

Act No. 447  
Public Acts of 2018  
Approved by the Governor  
December 20, 2018  
Filed with the Secretary of State  
December 21, 2018  
EFFECTIVE DATE: March 21, 2019

**STATE OF MICHIGAN  
99TH LEGISLATURE  
REGULAR SESSION OF 2018**

Introduced by Rep. Rendon

# ENROLLED HOUSE BILL No. 6551

AN ACT to amend 1939 PA 280, entitled “An act to protect the welfare of the people of this state; to provide general assistance, hospitalization, infirmary and medical care to poor or unfortunate persons; to provide for compliance by this state with the social security act; to provide protection, welfare and services to aged persons, dependent children, the blind, and the permanently and totally disabled; to administer programs and services for the prevention and treatment of delinquency, dependency and neglect of children; to create a state department of social services; to prescribe the powers and duties of the department; to provide for the interstate and intercounty transfer of dependents; to create county and district departments of social services; to create within certain county departments, bureaus of social aid and certain divisions and offices thereunder; to prescribe the powers and duties of the departments, bureaus and officers; to provide for appeals in certain cases; to prescribe the powers and duties of the state department with respect to county and district departments; to prescribe certain duties of certain other state departments, officers, and agencies; to make an appropriation; to prescribe penalties for the violation of the provisions of this act; and to repeal certain parts of this act on specific dates,” (MCL 400.1 to 400.119b) by adding section 22.

*The People of the State of Michigan enact:*

Sec. 22. (1) As used in this section, “Program of All-Inclusive Care for the Elderly” or “PACE” means an innovative model of community-based care that enables elderly individuals, who are certified as needing nursing facility care, to live as independently as possible.

(2) A prospective PACE organization can be a not-for-profit, for-profit, or public entity that is primarily engaged in providing PACE services and participates in both Medicare and Medicaid. Michigan licensure as a health care entity is not required. An unlicensed PACE entity may serve any eligible enrollee. A prospective PACE entity must meet the federal requirements for a PACE organization, enroll as a Michigan Medicaid provider, and complete a feasibility study.

(3) A prospective PACE organization must submit both of the following to the department:

(a) Not later than 90 calendar days after submitting a letter of intent, a feasibility study.

(b) Not later than 1 year after the department approves the feasibility study, a provider application.

(4) When submitting a letter of intent, a prospective PACE entity must state in the application the service area proposed for the PACE program. If the state determines that there is unmet need in a designated geographic area already covered by an existing PACE organization, the department must notify that PACE organization in a reasonable amount of time, and that PACE organization must be given the opportunity to submit a plan to expand capacity sufficient to accommodate need. The department must give the existing PACE program 6 months from notice of the determination of unmet need to submit an expansion plan. If the existing PACE organization fails to submit a reasonable plan for expansion within 6 months, the state may allow proposals from other PACE organizations. The department shall work with the PACE Association of Michigan and other appropriate provider representatives to develop an acceptable methodology to determine unmet need.

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

This act is ordered to take immediate effect.



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Clerk of the House of Representatives



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Secretary of the Senate

Approved .....

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Governor