

Legislative Analysis



SOCIAL WELFARE ACT: ADULT FOSTER CARE RESIDENTS

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House Bill 4751

Sponsor: Rep. Richard Ball

Committee: Family and Children Services

Complete to 10-17-05

A SUMMARY OF HOUSE BILL 4751 AS INTRODUCED 5-10-05

The bill would amend the Social Welfare Act by adding language that would allow eligible individuals to receive services related to care provided in an adult foster care facility licensed under the Adult Foster Care Facility Licensing Act. The Department of Community Health (DCH) would be required to pay for such services and determine the rates and costs for the services. DCH would also have to seek a waiver from the U.S. Department of Health and Human Services to implement the program.

MCL 400.109(g)

FISCAL IMPACT:

House Bill 4751 would increase state Medicaid costs by expanding the range of Medicaid covered services provided to eligible residents in adult foster care. According to data from the Department of Human Services, there are about 13,000 persons residing in adult foster care facilities in Michigan who are eligible for SSI and qualify for Medicaid. Currently, the Medicaid program pays an individual a personal care supplement of \$157.50/month for personal care services provided in adult foster care at a total annual cost of \$26.0 million.

The bill's fiscal impact is difficult to quantify because it directs the Department of Community Health to determine the reimbursement rates for the services provided. As a comparison, the typical Medicaid cost for a day of nursing home care in Michigan is \$135, while the daily costs under the MIChoice Home and Community Based Services Program is \$39. The expansion of Medicaid services in adult foster care settings would generally cost less, and some of the increased program costs may be offset if nursing home admissions (or other services) are delayed or prevented as a result of the increased coverage.

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