



# HOUSE BILL No. 4392

February 14, 1995, Introduced by Reps. Bennane, DeMars, Martinez, Stallworth, Yokich, Saunders, Parks and Pitoniak and referred to the Committee on Human Services.

A bill to amend Act No. 280 of the Public Acts of 1939, entitled as amended

"The social welfare act,"

as amended, being sections 400.1 to 400.119b of the Michigan Compiled Laws, by adding section 109d.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1 Section 1. Act No. 280 of the Public Acts of 1939, as  
2 amended, being sections 400.1 to 400.119b of the Michigan  
3 Compiled Laws, is amended by adding section 109d to read as  
4 follows:

5 SEC. 109D. (1) THE DEPARTMENT SHALL ESTABLISH A PROGRAM TO  
6 PERMIT INDIVIDUALS DESCRIBED IN THIS SECTION TO PURCHASE BASIC  
7 MEDICAID BENEFITS. THE DEPARTMENT SHALL DETERMINE THE COST OF  
8 THE BENEFITS AND CHARGE PURCHASERS A PREMIUM CONSISTING OF A  
9 PERCENTAGE OF THE COST, IN ACCORDANCE WITH THE FOLLOWING:

1 (A) AN INDIVIDUAL WITH HOUSEHOLD INCOME OF NOT MORE THAN  
2 200% OF THE POVERTY LINE SHALL PAY NO PREMIUM.

3 (B) AN INDIVIDUAL WITH HOUSEHOLD INCOME OF 200% OR MORE BUT  
4 LESS THAN 220% OF THE POVERTY LINE SHALL PAY A PREMIUM OF 5% OF  
5 THE COST OF BENEFITS.

6 (C) AN INDIVIDUAL WITH HOUSEHOLD INCOME OF 220% OR MORE BUT  
7 LESS THAN 250% OF THE POVERTY LINE SHALL PAY A PREMIUM OF 10% OF  
8 THE COST OF BENEFITS.

9 (D) AN INDIVIDUAL WITH HOUSEHOLD INCOME OF 250% OR MORE BUT  
10 LESS THAN 300% OF THE POVERTY LINE SHALL PAY A PREMIUM OF 20% OF  
11 THE COST OF BENEFITS.

12 (E) AN INDIVIDUAL WITH HOUSEHOLD INCOME OF 300% OR MORE BUT  
13 LESS THAN 400% OF THE POVERTY LINE SHALL PAY A PREMIUM OF 40% OF  
14 THE COST OF BENEFITS.

15 (F) AN INDIVIDUAL WITH HOUSEHOLD INCOME OF 400% OR MORE BUT  
16 LESS THAN 500% OF THE POVERTY LINE SHALL PAY A PREMIUM OF 60% OF  
17 THE COST OF BENEFITS.

18 (G) AN INDIVIDUAL WITH HOUSEHOLD INCOME OF 500% OR MORE BUT  
19 LESS THAN 600% OF THE POVERTY LINE SHALL PAY A PREMIUM OF 80% OF  
20 THE COST OF BENEFITS.

21 (H) AN INDIVIDUAL WITH HOUSEHOLD INCOME OF 600% OR MORE BUT  
22 LESS THAN 700% OF THE POVERTY LINE SHALL PAY A PREMIUM OF 90% OF  
23 THE COST OF BENEFITS.

24 (I) AN INDIVIDUAL WITH HOUSEHOLD INCOME OF 700% OR MORE BUT  
25 LESS THAN 750% OF THE POVERTY LINE SHALL PAY A PREMIUM OF 100% OF  
26 THE COST OF BENEFITS.

1           (2) AN INDIVIDUAL IS ELIGIBLE TO RECEIVE OR PURCHASE BASIC  
2 MEDICAID BENEFITS UNDER THIS SECTION IF HE OR SHE MEETS 1 OR MORE  
3 OF THE CATEGORICAL REQUIREMENTS OF THE MEDICAID PROGRAM OR HAS  
4 BEEN UNINSURED FOR MORE THAN 2 MONTHS BEFORE APPLYING FOR THE  
5 BENEFITS.

6           (3) AS USED IN THIS SECTION:

7           (A) "BASIC MEDICAID BENEFITS" MEANS THOSE BENEFITS THE STATE  
8 IS REQUIRED TO PROVIDE IN ORDER TO RECEIVE FEDERAL REIMBURSEMENT  
9 UNDER THE MEDICAID PROGRAM.

10          (B) "MEDICAID PROGRAM" MEANS THE PROGRAM OF MEDICAL ASSIST-  
11 ANCE ESTABLISHED PURSUANT TO SECTION 105.

12          (C) "POVERTY LINE" MEANS A LEVEL OF INCOME ESTABLISHED BY  
13 THE DEPARTMENT BASED ON THE POVERTY GUIDELINES ISSUED BY THE SEC-  
14 RETARY OF HEALTH AND HUMAN SERVICES UNDER AUTHORITY OF SECTION  
15 673(2) OF THE COMMUNITY SERVICES BLOCK GRANT ACT, SUBTITLE B OF  
16 TITLE VI OF THE OMNIBUS BUDGET RECONCILIATION ACT OF 1981, PUBLIC  
17 LAW 97-35, 42 U.S.C. 9902.