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**DEPARTMENT  
POLICY****All Programs**

Residents of institutions can qualify for certain program benefits in limited circumstances. This item explains how institutional status affects eligibility.

**DEFINITIONS****All Programs**

- **Institution** means an establishment furnishing food, shelter and some treatment or services to more than three people unrelated to the proprietor.
- **Institution for Mental Diseases** means a hospital, nursing facility, or other institution of more than 16 beds that is primarily engaged in providing diagnosis, treatment or care of persons with mental diseases.
- **Government-operated facility** means a facility over which a governmental unit has responsibility or exercises administrative control. It includes a facility owned or leased by a governmental agency and administered through the agency's salaried staff.
- **Public nonmedical institution** means a government-operated facility that does not provide medical care (e.g. jail or prison, juvenile detention or secure short-term detention). A community residence facility for fewer than 17 people or a school is not considered a public nonmedical institution.
- **Psychiatric facility** means a private or government-operated institution engaged primarily in diagnosing or caring for persons with mental disease. It does not include the psychiatric ward of a hospital **or** a facility for an individual with a developmental disability.
- **Entire calendar month** means a period that begins any time on the first day of a calendar month and ends any time on the last day of that month.

## OVERVIEW

### Family Independence Program (FIP)

A person in an institution other than a hospital, psychiatric hospital, or residential substance abuse treatment center for more than 30 days is not eligible. Presume that a person placed in an institution will remain there more than 30 days **unless** a shorter stay is verified.

State Disability Assistance (SDA) A person in an institution other than those listed in the **Exceptions** below for more than 30 days is not eligible. Presume that a person placed in an institution will remain there more than 30 days unless a shorter stay is verified.

**Exception:** A person in one of the following institutions may be eligible, regardless of the length of stay:

- Hospital.
- Home for the Aged.
- County Infirmary.
- Adult Foster Care Home.
- Substance Abuse Treatment Center.
- Long Term Care (LTC) facility.
- Department of Corrections contract facility for probationers.
- Technical Institute and Rehabilitation Center operated by Michigan Rehabilitation Services.

### FAP Only

A person in a facility which provides its residents a majority of their meals can qualify for FAP **if** the facility:

- Is authorized by the Food and Nutrition Service (FNS) to accept Food Assistance; **or**
- Is an eligible group living facility as defined in Bridges Eligibility Manual (BEM) 615.

The resident must also meet the criteria in the ELIGIBLE PERSONS section in BEM 617.

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**JAILS OR PRISONS  
(INCLUDING  
SECURED SHORT-  
TERM DETENTION)****Medicaid (MA)**

An individual can remain eligible and an applicant can be determined eligible for Medicaid during a period of incarceration.

Medicaid coverage is limited to off-site inpatient hospitalization only.

The facility is responsible for all other medical services provided to these individuals. The case should be maintained in the local office in which the individual resided before the incarceration.

An individual is in jail, prison or detention until released:

- On bail, **or**
- As not guilty, **or**
- On parole, **or**
- On pardon, **or**
- Upon completing the sentence, or
- Under home detention (tethered), or
- Dismissal of court petition.

Contact MA exception unit (1-800-292-9570) to enter or remove a level of care (LC) code 32 to identify an individual who is incarcerated.

Remove level of care code 32 when the individual is no longer incarcerated.

If the individual is incarcerated in a county jail, provider ID 9999980, the local office specialist may change the level of care without contacting the exception unit at DCH.

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**OTHER PUBLIC  
NONMEDICAL  
INSTITUTIONS****MA**

A resident of a public nonmedical institution (other than a jail or prison, juvenile detention or secure short-term detention) can qualify for full MA coverage **if**:

- The individual was placed there on an **emergency** basis pending a suitable placement; **or**
- The individual was, or is expected to be, a resident for **less** than the entire calendar month being tested.

The individual is a resident of such an institution until he is away to receive medical care (for example hospital care) **or** leaves and is not expected to return.

**Institution For  
Mental Diseases****MA**

An individual between the ages of 21 and 65 who is a resident of an Institution for Mental Diseases (IMD) may be eligible for MA. Medicaid coverage is limited to off-site inpatient hospitalization only. If the individual is an inpatient of an IMD when the individual turns age 21, the individual is eligible to continue as an inpatient until age 22. (Their MA coverage would remain as full coverage until age 22).

***Michigan IMDs***

IMDs in Michigan are:

- Walter Reuther Psychiatric Hospital.
- Caro Center.
- Kalamazoo Psychiatric Hospital.
- Center For Forensic Psychiatry.
- Hawthorne Center (for children).

**Psychiatric  
Facilities****MA**

An individual aged 22 through 64 in a psychiatric facility can qualify for MA. Medicaid coverage is limited to off-site inpatient hospitalization only.

The individual is a resident of such a facility until discharged **or** absent for a convalescent leave to experience living outside the facility.

**LEGAL BASE****FIP**

Act 280 of 1939, as amended  
P.L. 104-193 of 1996

**MA**

42 CFR 435.1008,1009, 440.150,155,160

**FAP**

7 CFR 273.11(e)

**SDA**

P.A. 368 of 1996