

HOUSE BILL NO. 5875

March 03, 2022, Introduced by Reps. Kahle, Bezotte, Borton and Whitsett and referred to the Committee on Health Policy.

A bill to amend 1939 PA 280, entitled
"The social welfare act,"
by amending section 109 (MCL 400.109), as amended by 2018 PA 315.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 109. (1) The following medical services may be provided
2 under this act:

3 (a) Hospital services that an eligible individual may receive
4 consist of medical, surgical, or obstetrical care, together with
5 necessary drugs, X-rays, physical therapy, prosthesis,

1 transportation, and nursing care incident to the medical, surgical,
 2 or obstetrical care. The period of inpatient hospital service shall
 3 be the minimum period necessary in this type of facility for the
 4 proper care and treatment of the individual. Necessary
 5 hospitalization to provide dental care ~~shall~~**must** be provided if
 6 certified by the attending dentist with the approval of the
 7 department. An individual who is receiving medical treatment as an
 8 inpatient because of a diagnosis of mental disease may receive
 9 service under this section, notwithstanding the mental health code,
 10 1974 PA 258, MCL 330.1001 to 330.2106. The department ~~shall~~**must**
 11 pay for hospital services according to the state plan for medical
 12 assistance adopted under section 10 and approved by the United
 13 States Department of Health and Human Services.

14 (b) An eligible individual may receive physician services
 15 authorized by the department. The service may be furnished in the
 16 physician's office, the eligible individual's home, a medical
 17 institution, or elsewhere in case of emergency. A physician ~~shall~~
 18 **must** be paid a reasonable charge for the service rendered.
 19 ~~Reasonable~~**The department must determine reasonable** charges. ~~shall~~
 20 ~~be determined by the department and shall~~**Reasonable charges must**
 21 not be more than those paid in this state for services rendered
 22 under title XVIII.

23 (c) An eligible individual may receive nursing home services
 24 in a state licensed nursing home, a medical care facility, or other
 25 facility or identifiable unit of that facility, certified by the
 26 appropriate authority as meeting established standards for a
 27 nursing home under the laws and rules of this state and the United
 28 States Department of Health and Human Services, to the extent found
 29 necessary by the attending physician, dentist, or certified

1 Christian Science practitioner. An eligible individual may receive
2 nursing services in an extended care services program established
3 under section 22210 of the public health code, 1978 PA 368, MCL
4 333.22210, to the extent found necessary by the attending physician
5 when the combined length of stay in the acute care bed and short-
6 term nursing care bed exceeds the average length of stay for
7 Medicaid hospital diagnostic related group reimbursement. The
8 department shall not make a final payment under title XIX for
9 benefits available under title XVIII without documentation that
10 title XVIII claims have been filed and denied. The department ~~shall~~
11 **must** pay for nursing home services according to the state plan for
12 medical assistance adopted according to section 10 and approved by
13 the United States Department of Health and Human Services. A county
14 ~~shall~~ **must** reimburse a county maintenance of effort rate determined
15 on an annual basis for each patient day of Medicaid nursing home
16 services provided to eligible individuals in long-term care
17 facilities owned by the county and licensed to provide nursing home
18 services. For purposes of determining rates and costs described in
19 this subdivision, all of the following apply:

20 (i) For county-owned facilities with per patient day updated
21 variable costs exceeding the variable cost limit for the county
22 facility, county maintenance of effort rate means 45% of the
23 difference between per patient day updated variable cost and the
24 concomitant nursing home-class variable cost limit, the quantity
25 offset by the difference between per patient day updated variable
26 cost and the concomitant variable cost limit for the county
27 facility. The county rate ~~shall~~ **must** not be less than zero.

28 (ii) For county-owned facilities with per patient day updated
29 variable costs not exceeding the variable cost limit for the county

1 facility, county maintenance of effort rate means 45% of the
2 difference between per patient day updated variable cost and the
3 concomitant nursing home class variable cost limit.

4 (iii) For county-owned facilities with per patient day updated
5 variable costs not exceeding the concomitant nursing home class
6 variable cost limit, the county maintenance of effort rate ~~shall~~
7 **must** equal zero.

8 (iv) For the purposes of this section: "per patient day updated
9 variable costs and the variable cost limit for the county facility"
10 ~~shall-must~~ be determined according to the state plan for medical
11 assistance; for freestanding county facilities the "nursing home
12 class variable cost limit" ~~shall-must~~ be determined according to
13 the state plan for medical assistance and for hospital attached
14 county facilities the "nursing class variable cost limit" ~~shall~~
15 **must** be determined according to the state plan for medical
16 assistance plus \$5.00 per patient day; and "freestanding" and
17 "hospital attached" ~~shall-must~~ be determined according to the
18 federal regulations.

19 (v) If the county maintenance of effort rate computed under
20 this section exceeds the county maintenance of effort rate in
21 effect as of September 30, 1984, the rate in effect as of September
22 30, 1984 ~~shall-must~~ remain in effect until a time that the rate
23 computed under this section is less than the September 30, 1984
24 rate. This limitation remains in effect until December 31, 2022.
25 **2025 or until a new reimbursement system determined by the**
26 **department replaces the current system, whichever is sooner.** For
27 each subsequent county fiscal year, the maintenance of effort rate
28 may not increase by more than \$1.00 per patient day each year.

29 (vi) For county-owned facilities, reimbursement for plant costs

1 ~~will~~**must** continue to be based on interest expense and depreciation
2 allowance unless otherwise provided by law.

3 (d) An eligible individual may receive pharmaceutical services
4 from a licensed pharmacist of the ~~person's~~**individual's** choice as
5 prescribed by a licensed physician or dentist and approved by the
6 department. In an emergency, but not routinely, the individual may
7 receive pharmaceutical services rendered personally by a licensed
8 physician or dentist on the same basis as approved for pharmacists.

9 (e) An eligible individual may receive other medical and
10 health services as authorized by the department.

11 (f) Psychiatric care may also be provided according to the
12 guidelines established by the department to the extent of
13 appropriations made available by the legislature for the fiscal
14 year.

15 (g) An eligible individual may receive screening, laboratory
16 services, diagnostic services, early intervention services, and
17 treatment for chronic kidney disease under guidelines established
18 by the department. A clinical laboratory performing a creatinine
19 test on an eligible individual under this subdivision ~~shall~~**must**
20 include in the lab report the glomerular filtration rate (eGFR) of
21 the individual and ~~shall~~**must** report it as a percentage of kidney
22 function remaining.

23 (h) An eligible individual may receive medically necessary
24 acute medical detoxification for opioid use disorder, medically
25 necessary inpatient care at an approved facility, or care in an
26 appropriately licensed substance use disorder residential treatment
27 facility.

28 (2) The director ~~shall~~**must** provide notice to the public,
29 according to applicable federal regulations, and ~~shall~~**must** obtain

1 the approval of the committees on appropriations of the house of
2 representatives and senate of the **state** legislature, ~~of this state,~~
3 of a proposed change in the statewide method or level of
4 reimbursement for a service, if the proposed change is expected to
5 increase or decrease payments for that service by 1% or more during
6 the 12 months after the effective date of the change.

7 (3) As used in this act:

8 (a) "Title XVIII" means title XVIII of the social security
9 act, 42 USC 1395 to 1395lll.

10 (b) "Title XIX" means title XIX of the social security act, 42
11 USC 1396 to ~~1396w-5.~~ **1396w-6.**

12 (c) "Title XX" means title XX of the social security act, 42
13 USC 1397 to 1397n-13.