

**FY 2013-14: DEPARTMENT OF COMMUNITY HEALTH**  
**Summary: As Passed by the Senate**  
**Senate Bill 198 (S-1)**



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	FY 2012-13 YTD as of 2/7/13	FY 2013-14 Executive	FY 2013-14 House	FY 2013-14 Senate	FY 2013-14 Enacted	Difference: Senate From FY 2012-13 YTD	
						Amount	%
<b>IDG/IDT</b>	\$10,023,800	\$10,056,100	\$10,056,100	\$10,056,100		\$32,300	0.3
<b>Federal</b>	9,693,023,500	11,392,469,900	9,882,379,600	9,924,142,100		231,118,600	2.4
<b>Local</b>	257,148,600	227,545,600	251,820,200	253,450,100		(3,698,500)	(1.4)
<b>Private</b>	93,364,000	106,333,300	126,342,400	106,342,400		12,978,400	13.9
<b>Restricted</b>	2,158,060,000	2,172,313,600	2,165,424,200	2,226,518,200		68,458,200	3.2
<b>GF/GP</b>	2,817,437,800	2,725,532,500	2,891,001,700	2,844,743,000		27,305,200	1.0
<b>Gross</b>	<b>\$15,029,057,700</b>	<b>\$16,634,251,000</b>	<b>\$15,327,024,200</b>	<b>\$15,365,251,900</b>		<b>\$336,194,200</b>	<b>2.2</b>
<b>FTEs</b>	3,552.6	3,589.6	3,577.6	3,599.6		47.0	1.3

Notes: (1) FY 2012-13 year-to-date (YTD) figures include mid-year budget adjustments through February 7, 2013.

(2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as one-time.

(3) Federal revenue is overstated by \$3,836,700, local revenue is understated by \$23,900, and state restricted revenue is understated by \$3,812,800 in the Executive Budget Bill for FY 2013-14.

**Overview**

The Department of Community Health budget provides funding for a wide range of behavioral health (mental health and substance abuse), public health, and medical services programs, including Medicaid. Established in 1996, the Department also includes the Office of Services to the Aging, the Crime Victim Services Commission, and health policy.

**Major Budget Changes From FY 2012-13 YTD Appropriations**

**1. Medicaid Expansion**

The House and the Senate do not concur with the Executive to expand Medicaid. Medicaid expansion savings within the Department of Community Health budget are projected to be \$181.7 million GF/GP and additional federal Medicaid revenue of \$1.5 billion, both covering three quarters of the fiscal year. Across the Department of Community Health and the Department of Corrections, the GF/GP savings are estimated to be \$205.9 million mainly from shifting current state costs to federal revenue, with one half of these savings to be deposited in a Budget Stabilization Fund sub-fund entitled the Michigan Health Savings Fund to pay future state costs when the state share of expansion costs increases from 0% to 5% in 2017 and then 10% in 2020. The expansion of the income criteria for Medicaid eligibility up to 133% of the federal poverty level (FPL) is estimated to qualify an additional 320,000 Michigan residents in FY 2013-14. The assumed expansion start date is January 1, 2014.

	FY 2012-13 Year-to-Date (as of 2/7/13)	FY 2013-14 Senate Change
<b>Gross</b>	<b>\$12,158,621,600</b>	<b>\$0</b>
Federal	8,242,226,900	0
Restricted	1,954,513,900	0
Local	45,815,600	0
Private	2,100,000	0
GF/GP	\$1,913,965,200	\$0

**2. Medicaid Cost Increases**

The House and the Senate concur with the Executive's Medicaid program cost adjustments. Included is an increase for FY 2013-14 of \$182.8 million Gross (\$66.6 million GF/GP) to cover Medicaid caseload, utilization and inflation changes within Medical Services, Mental Health/Substance Abuse, Children's Special Health Care Services and the Federal Medicare Pharmaceutical programs. Also recognized is a FY 2012-13 Medicaid caseload, utilization and inflation adjustment reducing various Medicaid appropriation lines by \$183.0 million Gross (\$63.1 million GF/GP).

	FY 2012-13 Year-to-Date (as of 2/7/13)	FY 2013-14 Senate Change
<b>Gross</b>	<b>\$12,158,621,600</b>	<b>(\$202,200)</b>
Federal	8,242,226,900	(3,620,700)
Restricted	1,954,513,900	0
Local	45,815,600	0
Private	2,100,000	0
GF/GP	\$1,913,965,200	\$3,418,500

Major Budget Changes From FY 2012-13 YTD Appropriations		FY 2012-13 Year-to-Date (as of 2/7/13)	FY 2013-14 Senate Change	
<b>3. Health Insurance Claims Assessment (HICA)</b>		<b>Gross</b>	<b>\$398,051,600</b>	<b>\$0</b>
The <u>House</u> and the <u>Senate</u> concur with the <u>Executive</u> regarding no change to the base FY 2012-13 HICA authorization. The <u>Executive</u> proposes changes to PA 141 of 2011, the Health Insurance Claims Assessment Act, by replacing on January 1, 2014, the 1% current assessment with a levied rate that would generate revenue not greater than \$400.0 million in the immediate preceding year. The most recent estimate is that HICA revenues are short \$129.2 million in FY 2012-13. The <u>House</u> has not proposed any changes to the Health Insurance Claims Assessment Act. The <u>Senate</u> has passed SB 335 which extends the sunset for the current 1% assessment to January 1, 2018.	Restricted	398,051,600	0	
	GF/GP	\$0	\$0	
<b>4. Healthy Kids Dental Expansion</b>		<b>Gross</b>	<b>\$99,000,000</b>	<b>\$11,643,000</b>
The <u>House</u> does not concur with the <u>Executive</u> on the continued phase-in of the statewide coverage for the Healthy Kids Dental program by increasing the budget \$11.6 million Gross (\$3.9 million GF/GP). The expansion would include the counties of Ingham, Ottawa and Washtenaw, enrolling an additional 70,500 children. The <u>Senate</u> concurs with the Executive.	Federal	65,726,100	7,721,600	
	GF/GP	\$33,273,900	\$3,921,400	
<b>5. Economic Adjustments</b>		<b>Gross</b>	<b>N/A</b>	<b>\$16,308,500</b>
The <u>House</u> and <u>Senate</u> concur with the <u>Executive</u> to include a net increase of \$16.3 million Gross (\$7.3 million GF/GP) to finance negotiated lump sum salary and wage increase of 1.0%, insurance rate increases, actuarially-required retirement rate increase, and economic adjustments for worker's compensation, building occupancy, rent, and food costs for FY 2013-14.	IDG	N/A	52,000	
	Federal	N/A	4,007,500	
	Restricted	N/A	773,800	
	Local	N/A	4,206,100	
	Private	N/A	3,300	
	GF/GP	N/A	\$7,265,800	
<b>6. Community Health Automated Medicaid Processing System (CHAMPS) One-Time Only Appropriation</b>		<b>Gross</b>	<b>\$60,201,100</b>	<b>(\$11,700,000)</b>
The <u>House</u> and <u>Senate</u> concur with the <u>Executive</u> to eliminate the FY 2012-13 one-time only appropriation of \$30.0 million Gross (\$3.0 million GF/GP) for CHAMPS. The <u>House</u> does not concur with the <u>Executive</u> to include the FY 2013-14 one-time only appropriation of \$18.3 million Gross (\$2.3 million GF/GP) for CHAMPS in order to finalize implementation of the medical codes for diagnosis and inpatient procedures (ICD-10) as required by federal law. However, the <u>Senate</u> concurs with the Executive.	Federal	49,621,000	(11,000,000)	
	GF/GP	\$10,580,100	(\$700,000)	
<b>7. Human Trafficking Intervention Services</b>		<b>Gross</b>	<b>N/A</b>	<b>\$100</b>
The <u>Senate</u> includes a \$100 GF/GP placeholder for a new line item entitled "Human Trafficking Intervention Services".	GF/GP	N/A	N/A	\$100
<b>8. Jail Diversion Programs Initiative</b>		FTE	N/A	0.0
The <u>House</u> concurs with the <u>Executive</u> to redirect base funding reduction from Caro Regional Mental Health Center - Psychiatric Hospital and Walter P. Reuther Psychiatric Hospital that is partially financed by \$1.6 million GF/GP from the CMHSP, Purchase of State Services Contracts line item for a jail diversion program initiative that would do the following: create an Advisory Council to advise the Department of Community Health on the state's jail diversion plan; and enhance current jail diversion efforts for individuals with mental illness, emotional disturbance, or developmental disability within five communities. (See Sec. 500 in Article IV of HB 4328). The <u>Senate</u> includes \$100 GF/GP placeholder for jail diversion programs initiative.	<b>Gross</b>	<b>N/A</b>	<b>\$100</b>	
	GF/GP	N/A	N/A	\$100

<b>Major Budget Changes From FY 2012-13 YTD Appropriations</b>		<b>FY 2012-13 Year-to-Date (as of 2/7/13)</b>	<b>FY 2013-14 Senate Change</b>
<b>9. Mental Health and Substance Abuse Services for Veterans</b>		<b>Gross</b>	<b>N/A</b>
The <u>House</u> does not concur with the <u>Executive</u> to add \$60,000 GF/GP to the Behavioral Health Program Administration line item to support programs designed to improve mental health and substance abuse service quality for veterans and their families. The funding would be allocated as follows: \$20,000 for credentialing CMHSPs and Substance Abuse Disorder (SUD) providers in TriCare, an insurance system that pays for treatment for active duty/military families; \$10,000 for co-location and/or co-credentialing of CMHSP and SUD providers by the Veterans Health Administration; \$20,000 for a law enforcement training program in recognizing post-traumatic stress disorder related behavior; and \$10,000 for military cultural competency for all CMHSPs and at least one SUD provider in each coordinating agency area. The <u>Senate</u> concurs with the Executive.		GF/GP	N/A
			<b>\$60,000</b>
			\$60,000
<b>10. Behavioral Health Homes</b>		<b>Gross</b>	<b>N/A</b>
The <u>House</u> and <u>Senate</u> concur with the <u>Executive</u> to provide funding of \$900,000 Gross (\$90,000 GF/GP) for the implementation of three behavioral health homes demonstration projects ensuring better coordination of physical and behavioral health care for Medicaid beneficiaries with chronic conditions such as asthma, heart disease, obesity, mental condition, or substance abuse disorder. The demonstration projects will be located in the Washtenaw region (Washtenaw, Livingston, Lenawee, and Monroe counties), Northern Michigan (21 counties which include Manistee, Emmett, and Iosco), and either Saginaw County or the Genesee region (which includes St. Clair, Lapeer, and Sanilac counties).		Federal	N/A
		GF/GP	N/A
			<b>\$900,000</b>
			810,000
			\$90,000
<b>11. Family Support Subsidy Program</b>		<b>Gross</b>	<b>\$19,161,000</b>
The <u>House</u> and <u>Senate</u> concur with the <u>Executive</u> to increase TANF funding for the Family Support Subsidy Program which provides \$222.11 monthly payment to an average of 7,189 income-eligible families with a child under age 18 living at home who is severely mentally impaired, severely multiply impaired, or autistic by \$203,900 anticipating a 1.1% caseload increase in FY 2013-14.		TANF	19,161,000
		GF/GP	\$0
			<b>\$203,900</b>
			203,900
			\$0
<b>12. Actuarially Sound Capitation Payment Rates Adjustment</b>		<b>Gross</b>	<b>\$6,572,096,900</b>
The <u>House</u> and <u>Senate</u> concur with the <u>Executive</u> to include a capitation rate increase of 2.5% for Health Plans and 1.25% for Prepaid Inpatient Health Plans (PIHPs) to ensure that capitation payment rates for these managed care entities are actuarially sound in FY 2013-14. This adjustment results in an additional \$112.5 million Gross (\$37.9 million GF/GP) for the Medicaid Mental Health Services, Medicaid Substance Abuse Services, and Health Plan Services line items.		IDG	2,925,900
		Federal	4,472,162,300
		Restricted	1,269,917,600
		Local	38,931,800
		GF/GP	\$788,159,300
			<b>\$112,546,900</b>
			0
			74,641,100
			0
			0
			\$37,905,800
<b>13. Mental Health Services for Special Populations</b>		<b>Gross</b>	<b>\$8,842,800</b>
The <u>House</u> and <u>Senate</u> do not concur with the <u>Executive</u> to eliminate the FY 2012-13 one-time appropriation of \$3.0 million GF/GP for mental health services for special populations. The one-time funding is allocated as follows: \$250,000 for Hispanic/Latino Commission within the Department of Civil Rights; \$700,000 for ACCESS; \$700,000 for Arab/Chaldean; \$650,000 for Chaldean Chamber Foundation; and \$700,000 for Michigan Jewish Federation.		GF/GP	\$8,842,800
			<b>\$0</b>
			\$0
<b>14. Mental Health Innovation Grants One-Time Only Appropriation</b>		<b>Gross</b>	<b>N/A</b>
The <u>House</u> does not concur with the <u>Executive</u> to provide one-time only FY 2013-14 appropriation of \$5.0 million GF/GP for mental health innovation grants that will be allocated as follows: \$2.5 million to finance and support home-based mental health services for children; \$1.0 million for care management and treatment of high-risk youth; and \$1.5 million for mental health training and awareness programs in identifying youth with mental health needs. The <u>Senate</u> includes \$100 GF/GP placeholder for mental health innovation grants.		GF/GP	N/A
			<b>\$100</b>
			\$100

<b>Major Budget Changes From FY 2012-13 YTD Appropriations</b>		<b>FY 2012-13 Year-to-Date (as of 2/7/13)</b>	<b>FY 2013-14 Senate Change</b>
<b>15. Family Independence Program (FIP) Recipient Substance Abuse Treatment Pilot</b>	<b>Gross</b>	<b>N/A</b>	<b>\$0</b>
The <u>House</u> includes a \$100 GF/GP placeholder for a new line item entitled "Family Independence Program Recipient Substance Abuse Treatment Pilot" in response to HB 4118 as passed by the House on May 1, 2013. The proposed legislation, among other things, requires the Department of Human Services to refer FIP recipients who test positive for illegal use of a controlled substance to regional substance abuse coordinating agencies for treatment. The <u>Senate</u> does not include funding for this initiative.	GF/GP	N/A	\$0
<b>16. Veterans Post-Traumatic Stress Disorder</b>	<b>Gross</b>	<b>\$8,842,800</b>	<b>\$100</b>
The <u>Senate</u> includes \$100 GF/GP placeholder for the establishment of a pilot project in several CMHSPs to provide post-traumatic stress disorder services to current or former service members. This funding has been added to the Mental Health Services for Special Populations line item. (Sec. 501)	GF/GP	\$8,842,800	\$100
<b>17. Health and Wellness Initiatives</b>	<b>Gross</b>	<b>\$12,146,600</b>	<b>(\$4,999,900)</b>
The <u>Senate</u> leaves a \$100 placeholder for increased ongoing funding for health and wellness initiatives, and concurs with the <u>Executive</u> and the <u>House</u> on the elimination of one-time funding of \$5.0 million GF/GP for health and wellness initiatives. The <u>Executive</u> had offset the elimination of the one-time funding with a \$1.5 million GF/GP increase in ongoing funding. The <u>House</u> does not concur with the <u>Executive</u> \$1.5 million ongoing funding increase.	Restricted	5,146,600	0
	GF/GP	\$7,000,000	(\$4,999,900)
<b>18. Fee Increases - Vital Records, EMS Licensure, Certificate of Need</b>	<b>Gross</b>	<b>\$16,167,600</b>	<b>\$0</b>
The <u>Senate</u> does not concur with the <u>Executive</u> and <u>House</u> to include \$3.2 million of additional state restricted revenue from proposed new fees and fee increases to maintain the following programs: emergency medical services licensure and regulation (\$1.0 million), certificate of need (\$700,000), and vital records services (\$1.5 million). Statutory changes are required for each.	IDG	1,293,600	0
	Federal	3,764,100	0
	Restricted	10,724,600	0
	GF/GP	\$385,300	\$0
<b>19. Health Care Service Delivery Innovation Grants</b>	<b>Gross</b>	<b>N/A</b>	<b>\$100</b>
The <u>Senate</u> leaves a \$100 placeholder for a new Health Innovations Grants program to address emerging issues and encourage innovative advances in health care and service delivery. The <u>Executive</u> provided funding of \$3.0 million GF/GP. The <u>House</u> does not concur with the <u>Executive</u> . <u>Senate</u> and <u>House</u> do not include related <u>Executive</u> Sec. 717.	GF/GP	N/A	\$100
<b>20. Essential Local Public Health Services</b>	<b>Gross</b>	<b>\$37,386,100</b>	<b>\$200</b>
The <u>Senate</u> includes a \$200 placeholder for funding increase for Essential Local Public Health Services. The <u>House</u> includes a \$100 placeholder.	Local	5,150,000	0
	GF/GP	\$32,386,100	\$200
<b>21. Placeholders for Public Health Initiatives</b>	<b>Gross</b>	<b>N/A</b>	<b>\$600</b>
The <u>Senate</u> includes \$100 placeholders for the following: physical fitness curriculum, Alzheimer's programming, Kent County Spectrum integrated medicine project, traumatic brain injury treatment services, dental clinics, and Red Cross bloodmobiles. The <u>House</u> does not include.	GF/GP	N/A	\$600
<b>22. Childhood Lead Program</b>	<b>Gross</b>	<b>\$653,900</b>	<b>\$582,600</b>
The <u>Senate</u> and <u>House</u> concur with the <u>Executive</u> to partially restore funding to the childhood lead program with \$582,600 of available federal Maternal and Child Health Block Grant funding.	Federal	540,000	582,600
	GF/GP	\$113,900	\$0
<b>23. Lead Abatement</b>	<b>Gross</b>	<b>\$2,932,100</b>	<b>\$100</b>
The <u>Senate</u> includes a \$100 placeholder for funding increase for the Healthy Homes lead abatement program for the safe removal of lead hazards from homes in areas with high incidence of lead-poisoned children. The <u>House</u> increases lead abatement funding by \$1.0 million GF/GP.	Federal	2,155,600	0
	Private	75,000	0
	Restricted	701,500	0
	GF/GP	\$0	\$100
<b>24. Newborn Screening Fee Adjustments</b>	<b>Gross</b>	<b>\$11,323,600</b>	<b>\$650,400</b>
The <u>Senate</u> and <u>House</u> concur with the <u>Executive</u> to recognize \$650,400 of increase fee revenue for newborn screening for genetic diseases, including increases recommended by the Newborn Screening Quality Assurance Advisory Committee, and statutorily authorized annual CPI adjustment.	Restricted	11,323,600	650,400
	GF/GP	\$0	\$0

<b>Major Budget Changes From FY 2012-13 YTD Appropriations</b>		<b>FY 2012-13 Year-to-Date (as of 2/7/13)</b>	<b>FY 2013-14 Senate Change</b>
<b>25. Infant Mortality Reduction Plan</b>			
The <u>Senate</u> leaves a \$100 placeholder to address infant mortality, to promote regional perinatal care system, improve health of women of childbearing age, and encourage infant safe sleep practices. The <u>Executive</u> recommended an increase of \$2.5 million GF/GP and 4.0 FTEs. The <u>House</u> did not concur with the <u>Executive</u> .		FTEs 0.0	0.0
		<b>Gross \$8,101,400</b>	<b>\$100</b>
		Federal 6,601,400	0
		GF/GP \$1,500,000	\$100
<b>26. Infant Mortality Expanded Programming</b>			
The <u>Senate</u> provides \$600,000 GF/GP to support evidence-based infant mortality programs to enhance support and education including strategic planning. The <u>House</u> provides \$350,000 GF/GP funding for similar enhancement projects for the nurse family partnership program. The <u>Senate</u> and <u>House</u> both include similar related boilerplate Sec. 1137.		<b>Gross \$8,101,400</b>	<b>\$600,000</b>
		Federal 6,601,400	0
		GF/GP \$1,500,000	\$600,000
<b>27. Alternative Home Visit and Support Program</b>			
The <u>Senate</u> provides \$1.0 million GF/GP for a new pregnancy and parenting support program as a pilot project, The <u>House</u> provides \$700,000 GF/GP for a similar new pilot program, which also promotes childbirth and adoption as appropriate. The <u>Senate</u> and <u>House</u> both include similar related boilerplate Sec. 1136.		<b>Gross \$8,101,400</b>	<b>\$1,000,000</b>
		Federal 6,601,400	0
		GF/GP \$1,500,000	\$1,000,000
<b>28. Autism Center Grants</b>			
The <u>Senate</u> does not concur with the <u>Executive</u> to eliminate a \$500,000 GF/GP grant to Eastern Michigan University Autism Collaborative Center, and transfer the funds to Medicaid for autism services. The <u>Senate</u> retains the grant and increases it by \$500,000. The <u>Senate</u> also provides \$500,000 GF/GP each to 3 additional higher education institutions for autism education programs. The <u>House</u> concurs with the <u>Executive</u> . <u>Senate</u> includes related Sec. 1140 boilerplate.		<b>Gross \$500,000</b>	<b>\$2,000,000</b>
		Federal 0	0
		GF/GP \$500,000	\$2,000,000
<b>29. WIC Infrastructure and Children's Summer EBT Pilot</b>			
The <u>Senate</u> concurs with the <u>House</u> and the <u>Executive</u> to recognize net federal funds increase of \$1.4 million for special projects of the Women, Infants, and Children Special Supplemental Food and Nutrition Program, recognizing completion of \$1.3 million of project funding, and increase of \$2.7 million for WIC Summer EBT for Children pilot project grant.		<b>Gross \$16,294,500</b>	<b>\$1,392,200</b>
		Federal 15,990,200	1,392,200
		Private 304,300	0
		GF/GP \$0	\$0
<b>30. Aging Respite Care Fund Shift for GF/GP Savings</b>			
The <u>Senate</u> concurs with the <u>House</u> and the <u>Executive</u> to replace \$400,000 of Merit Award Trust Fund state restricted revenue with a like amount of anticipated increased revenue from the state restricted Senior Respite Care Fund, for a net \$0 senior respite program funding change. The Merit Award Trust Funds are transferred to the Medicaid program to replace GF/GP for savings. YTD shown is Respite Care Program only.		<b>Gross \$5,868,700</b>	<b>\$0</b>
		Restricted 1,400,000	400,000
		Merit Awd 4,468,700	0
		GF/GP \$0	(\$400,000)
<b>31. Senior Nutrition Services</b>			
The <u>Senate</u> includes a \$100 placeholder for a funding increase for home-delivered and congregate meals and nutrition services for seniors. The <u>House</u> does not include.		<b>Gross \$35,430,200</b>	<b>\$100</b>
		Federal 26,343,200	0
		Private 300,000	0
		GF/GP \$8,787,000	\$100
<b>32. Graduate Medical Education Reduction</b>			
The <u>House</u> reduces the \$4.3 million authorization for Graduate Medical Education (GME), within the One-Time unit, by \$2.6 million Gross (\$895,000 GF/GP). The <u>Executive</u> eliminated the one-time funding by \$4.3 million Gross (\$1.3 million GF/GP). The FY 2012-13 GME gross authorization is approximately \$162.9 million considering both on-going and one-time funding. The <u>Senate</u> makes no reduction to one-time GME funding.		<b>Gross \$162,888,300</b>	<b>\$0</b>
		Federal 108,141,500	0
		GF/GP \$54,746,800	\$0
<b>33. Low-Income Rural Resident Hospitals</b>			
The <u>House</u> , <u>Senate</u> and <u>Executive</u> maintain the hospital, low-income rural resident payments pool of \$35.5 million Gross. Related boilerplate Sec. 1866 is maintained by the <u>House</u> and <u>Senate</u> , and deleted by the <u>Executive</u> .		<b>Gross \$35,484,000</b>	<b>\$0</b>
		Federal 23,484,000	0
		GF/GP \$12,000,000	\$0

<b>Major Budget Changes From FY 2012-13 YTD Appropriations</b>		<b>FY 2012-13 Year-to-Date (as of 2/7/13)</b>	<b>FY 2013-14 Senate Change</b>
<b>34. Detroit Medical Center Reduction</b>		<b>Gross</b>	<b>\$19,989,600 (\$100)</b>
The <u>House</u> and <u>Executive</u> agree on the removal of the Detroit Medical Center (DMC) hospital rate adjustment (HRA) payment of \$20.0 million Gross (\$6.7 million GF/GP) which was established in FY 2008-09 due to a conversion from a disproportionate share hospital (DSH) payment not financed with GF/GP. The conversion was due to an effort to establish more room under the DSH ceiling. DMC is the only hospital that receives a GF/GP financed HRA payment. The <u>Senate</u> essentially maintains current funding but creates a \$100 federal reduction.	Federal	13,257,100	(100)
	GF/GP	\$6,732,500	\$0
<b>35. Primary Care Physician Rate Increase</b>		<b>Gross</b>	<b>\$281,800,000 \$103,200,000</b>
The <u>House</u> , <u>Senate</u> and the <u>Executive</u> recognize the increase of \$103.2 million, annualizing the 3/4 amount of federal funds included in FY 2012-13 that will be available to provide an increase in the reimbursement rates for primary care doctors, family doctors and pediatricians up to 100% of Medicare rates. Not included in the rate increase are nurse practioners, physician assistants and OB/GYNs. This reimbursement level change is a requirement of the Affordable Care Act of 2010 and is entirely federally funded. The federal funding is available through December 31, 2014.	Federal	281,800,000	103,200,000
	GF/GP	\$0	\$0
<b>36. Autism Spectrum Disorder</b>		<b>Gross</b>	<b>\$20,886,200 \$20,455,400</b>
The <u>House</u> , <u>Senate</u> and <u>Executive</u> include \$20.5 million Gross (\$6.9 million GF/GP) additional funding for autism spectrum disorder treatment of Medicaid and MICHild eligible children.	Federal	14,203,200	13,566,000
	GF/GP	\$6,683,000	\$6,889,400
<b>37. Integration of Care for Dual Eligibles</b>		<b>Gross</b>	<b>\$0 \$29,828,700</b>
The <u>House</u> includes a partial \$24,541,900 Gross (\$8,265,700), and the <u>Executive</u> and <u>Senate</u> a full reinstatement of \$29.8 million Gross (\$10.1 million GF/GP) which was removed from the FY 2012-13 budget as savings generated by integrating care for dual eligibles. The care integration pilot projects are scheduled to start in January 2014.	Federal	0	19,782,400
	GF/GP	\$0	\$10,046,300
<b>38. Placeholder for Personal Care Services Increase</b>		<b>Gross</b>	<b>\$0 \$100</b>
The <u>Senate</u> includes a \$100 GF/GP placeholder for discussion of an increase in the personal care services rate. The current rate is \$44.40 per week.	Federal	0	0
	GF/GP	\$0	\$100
<b>39. Fund Source Swap</b>		<b>Gross</b>	<b>\$0 \$0</b>
The <u>Senate</u> reduced GF/GP support of the budget by \$64.5 million, offset by an increase in Merit Award Trust Fund authorization of \$51.1 million and an increase in Medicaid Benefits Trust Fund state restricted authorization of \$13.4 million.	Merit Awd	0	51,000,000
	Restricted	0	13,400,000
	GF/GP	\$0	\$64,500,000

#### **Major Boilerplate Changes From FY 2012-13**

##### **GENERAL SECTIONS**

##### **Sec. 298. Michigan-Illinois Alliance Medicaid Management Information Systems Project – NEW**

The House adds a new section that allocates \$20.0 million in private revenue for the Michigan-Illinois Alliance Medicaid Management Information Systems Project.

##### **BEHAVIORAL HEALTH SERVICES**

##### **Sec. 500. Jail Diversion Programs Initiative – NEW**

The House adds a new section that requires the DCH in allocating funds for the jail diversion programs initiative that priority is given to county sheriffs including St. Joseph County Sheriff, and community court projects including the 36th District Court community court project.

##### **Sec. 502. Fetal Alcohol Syndrome Services - NEW**

The Senate adds a new section that requires DCH to develop an outreach program on fetal alcohol syndrome services and report on efforts to prevent, combat, and reduce the incidence of fetal alcohol syndrome.

##### **Sec. 503. Policies and Procedures for PIHPs or CMHSPs - NEW**

The Senate adds new language that requires DCH to formally consult with CMHSPs from across the state when developing policies and procedures that will impact PIHPs or CMHSPs such changes in funding or state payment mechanics and changes or amendments being considered for the Medicaid as well non-Medicaid contracts.

## **Major Boilerplate Changes From FY 2012-13**

### ***Sec. 504. Workgroup on PIHPs Capitation Payments - NEW***

The Senate adds new language that requires the DCH to create a Workgroup to make recommendations to achieve more uniformity in capitation payments made to the PIHPs.

## **PUBLIC HEALTH ADMINISTRATION**

### ***Sec. 650. Fish Consumption Advisory Methodology - REVISED***

Directs DCH to report to the Legislature by April 1, 2013 on the criteria and methodology used to derive information provided to residents in the annual Michigan fish advisory. The Senate expands this section and adds specific information to be included in the report. House retains current law. Executive deletes current law.

### ***Sec. 651. Michigan Health Endowment Fund - NEW***

The Senate includes new boilerplate providing that the Department shall work with the Michigan Health Endowment Fund Corporation established under the Blue Cross and Blue Shield reform enacted this year as Act 4 PA 2013 (SB 61), to explore ways to expand health and wellness programs, in particular, efforts to serve those with diabetes and kidney disease.

### ***Sec. 654. Pilot Before- and After-School Healthy Exercise Program - DELETED***

Provides that funding of \$1.0 million be allocated for a pilot before- and after-school healthy exercise program for children kindergarten through grade 6. The Senate deletes this section. House concurs with Executive to retain this section.

## **HEALTH POLICY**

### ***Sec. 709. Michigan Essential Health Care Provider Program – REVISED***

Senate and House concur with Executive to modify language allowing DCH to reduce local and private share of loan repayment costs to 25% for obstetricians and gynecologists working in underserved areas, to now indicate program will be for primary care physicians, particularly obstetricians and gynecologists working in underserved areas. House and Executive revision also clarifies reduction may be made to loan and repayment costs. Senate does not include this change.

### ***Sec. 712. Free Health Clinic Funding – RETAINED***

Allocates \$250,000 to free health clinics from the funds appropriated for primary care services, to be distributed equally to each free health clinic. Defines free health clinic. Senate and House do not concur with the Executive to delete.

## **EPIDEMIOLOGY**

### ***Sec. 851. Lead Abatement - NEW***

Senate includes new boilerplate to allocate \$100 to expand lead abatement efforts, and direct that the Department coordinate its lead abatement efforts with the Michigan Public Service Commission, specifically on the issue of window replacement.

## **CHRONIC DISEASE AND INJURY PREVENTION AND HEALTH PROMOTION**

### ***Sec. 1004. Cancer Rate Investigations – DELETED***

Establishes legislative intent that DCH continue to collaborate with St. Clair County and the City of Detroit's southwest community to investigate and evaluate cancer rates. Senate concurs with Executive to delete. House does not concur.

## **FAMILY, MATERNAL, AND CHILDREN'S HEALTH SERVICES**

### ***Sec. 1103. Sexual and Maternal Health Expenditure and Demographics Report – RETAINED***

Requires DCH to annually report an estimate of public funds administered by the department for family planning, sexually transmitted infection prevention and treatment, pregnancies, and births, and to report demographics collected by DCH that are voluntarily self-reported by individuals utilizing those services. Senate and House do not concur with Executive to delete.

### ***Sec. 1119. No Use of Funds to Encourage or Support Abortion Services – RETAINED***

Directs that no state funds appropriated for family planning local agreements or pregnancy prevention programs shall be used to encourage or support abortion services. Senate and House do not concur with Executive to delete.

### ***Sec. 1135. School Health Education Curriculum – RETAINED***

Establishes that if funds become available, provision of a school health education curriculum shall be in accordance with goals of the Michigan Model for Comprehensive School Health Education State Steering Committee; establishes steering committee; and requires curriculum materials be made available upon request. Senate and House do not concur with Executive to delete.

## **CRIME VICTIM SERVICES COMMISSION**

### ***Sec. 1302. Allocation of Funds for Forensic Nurse Examiner Programs – RETAINED***

Allocates up to \$200,000 for expansion of forensic nurse examiner programs to facilitate coordination and training for improved evidence collection for prosecution of sexual assault. Senate and House do not concur with Executive to delete.

## **MEDICAL SERVICES**

### ***Sec. 1682. OBRA Nursing Home Enforcement Provisions – RETAINED***

The House and Senate retain current law, whereas the Executive added language allowing unused civil monetary penalty funds to be carried over to the following fiscal year.

## **Major Boilerplate Changes From FY 2012-13**

### ***Sec. 1689. Home- and Community-Based Services (HCBS) Waiver – REVISED***

Requires an annual report on HCBS allocations and expenditures by region, net cost savings by moving individuals from nursing home to the HCBS program, number of individuals transitioned and on HCBS waiting lists by region, amount of funds transferred during the year, and number of persons served and days of care for the HCBS program and in nursing homes. Requires DCH to develop system to collect and analyze information on persons on HCBS waiting list to identify community support and assistance they receive and the extent to which these supports help individuals to avoid entry into a nursing home. The Executive deletes the language and the House modifies the language by removing the required reporting concerning the net cost savings from moving individuals from nursing homes to the community. The Senate retains current law.

### ***Sec. 1692. Medicaid School-Based Services – RETAINED***

The House retains current law, whereas the Executive added language allowing the Department to increase federal authorization, without Legislative approval, in the School-Based Services line to make payments to schools participating in the program. The Senate concurs with the Executive.

### ***Sec. 1861. Nonemergency Medical Transportation Competitive Bid – REVISED***

Allows nonemergency medical transportation to be competitively bid; may take into consideration a minimum of two bids; one bid must be a public transportation agency; and defines qualified vendor. The House replaces current language with a report required from the Department regarding the pilot program. The Executive deletes the language. The Senate maintains current law.

### ***Sec. 1866. Rural Hospital Payments – REVISED***

Requires the distribution of \$12.0 million GF/GP, along with the federal match, to rural hospitals meeting certain criteria. The House revises the language to require a distribution of \$36.0 million Gross to rural hospitals, prescribes the methodology of distribution and defines types of hospitals for the distribution. The Executive deletes. The Senate maintains current law.

### ***Sec. 1868. Access to Coordinated Beneficiary Complaints Process – NEW***

The House includes new language that requires the Department to assure access to a coordinated beneficiary complaints process through the integrated health care program for persons dually enrolled in Medicaid and Medicare. The Senate does not include.

### ***Sec. 1869. Placeholder for Kalamazoo School-Based Clinic – NEW***

The Senate allocates \$100 a placeholder for a school-based clinic in Kalamazoo County.

### ***Sec. 1873. Hospital Funding Workgroup – NEW***

The Senate includes new language which directs the Department to establish a workgroup that will discuss new ways to distribute funding paid for by the hospital quality assurance assessment program tax. A report is required.

### ***Sec. 1883. Observation Stay Policy – NEW***

The Senate includes new language which directs the Department to consider developing an appropriate policy and rate for observation stays.

### ***Sec. 1884. Study of Medicaid Gestational Diabetes – NEW***

The Senate includes new language which directs the Department to implement a bid process for administration of durable medical equipment, prosthetics, orthotics, and supplies, with the vendor being a licensed provider with experience in such services. The contract must have at least 10% cost savings.

### ***Sec. 2001. Anticipated FY 2014-15 Appropriations – REVISED***

The Senate and House anticipate that the FY 2014-15 appropriations would be the same as FY 2013-14, except that the line items will be adjusted for changes in caseload and related costs, federal fund match rates, economic factors, and available revenue. (Boilerplate intent language only; would not be binding appropriation). Executive deletes.