completed
22 with a nonprofit organization that is exempt from taxation under
23 section 501(c)(3) or 501(c)(4) of the internal revenue code of
24 1986, 26 USC 501. Community service can only be used as a
25 qualifying activity for up to 3 months in a 12-month period.

26 (e) A requirement that a recipient who is also a recipient of
27 the supplemental nutrition assistance program or the temporary
28 assistance for needy families program who is in compliance with or
29 exempt from the work requirements of the supplemental nutrition

1 assistance program or the temporary assistance for needy families
2 program is considered to be in compliance with or exempt from the
3 workforce engagement requirements in this section.

4 (f) An exemption for a recipient who meets 1 or more of the
5 following conditions:

6 (i) A recipient who is the caretaker of a family member who is
7 under the age of 6 years. This exemption allows only 1 parent at a
8 time to be a caretaker, no matter how many children are being cared
9 for.

10 (ii) A recipient who is currently receiving temporary or
11 permanent long-term disability benefits from a private insurer or
12 from the government.

13 (iii) A recipient who is a full-time student who is not a
14 dependent of a parent or guardian or whose parent or guardian
15 qualifies for Medicaid. This subparagraph includes a student in a
16 postsecondary institution or a certificate program.

17 (iv) A recipient who is pregnant.

18 (v) A recipient who is the caretaker of a dependent with a
19 disability which dependent needs full-time care based on a licensed
20 medical professional's order. This exemption is allowed 1 time per
21 household.

22 (vi) A recipient who is the caretaker of an incapacitated
23 individual even if the incapacitated individual is not a dependent
24 of the caretaker.

25 (vii) A recipient who has proven that he or she has met the
26 good cause temporary exemption.

27 (viii) A recipient who has been designated as medically frail.

28 (ix) A recipient who has a medical condition that results in a

1 work limitation according to a licensed medical professional's
2 order.

3 (x) A recipient who has been incarcerated within the last 6
4 months.

5 (xi) A recipient who is receiving unemployment benefits from
6 this state. This exemption applies during the period the recipient
7 received unemployment benefits and ends when the recipient is no
8 longer receiving unemployment benefits.

9 (xii) A recipient who is under 21 years of age who had
10 previously been in a foster care placement in this state.

11 (3) The department may first direct recipients to existing
12 resources for job training or other employment services, child care
13 assistance, transportation, or other supports. The department may
14 develop strategies for assisting recipients to meet workforce
15 engagement requirements under this section.

16 (4) ~~Beginning~~ **By** October 1, 2018 ~~and each year~~ the department
17 submits a waiver to prohibit and prevent a lapse in the workforce
18 engagement requirements, ~~after that,~~ the Medicaid director must
19 submit to the governor, the senate majority leader, and the speaker
20 of the house of representatives a letter confirming the submission
21 of the waiver request required under subsection (1).

22 (5) Beginning January 1, 2020, the department must execute a
23 survey to obtain the information needed to complete an evaluation
24 of the medical assistance program under section 105d to determine
25 how many recipients have left the Healthy Michigan program as a
26 result of obtaining employment and medical benefits.

27 (6) The department must execute a survey to obtain the
28 information needed to submit a report to the legislature beginning
29 January 1, 2021, and every January 1 after that, that shows, for

1 medical assistance under section 105d known as Healthy Michigan,
2 the number of exemptions from workforce engagement requirements
3 granted to individuals in that year and the reason the exemptions
4 were granted.

5 (7) The department shall enforce the provisions of this
6 section by conducting the compliance review process on medical
7 assistance recipients under section 105d who are required to meet
8 the workforce engagement requirements of this section. If a
9 recipient is found, through the compliance review process, to have
10 misrepresented his or her compliance with the workforce engagement
11 requirements in this section, he or she shall not be allowed to
12 participate in the Healthy Michigan program under section 105d for
13 a 1-year period.

14 (8) The department shall implement the requirements of this
15 section no later than January 1, 2020, and shall notify recipients
16 to whom the workforce engagement requirements described in this
17 section are likely to apply of the workforce engagement
18 requirements 90 days in advance.

19 (9) The cost of initial implementation of the workforce
20 engagement requirements required under this section shall not be
21 considered when determining the cost-benefit analysis required
22 under section 105d(28)(b). The cost of initial implementation does
23 not include the cost of ongoing administration of the workforce
24 engagement requirements. The ongoing costs of administering the
25 workforce engagement requirements required under this section may
26 have up to a \$5,000,000.00 general fund/general purpose revenue
27 limit that shall not be counted when determining the cost-benefit
28 analysis required under section 105d(28)(b). Any ongoing costs
29 above \$5,000,000.00 of general fund/general purpose revenue to

1 administer the workforce engagement requirements under this section
2 shall be considered in the cost-benefit analysis required under
3 section 105d(28)(b).

4 (10) Beginning January 1, 2020, medical assistance recipients
5 who are not exempt from the workforce engagement requirements under
6 this section must be in compliance with this section. Beginning
7 January 1, 2020, a medical assistance applicant who is not exempt
8 from the work engagement requirements under this section must be in
9 compliance with this section not more than 30 days after an
10 eligibility determination is made.

11 (11) The department shall not withdraw, terminate, or amend
12 any waiver submitted under this section without the express
13 approval of the legislature in the form of a bill enacted by law.