



**FY 2011-12 APPROPRIATION REPORT
DEPARTMENT OF COMMUNITY HEALTH
Public Act No. 63 of 2011, Article IV
And FY 2010-11 Supplemental Actions**

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**FY 2011-12 APPROPRIATION REPORT
DEPARTMENT OF COMMUNITY HEALTH
And FY 2010-11 Supplemental Actions**

This document is a technical legislative intent report of the enacted Department of Community Health Fiscal Year 2011-12 budget, detailing each appropriation line item change from the prior fiscal year budget. A brief summary of each boilerplate section in the act is included. Enacted supplemental appropriations for Fiscal Year 2010-11 are also included in this report: appropriation changes are detailed by line item at the end of each appropriation section, and boilerplate actions are found at the end of the report.

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DEPARTMENT OF COMMUNITY HEALTH OVERVIEW

The Department of Community Health (DCH) budget provides funding for Mental Health, Public Health, and Medical Services programs including Medicaid. Also included is funding for Health Policy, the Office of Services to the Aging, the Crime Victim Services Commission, Departmentwide Administration, and Information Technology. **Public Act 63 of 2011, Article IV** is the appropriation act for the Department of Community Health that includes authorized funding for FY 2011-12 of \$14.2 billion, of which \$2.8 billion is from GF/GP revenues. **Section 1901 of Public Act 63, Article IV** also authorizes one-time appropriations of \$53.0 million, of which \$22.1 million is from GF/GP revenues. Highlights of Public Act 63, Article IV and changes from the prior fiscal year follow.

1. Economic Adjustments

A net increase of \$21,097,800 Gross (\$10,142,100 GF/GP) is included in the budget to finance economic adjustments for pension and retiree insurance (defined benefit and contribution), insurance, workers' compensation, building occupancy, and gas, fuel, and utility costs for FY 2011-12. Economic adjustments are not included for employee salaries and wages and food provided to clients in state-operated facilities for individuals with mental illness and developmental disabilities.

2. Retirement Adjustments

Early retirement savings of \$4,644,900 Gross (\$3,456,700 GF/GP) are projected for FY 2011-12.

3. Community Health Automated Medical Processing System (CHAMPS) Funding

Funding for the community health automated medical processing system, referred to as CHAMPS, is increased by \$8,922,600 Gross (\$1,154,600 GF/GP) to meet federal requirements for enhancements related to the Health Insurance Portability and Accountability Act (HIPAA).

4. Actuarially Sound Capitation Payment Rates Adjustment

Capitation payment rates for Health Plans and Prepaid Inpatient Health Plans are increased by 1.68% and 1.17%, respectively, which equates to \$75,020,500 Gross (\$25,402,000 GF/GP) to ensure rates are actuarially sound in FY 2011-12. This type of adjustment has been included in the budget since FY 2004-05.

5. *Mental Health Services for Special Populations Program Reduction*

Funding for mental health services for special populations and groups such as Chinese American, Asian American, Hispanics, Arab/Chaldean, ACCESS, Michigan Inter-Tribal Council, Jewish Federation, Chaldean Community Foundation, and Vietnam Veterans is reduced by \$1,031,000 Gross (all GF/GP). A one-time appropriation of \$3.0 million GF/GP is authorized in Sec. 1901 for mental health services for special populations.

6. *Community Mental Health (CMH) Non-Medicaid Services and Administrative Reduction*

Non-Medicaid Services provided to individuals with mental illness and developmental disabilities by community mental health services programs (CMHSPs) and related administrative costs are reduced by \$8,483,300 Gross (all GF/GP), a budgetary change which represents a 3.0% reduction from FY 2010-11 funding for the CMH non-Medicaid line item. Up to \$3.4 million GF/GP of the reduction is related to administrative services, and the remaining \$5.1 million GF/GP is related to non-Medicaid services provided to individuals. (Sec. 462)

7. *Substance Abuse Services and Administrative Funding*

The administrative costs for coordinating agencies on substance abuse are reduced by \$152,900 GF/GP, and one-time funding of \$1.0 million GF/GP for a community health outreach program provided by Self-Help Addiction Rehabilitation (SHAR), Inc. has been eliminated. Funds for the State Disability Assistance Program Substance Abuse Services line item are reduced by \$224,300 GF/GP. Funding for the Salvation Army Harbor Light Program and Odyssey House is reduced by \$165,000 GF/GP. The budget also includes an unspecified reduction of \$182,100 GF/GP for community substance abuse prevention, education, and treatment programs.

8. *Children's Waiver Home Care Program Reduction*

Funding for the Children's Waiver Home Care Program that provides home and community-based services for 464 eligible children with developmental disabilities is reduced by \$2,105,000 Gross (\$712,800 GF/GP). The Department of Community Health (DCH) will be reviewing administrative and regulatory requirements to implement efficiencies and hopes to capture unspent authorization for the waiver program.

9. Annualize Forensic Mental Health Services to Department Of Corrections (DOC) Transfer

The budget transfers 396.3 staff positions associated with \$50,527,800 interdepartmental grant from the DOC as DCH was no longer responsible for providing mental health services to prisoners under the jurisdiction of DOC, effective February 20, 2011. Michigan's Mental Health Code allows DOC to contract with DCH or third-party providers to operate the mental health program.

10. Transfers to the Department of Licensing and Regulatory Affairs (LARA)

The budget transfers 389.8 staff positions associated with funding of \$56,734,100 Gross (\$60,000 GF/GP) based on provisions of Executive Order 2011-4 which transferred responsibilities of the Bureaus of Health Professions and Health Systems, Emergency Medical Services, and Controlled Substances Advisory Commission from DCH to LARA, and FY 2011-12 Executive Budget Revision letter dated May 2, 2011.

11. Essential Local Public Health Services Reduction

Funding to the state's 45 local public health departments is reduced by \$1.7 million (5%) for GF/GP savings, affecting most state and local cost-shared services: immunizations, infectious disease control, sexually transmitted disease control and prevention, food protection, public water supply, private groundwater supply, and on-site sewage management. Hearing and vision screening programs for school-aged children funded by this line item are not affected.

12. Healthy Michigan Prevention Funding Reduction

A gross reduction of \$5.9 million (reduction of \$6.1 million GF/GP) occurs with the elimination of all \$10.9 million of individual Healthy Michigan Fund (HMF) public health prevention project appropriations, the establishment of a single line item appropriation for HMF programs for public health projects at a reduced funding level of \$5.0 million, and a shift of \$5.9 million of HMF funds to Medicaid match for GF/GP savings. The Medicaid program allocation from the Fund totals \$29.2 million, including additional Fund revenue available of \$194,200.

Note that boilerplate sections 1901 and 1902 appropriate and allocate additional one-time basis HMF program appropriations of \$3.0 million GF/GP for public health prevention projects in FY 2011-12.

Public health and family health programs affected by the reduced or eliminated HMF project funding include: cancer prevention and control, cardiovascular health, diabetes and kidney, health disparities, immunization, maternity outpatient medical services, Michigan Model for school health education, pregnancy prevention, smoking prevention and quit kits, and local public health training and evaluation.

13. Public Health Laboratory Services and Facilities

The budget eliminates the final year funding of \$250,000 GF/GP for the Upper Peninsula regional public health laboratory in Houghton.

14. Public Health and Family Health Grants

Net adjustments of \$7.0 million are recognized from federal grants for public health programs and for family, maternal, and child health programs, including 6 new grants totaling \$4.5 million, 3 completed grants of \$504,100, and net adjustments to 6 ongoing grants totaling \$3.0 million.

15. ARRA Federal Public Health Grants

The budget eliminates a one-time \$5.0 million appropriation for federal American Recovery and Reinvestment Act (ARRA) public health grants for public health laboratory infrastructure, and information sharing between electronic medical records and the state immunization registry.

16. Public Health Projects Eliminated

Funding of \$425,000 Gross (\$325,000 GF/GP) for the following public health projects is eliminated: traumatic brain injury treatment pilot projects \$200,000 Gross (\$100,000 GF/GP), stillbirth awareness and education \$50,000 GF/GP, colon disease project of Henry Ford Health System and Chaldean Chamber Foundation \$125,000 GF/GP, and the Special Needs Vision Clinic \$50,000 GF/GP.

17. Nurse Family Partnership Program

Funding for nurse family partnership programs of \$1.5 million GF/GP is included in the budget. Additional federal authorization of \$2.3 million is also included to reflect Title XIX Medicaid matching funds that may be earned by state and local spending for this program, for a gross increase of \$3.8 million.

18. Crime Victim Services

Increased funds are recognized in the budget totaling \$10.4 million available for crime victim compensation, local services for crime victims, local prosecutors, and statewide victim notification network system. A \$3.5 million increase of state funds is related to additional Crime Victim's Rights Fund revenue from 2010 statutory changes, which also generates additional federal funds of \$570,000. A federal victim assistance grant increase of \$6.3 million for victim services is related to increased deposits to the federal Fund for crime victim services.

19. Aging Programs

The following aging program adjustments are made totaling \$271,000 Gross (reduction of \$120,000 GF/GP). Funding of \$120,000 GF/GP for Tribal Elders programs is eliminated from the budget. Federal funds adjustments for senior community services programs and aging administration programs are reflected totaling a net \$321,000 increase, including 4 completed grants, 3 new grants, and adjustments to 2 ongoing grants. A private funds increase of \$70,000 is included for senior farmer's market nutrition program.

20. Medicaid FMAP Federal Stimulus Adjustment

Medicaid funding is increased \$564,669,200 GF/GP to offset the final year of enhanced federal FMAP Medicaid funding from the American Recovery and Reinvestment Act (ARRA) and related extension.

21. Medicaid Caseload, Utilization and Inflation Increase

A base adjustment increase for FY 2010-11 of \$115.5 million Gross (\$47.8 million GF/GP) covers caseload/utilization/inflation changes within Medicaid, Mental Health/Substance Abuse, Children's Special Health Care Services and Federal Medicare Prescription programs. The increase included for FY 2011-12 is \$541.0 million Gross (\$208.5 million GF/GP).

22. Dual Eligibles to Managed Care

Shifting individuals who are eligible for both Medicare and Medicaid (dual eligibles) from fee-for-service to an integrated managed care system would generate savings of \$29,828,700 Gross (\$10.1 million GF/GP) given a start date of April 1, 2012. A federal approval would be required to allow the State to receive the Medicare funds to manage the care of the dual eligibles.

23. Other Medicaid Fund Source Adjustments

Federal Medicaid and Children's Health Insurance Program Reauthorization Act (CHIPRA) funds for FY 2011-12 offsets \$29.9 million of GF/GP due to regular changes in federal match rates. An additional \$160.0 million GF/GP is included to offset one-time CHIPRA FMAP correction revenue which is part of the FY 2010-11 budget.

24. Graduate Medical Education Reduction

Graduate Medical Education (GME) payments are reduced \$31,824,300 Gross (\$10,775,700 GF/GP). GME payments are made to Michigan hospitals which provide clinical training and education to individuals in approved residency programs. This funding is provided in recognition of the higher costs incurred by the teaching hospitals. An additional GME appropriation is included in Sec. 1901, "One-Time Basis Only".

25. Hospital Disproportionate Share Payments

Included is an elimination of the FY 2010-11 small/ rural, disproportionate share hospital (DSH) payment pool and the maintaining of the \$45.0 million large hospital pool. A rural hospital appropriation is included in Sec. 1901, "One-Time Basis Only".

26. Include Behavioral Health Drugs On Preferred Drug List

Savings of \$18.7 million Gross (\$6,331,800 GF/GP) are removed from the Pharmaceutical Services line as a result of including behavioral health drugs on the preferred drug list. A statutory change would be required to realize these savings.

27. Healthy Kids Dental Expansion

The Healthy Kids Dental program is expanded to Mason, Muskegon, Newaygo and Oceana counties adding \$4,430,000 Gross (\$1.5 million GF/GP) to the Dental Services line item.

28. Medicaid Estate Recovery Program

The Long-Term Care Services line is reduced \$16,573,800 Gross (\$5,611,900 GF/GP) representing savings generated by statutory changes strengthening the existing Medicaid long-term care estate recovery law.

29. Nursing Home Transition Savings

Transitioning Medicaid-funded nursing home occupants to the MIChoice program would result in savings of \$35,331,300 Gross (\$7,516,000 GF/GP).

30. Adult Home Help Service Limits

The Adult Home Help line is reduced by \$17,720,000 Gross (\$6.0 million GF/GP) as a result of excluding individuals from the Adult Home Help program who qualify only for assistance with instrumental activities of daily living (IADL). IADLs include shopping, laundry, housework, meal preparation and money management.

31. Repeal Medicaid HMO and PIHP Use Tax

Includes the repeal of the use tax covering Medicaid HMOs and PIHPs. Elimination is based on anticipated federal action that would prohibit use tax financing of the Medicaid program under the current law. The repeal of the use tax would save the State \$131.5 million GF/GP; reduce tax collections by \$388.4 million gross, resulting in a net State revenue reduction of \$257.9 million.

32. Insurer Paid Claims Tax of 1%

Assumed enactment of a full year 1% assessment on all health insurance paid claims generating \$396,856,000 of state restricted revenue which would offset a like amount of GF/GP.

33. Third Party Liability Recovery Savings

The Health Plan Services line is reduced \$22,017,100 Gross (\$7,455,000 GF/GP) reflecting savings generated by broadening the Sharing Health Care Information Act. Statutory language change would require auto insurers who are legally responsible for payment of a health care claim to report to the Department of Community Health. This will enable the State to better identify Medicaid eligible persons with other health care coverage and avoid or recover payments for services provided by the Medicaid program. SB 441 and SB 442 are currently pending before the Legislature to address this issue.

34. Medicaid FMAP Federal Stimulus Bill Adjustment

Multiple Medicaid services related lines include a net increase of \$429,765,400 GF/GP to offset the final year of enhanced federal Medicaid match rates resulting from the American Recovery and Reinvestment Act (ARRA) and its extension.

FY 2010-11 FUNDING ADJUSTMENTS

Four supplemental funding adjustments have been made to the enacted FY 2010-11 Community Health budget, **Public Act 49 of 2011, Public Act 50 of 2011, Public Act 83 of 2011, and Public Act 157 of 2011**. Additional detail is included within each appropriation section throughout this report.

Public Act 49 of 2011 (Enrolled House Bill 4291), effective May 27, 2011, provides negative supplemental FY 2010-11 appropriations of \$11,664,400 Gross (\$8,073,500 GF/GP) to reflect savings achieved from the state employees early retirement incentive legislation (Public Act 185 of 2010) that was enacted pursuant to the establishment of state appropriation spending targets. The adjustments do not reflect associated reductions in expenditures for state employee costs funded from federal and restricted funding sources. Nor do the adjustments reflect savings from a 3.0% employee contribution to retiree health care due to pending litigation.

Public Act 50 of 2011 (Enrolled House Bill 4407), effective May 27, 2011, provides supplemental FY 2010-11 appropriations of \$0 Gross (\$0 GF/GP). American Recovery and Reinvestment Act (ARRA) federal funding authorization of \$4,860,800 is transferred from the Departmentwide Health Projects (ARRA) line item to the Medicare Premium Payments line item to recognize additional ARRA Title XIX funding for services to individuals who are dually eligible for Medicare and Medicaid. Authorization in the Departmentwide Health Projects (ARRA) line was unexpended and available to be transferred.

Public Act 83 of 2011 (Enrolled Senate Bill 138), effective July 13, 2011, provides supplemental FY 2010-11 appropriations of \$286,500,800 Gross (\$100,162,800 GF/GP). Included in the supplemental is \$2,929,400 in federal funds for the Community Substance Abuse Prevention, Education, and Treatment Programs line item to recognize higher than projected spending for the substance abuse services component of the Medicaid Adult Benefits Waiver (ABW) Program. The GF/GP match for the program is provided by coordinating agencies. Included in the supplemental is \$60,000 authorization for a private grant from Delta Dental Foundation to support local grants used to purchase new or replacement equipment to initiate or continue community fluoridation. The supplemental recognizes \$794,200 of federal Medicaid Title XIX matching funds earned by locally-funded nurse family partnership programs in Berrien, Calhoun, Kalamazoo and Kent Counties. This funding is also included in enacted FY 2011-12 budget. The supplemental also provides authorization for a W. K. Kellogg Foundation grant of \$63,000 to continue nurse family partnership programs in targeted communities.

The supplemental provides authorization to spend two infant mortality program grants from the W.K. Kellogg Foundation: \$305,500 to reduce infant mortality rates focusing on disparities of African American women, and \$371,200 (of a \$1.3 million award through 2013) to address social determinants of racial disparities in infant mortality. Remaining funding of a 2-year 2009 W. K. Kellogg Foundation \$60,000 grant is authorized in the supplemental to support DCH participation in a Food and Society Policy Fellow program regarding awareness of sustainable food and farming systems through the Institute for Agriculture and Trade Policy. Funds for this program were previously authorized in FY 2008-09 and FY 2009-10.

Various appropriation lines within the supplemental are adjusted by a total of \$198,428,000 Gross (\$98,696,100 GF/GP) based on the items noted below. These costs were identified at the May 12, 2011 Medicaid consensus meeting between the House and Senate Fiscal Agencies and the State Budget Office and subsequently presented at the Consensus Revenue Estimating Conference on May 16, 2011.

Medicaid Expenditures: An increase of \$198.4 million Gross (\$59.4 million GF/GP) for Medicaid program expenditures due to changes in projected costs related to caseload, utilization, and inflation.

State Restricted Revenue Shortfalls: Reductions of \$7.9 million in the Medicaid Benefits Trust Fund (MBTF) and \$2.0 million in the Merit Award Trust Fund are offset by an increase in GF/GP.

ARRA Accrual Cost: \$22.0 million reduction of American Recovery and Reinvestment Act (ARRA) enhanced FMAP revenue is offset by GF/GP anticipating the establishment of the Medicaid accrual.

ABW Program Funding Adjustment: Federal Medicaid authorization is reduced by \$19,695,500 and replaced with a like amount of GF/GP due to over enrollment in the Medicaid Adult Benefits Waiver (ABW) program.

SCHIP Bonus: Federal authorization is increased by \$9.2 million of State Children's Health Insurance Program (SCHIP) revenue and replaced with a like amount of GF/GP. The SCHIP bonus funds are a result of Michigan's promotion of health care coverage for children. These funds cannot be used as federal match and will be used like GF/GP to address federal neutrality costs in the ABW program.

MIChoice Program Funding Adjustment: MIChoice program federal Medicaid authorization is reduced by \$6,085,900 and replaced with a like amount of GF/GP. This corrects a fund sourcing problem that was corrected in FY 2009-10 but not included in the FY 2010-11 budget development.

State Psychiatric DSH: Federal Medicaid authorization is reduced by \$10,749,400 and replaced with a like amount of GF/GP due to lower federal special financing earnings generated by the state psychiatric forensic center disproportionate share hospital (DSH) payment.

Pre-Pay July Medicaid HMO Capitated Payments: Federal ARRA enhanced FMAP authorization is increased by \$20.0 million saving the same amount of GF/GP as a result of pre-paying the July 2011 Medicaid HMO capitated payments in June 2011. The enhanced ARRA FMAP rate expires July 1, 2011.

The supplemental includes the creation of a new appropriation line within the Medical Services Administration appropriation unit entitled Electronic Health Record Incentive Program. The line is funded at \$83,542,000 Gross (\$1,466,700 GF/GP) based on projected spending for FY 2010-11 for this program which provide incentive payments to eligible professionals, hospitals, and critical access hospitals as they adopt, implement, upgrade or demonstrate meaningful use of certified electronic health record (EHR) technology. An EHR is an electronic record of patient health information generated by one or more encounters in any care delivery setting. The EHR incentive program was funded by the American Recovery and Reinvestment Act (ARRA) and is expected to be active for 11 years.

Public Act 157 of 2011 (Enrolled Senate Bill 237), effective September 30, 2010, does not have an impact on FY 2010-11 Gross and GF/GP appropriations. However, Section 301 of this supplemental act appropriates \$213.8 million GF/GP into the Medicaid Benefits Trust Fund (MBTF) for potential payment of federal Medicaid program disallowances and Medicaid fraud claims settlement. The expectation is that the State will be required to return the federal share, \$195.1 million, of Medicaid funds received in prior years for the state Forensic Center and Huron Valley Center psychiatric disproportionate share hospital (DSH) payment program. There is also the expectation that a pharmaceutical settlement between the State's Attorney General and Specialized Pharmacy, Inc. will require that \$18.7 million be returned to the federal government. The Legislature is required to appropriate the MBTF revenue if/when the disallowances and settlement amounts are to be paid. The budgetary items are assumed in the Leadership Target Agreement of May 19, 2011 on the FY 2011-12 budget.

		(H.B. 4324, Article 4)			(S.B. 172)			FY 2011-12	FY 2011-12
FY 2011-12	COMM.HEALTH	FY 2011-12 EXECUTIVE	FY 2011-12 REVISED EXEC.	FY 2011-12 HOUSE	FY 2011-12 SENATE	FY 2011-12 ENROLLED	FY 2011-12	One-Time Basis Appropriations	ENACTED Including Sec. 1901
P.A. 63 of 2011, Article IV (H.B. 4526)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	VETOES	(Sec. 1901)	One-Time Approps
DEPARTMENT OF COMMUNITY HEALTH	17-Feb-11	17-Feb-11	2-May-11	4-May-11	26-Apr-11	26-May-11	21-Jun-11	21-Jun-11	21-Jun-11
		(NOTE)	(NOTE)						
DEPARTMENT OF COMMUNITY HEALTH									
APPROPRIATION SUMMARY:									
Full-time equated unclassified positions	6.0	6.0	6.0	6.0	6.0	6.0	0.0	0.0	6.0
Full-time equated classified positions	4,392.8	4,025.0	3,635.2	4,024.0	4,029.5	3,634.2	0.0	0.0	3,634.2
Average population	893.0	0.0	0.0	893.0	893.0	893.0	0.0	0.0	893.0
GROSS APPROPRIATION	14,124,104,600	13,965,309,000	13,908,574,900	13,922,657,100	13,833,859,600	14,241,316,400	0	52,962,800	14,294,279,200
Interdepartmental grant revenues:									
Total interdepartmental grants and intradepartmental transfers	54,020,800	4,528,700	6,569,400	4,528,700	4,528,700	6,569,400	0	0	6,569,400
ADJUSTED GROSS APPROPRIATION	14,070,083,800	13,960,780,300	13,902,005,500	13,918,128,400	13,829,330,900	14,234,747,000	0	52,962,800	14,287,709,800
Federal revenues:									
Total federal revenues	8,823,718,200	8,758,307,700	8,738,467,400	8,746,547,600	8,686,999,400	8,986,611,000	0	30,862,800	9,017,473,800
Total federal revenues (ARRA)	650,327,000	0	0	0	0	0	0	0	0
Special revenue funds:									
Total local revenues	235,104,200	248,557,800	248,557,800	248,228,900	248,426,200	250,605,900	0	0	250,605,900
Total private revenues	88,103,600	96,494,700	96,294,700	96,694,700	96,494,700	96,494,700	0	0	96,494,700
Merit award trust fund	86,457,600	0	0	86,744,500	86,744,500	86,744,500	0	0	86,744,500
Total other state restricted revenues	1,764,889,500	2,156,335,200	2,117,660,700	2,064,337,500	2,069,581,200	2,043,107,400	0	0	2,043,107,400
State general fund/general purpose	2,421,483,700	2,701,084,900	2,701,024,900	2,675,575,200	2,641,084,900	2,771,183,500	0	22,100,000	2,793,283,500
NOTE - The Executive Recommendation was presented in 6 appropriation line items; for comparison they are included in the most relevant appropriation unit in the tables that follow.									

DEPARTMENTWIDE ADMINISTRATION

The enacted budget includes no changes to the Director and Other Unclassified line item.

Retirement incentive savings of \$732,900 Gross (all GF/GP) are recognized for employees supported by the Departmental Administration and Management line item. The economic adjustment of \$12,200 for the Michigan Health Initiative Fund is removed as this adjustment was made in error. The Michigan Health Initiative Fund revenue is currently capped at \$9,043,400. Employee defined benefit retirement pension and insurance costs supported by the Departmental Administration and Management line item are increased by \$986,700 Gross (\$593,600 GF/GP). Employee defined contribution retirement pension and insurance costs supported by the Departmental Administration and Management line item are increased by \$6,200 Gross (\$3,700 GF/GP). Using a 3.0% weighted average decrease factor for all insurances, employee insurance costs supported by the Departmental Administration and Management line item are reduced by \$76,100 Gross (\$45,700 GF/GP).

Funds for the Departmental Administration and Management line item are increased by \$73,500 Gross (\$36,700 GF/GP) for the Interdepartmental Grant from the Department of Community Health within the Department of Licensing and Regulatory Affairs (former Department of Energy, Labor, and Economic Growth) budget to reflect costs associated with the State Office of Administrative Hearings and Rules. Funding of \$879,600 Gross (all state restricted revenue) is transferred from the Departmental Administration and Management line item to the Department of Licensing and Regulatory Affairs pursuant to Executive Order 2011-4 and Executive Budget Revision letter dated May 2, 2011.

One-time contingency funding authorization of \$5.0 million for the Departmentwide Health Projects (ARRA) is eliminated for federal ARRA grants that may have become available in FY 2010-11.

A negative economic adjustment of \$82,900 Gross (\$82,700 GF/GP) is included in the budget for the Worker's Compensation Program line item. Funding of \$17,600 Gross (all state restricted revenue) is transferred from the Worker's Compensation Program line item to the Department of Licensing and Regulatory Affairs pursuant to Executive Order 2011-4 and Executive Budget Revision letter dated May 2, 2011.

The enacted budget recognizes the availability of \$56,000 in health professions fee revenue and \$90,000 in radiological health fee revenue to support the Rent and Building Occupancy line item. The health systems fee revenue authorization is reduced by \$146,000 to reflect actual revenue supportable by the Rent and Building Occupancy line item. A negative economic adjustment of \$234,400 Gross (\$154,600 GF/GP) is included in the budget for the Rent and Building

Occupancy line item. Funding of \$1,375,900 Gross (\$60,000 GF/GP) is transferred from the Rent and Building Occupancy line item to the Department of Licensing and Regulatory Affairs pursuant to Executive Order 2011-4 and Executive Budget Revision letter dated May 2, 2011.

Employee defined benefit retirement pension and insurance costs supported by the Developmental Disabilities Council and Projects appropriation are increased by \$32,100 Gross (all federal revenue). Employee defined contribution retirement pension and insurance costs supported by the Developmental Disabilities Council and Projects appropriation are increased by \$2,700 Gross (all federal revenue). Using a 3.0% weighted average decrease factor for all insurances, employee insurance costs supported by the Developmental Disabilities Council and Projects appropriation are reduced by \$4,500 Gross (all federal revenue).

FY 2010-11 SUPPLEMENTAL ACTIONS

PUBLIC ACT 49 OF 2011 SUPPLEMENTAL APPROPRIATIONS

Public Act 49 of 2011 reduces funding for the Departmental Administration and Management line item by \$968,600 Gross (all GF/GP) to reflect savings achieved from the state employees early retirement incentive legislation (Public Act 185 of 2010).

PUBLIC ACT 50 OF 2011 SUPPLEMENTAL APPROPRIATIONS

Public Act 50 of 2011 transfers the American Recovery and Reinvestment Act (ARRA) federal funding authorization of \$4,860,800 from the Departmentwide Health Projects (ARRA) line item to the Medicare Premium Payments line item to recognize additional ARRA Title XIX funding for services to individuals who are dually eligible for Medicare and Medicaid. Authorization in the Departmentwide Health Projects (ARRA) line was unexpended and available to be transferred.

		(H.B. 4324, Article 4)			(S.B. 172)			FY 2011-12	FY 2011-12
FY 2011-12	COMM.HEALTH	EXECUTIVE	REVISED EXEC.	HOUSE	SENATE	ENROLLED	FY 2011-12	One-Time Basis	ENACTED
P.A. 63 of 2011, Article IV (H.B. 4526)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	FY 2011-12	Appropriations	Including Sec. 1901
DEPARTMENT OF COMMUNITY HEALTH	17-Feb-11	17-Feb-11	2-May-11	4-May-11	26-Apr-11	26-May-11	21-Jun-11	(Sec. 1901)	One-Time Approps
		(NOTE)	(NOTE)						
Sec. 102. DEPARTMENTWIDE ADMINISTRATION									
Full-time equated unclassified positions	6.0	0.0	0.0	6.0	6.0	6.0	0.0	0.0	6.0
Full-time equated classified positions	175.2	0.0	0.0	175.2	175.2	175.2	0.0	0.0	175.2
Director and other unclassified--* FTE positions	583,900	0	0	583,900	583,900	583,900	0	0	583,900
* positions in above line	6.0	0.0	0.0	6.0	6.0	6.0	0.0	0.0	6.0
Departmental administration and management-	22,421,800	0	0	22,667,000	16,667,000	21,787,400	0	0	21,787,400
* positions in above line	165.2	0.0	0.0	165.2	165.2	165.2	0.0	0.0	165.2
Departmentwide health projects (ARRA)	5,000,000	0	0	0	0	0	0	0	0
Worker's compensation program	8,855,200	0	0	8,772,300	8,772,300	8,754,700	0	0	8,754,700
Rent and building occupancy	10,862,500	0	0	10,628,100	10,628,100	9,252,200	0	0	9,252,200
Developmental disabilities council and projects-	2,825,400	0	0	2,855,700	2,855,700	2,855,700	0	0	2,855,700
* positions in above line	10.0	0.0	0.0	10.0	10.0	10.0	0.0	0.0	10.0
Sec. 4-102. ADMINISTRATION AND REGULATION (Exec. Rec. only, see NOTE)									
Full-time equated unclassified positions	0.0	6.0	6.0	0	0	0	0	0	0
Full-time equated classified positions	0.0	644.8	255.0	0.0	0.0	0.0	0.0	0.0	0.0
Administration and regulation -- FTE positions	0	214,546,500	157,812,400	0	0	0	0	0	0
GROSS APPROPRIATION									
Appropriated from:	50,548,800	214,546,500	157,812,400	45,507,000	39,507,000	43,233,900	0	0	43,233,900
Interdepartmental grant revenues	0	116,300	2,157,000	0	0	0	0	0	0
Federal revenues:									
Total federal revenues	13,747,000	106,615,000	86,774,700	14,092,400	14,092,400	13,632,700	0	0	13,632,700
Federal revenues (ARRA)	5,000,000	0	0	0	0	0	0	0	0
Special revenue funds:									
Total local revenues	0	100,000	100,000	0	0	0	0	0	0
Total private revenues	35,900	490,100	290,100	35,100	35,100	35,100	0	0	35,100
Total other state restricted revenues	2,507,400	61,542,700	22,868,200	2,502,900	2,502,900	749,500	0	0	749,500
State general fund/general purpose	29,258,500	45,682,400	45,622,400	28,876,600	22,876,600	28,816,600	0	0	28,816,600
NOTE - The Executive Recommendation Sec. 4-102 rolled up line item includes all line items from Section 102, as well as Sections 107, 116 and 120.									

MENTAL HEALTH

		(H.B. 4324, Article 4)			(S.B. 172)			FY 2011-12	FY 2011-12
FY 2011-12	FY 2010-11	FY 2011-12	FY 2011-12	FY 2011-12	FY 2011-12	FY 2011-12	FY 2011-12	One-Time Basis	ENACTED
P.A. 63 of 2011, Article IV (H.B. 4526)	COMM.HEALTH	EXECUTIVE	REVISED EXEC.	HOUSE	SENATE	ENROLLED	FY 2011-12	Appropriations	Including Sec. 1901
DEPARTMENT OF COMMUNITY HEALTH	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	VETOES	(Sec. 1901)	One-Time Approps
	17-Feb-11	17-Feb-11	2-May-11	4-May-11	26-Apr-11	26-May-11	21-Jun-11	21-Jun-11	21-Jun-11
		(NOTE)	(NOTE)						
MENTAL HEALTH APPROPRIATION SUMMARY:									
Full-time equated classified positions	2,707.5	2,315.2	2,315.2	2,315.2	2,315.2	2,315.2	0.0	0.0	2,315.2
Average population	893.0	0.0	0.0	893.0	893.0	893.0	0.0	0.0	893.0
GROSS APPROPRIATION	3,013,707,700	2,998,858,100	2,998,858,100	2,985,454,100	2,992,301,900	3,096,838,900	0	3,000,000	3,099,838,900
Interdepartmental grant revenues:									
IDG-department of corrections	50,527,800	0	0	0	0	0	0	0	0
IDG-department of human services	1,769,000	0	0	2,769,000	2,769,000	2,769,000	0	0	2,769,000
Total interdepartmental grants and intradepartmental transfers	52,296,800	2,769,000	2,769,000	2,769,000	2,769,000	2,769,000	0	0	2,769,000
ADJUSTED GROSS APPROPRIATION	2,961,410,900	2,996,089,100	2,996,089,100	2,982,685,100	2,989,532,900	3,094,069,900	0	3,000,000	3,097,069,900
Federal revenues:									
Total federal revenues	1,557,435,100	1,586,672,300	1,586,672,300	1,582,518,700	1,586,656,500	1,651,591,300	0	0	1,651,591,300
Federal FMAP stimulus (ARRA)	117,604,800	0	0	0	0	0	0	0	0
Special revenue funds:									
Total local revenues	169,784,400	177,056,900	177,056,900	176,728,000	176,925,300	176,925,300	0	0	176,925,300
Total private revenues	1,190,000	1,190,000	1,190,000	1,390,000	1,190,000	1,390,000	0	0	1,390,000
Total other state restricted revenues	40,936,500	41,272,800	41,272,800	41,249,100	41,263,300	41,263,300	0	0	41,263,300
State general fund/general purpose	1,074,460,100	1,189,897,100	1,189,897,100	1,180,799,300	1,183,497,800	1,222,900,000	0	3,000,000	1,225,900,000

NOTE - The Executive Recommendation shown in the Mental Health Appropriation Summary includes the Sections 4-103 and 4-104 rolled up line items.

MENTAL HEALTH/SUBSTANCE ABUSE SERVICES ADMINISTRATION AND SPECIAL PROJECTS

One-third (\$133,000) of a new 3-year federal Enhanced Information for Integrated Health grant for the project period September 30, 2010 through September 29, 2013 is recognized as available to support the Mental Health/Substance Abuse Program Administration line item. The purpose of the \$399,000 grant is to allow for the enhancement of information and data sharing on mental and physical health care for individuals served within the public health system. A new State Epidemiological Outcome Workgroups private grant of \$200,000 is recognized as available to support the Mental Health/Substance Abuse Program Administration line item. The purposes of the grant are: 1) to continue substance abuse assessment, monitoring, and surveillance by using the federal "Strategic Prevention Framework" (SPF) in order to institutionalize data-driven decision making; and 2) assess and learn how the outcome workgroup, through implementation of the SPF process, has influenced state and community level prevention planning.

To reflect a shift in programming, funding of \$3,620,800 Gross (\$1,649,700 GF/GP) is redirected from the Medicaid Mental Health Services line item to the Mental Health/Substance Abuse Program Administration line item to support 4.0 FTE positions. The DCH plans to implement two projects: safety net for individuals with developmental disabilities who are at risk of losing their placements in licensed adult foster care facilities or family homes, and being admitted to hospital inpatient units; and standardized statewide assessment instruments to measure the functioning of adults with serious mental illness or individuals with developmental disabilities. As the federal Medicaid match rate is lower for administrative services, the gross amount redirected to the Mental Health/Substance Abuse Program Administration line item is lower than that noted from the Medicaid Mental Health Services line item.

Early retirement incentive savings of \$508,800 Gross (all GF/GP) are recognized for employees supported by the Mental Health/Substance Abuse Program Administration line item. Employee defined benefit retirement pension and insurance costs supported by the Mental Health/Substance Abuse Program Administration line item are increased by \$489,000 Gross (\$375,300 GF/GP). Employee defined contribution retirement pension and insurance costs supported by the Mental Health/Substance Abuse Program Administration line item are increased by \$27,000 Gross (\$20,800 GF/GP). Using a 3.0% weighted average decrease factor for all insurances, employee insurance costs supported by the Mental Health/Substance Abuse Program Administration line item are reduced by \$44,000 Gross (\$33,800 GF/GP).

The enacted budget includes no changes to the Gambling Addiction line item.

The enacted budget includes no changes to the Protection and Advocacy Services Support line item.

As 4 residential leases have expired in Oakland County, \$116,300 Gross (all GF/GP) is transferred from the Community Residential and Support Services line item to the Community Mental Health Non-Medicaid Services line item.

The enacted budget recognizes completion of the federal Department of Transportation's Office of Highway Safety Planning grant of \$400,000 supporting the Highway Safety Projects line item. The grant funds, combined with funds from the Department of State Police, were used to develop and distribute pamphlets, brochures, videos, and public service announcements promoting substance abuse prevention and highway safety.

The enacted budget includes no changes to the Federal and Other Special Projects line item.

The enacted budget includes no changes to the Family Support Subsidy line item.

The enacted budget includes no changes to the Housing and Support Services line item.

FY 2010-11 SUPPLEMENTAL ACTIONS

PUBLIC ACT 49 OF 2011 SUPPLEMENTAL APPROPRIATIONS

Public Act 49 of 2011 reduces funding for the Mental Health/Substance Abuse Program Administration line item by \$624,700 Gross (all GF/GP) to reflect savings achieved from the state employees early retirement incentive legislation (Public Act 185 of 2010).

		(H.B. 4324, Article 4)			(S.B. 172)			FY 2011-12	FY 2011-12
FY 2011-12	COMM.HEALTH	EXECUTIVE	REVISED EXEC.	HOUSE	SENATE	ENROLLED	FY 2011-12	One-Time Basis	ENACTED
P.A. 63 of 2011, Article IV (H.B. 4526)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	VETOES	Appropriations	Including Sec. 1901
DEPARTMENT OF COMMUNITY HEALTH	17-Feb-11	17-Feb-11	2-May-11	4-May-11	26-Apr-11	26-May-11	21-Jun-11	(Sec. 1901)	One-Time Approps
		(NOTE)	(NOTE)						
Sec. 103. MENTAL HEALTH/SUBSTANCE ABUSE SERVICES ADMINISTRATION AND SPECIAL PROJECTS									
Full-time equated classified positions	107.5	0.0	0.0	111.5	111.5	111.5	0.0	0.0	111.5
Mental health/substance abuse program administration--* FTE positions	13,669,800	0	0	17,386,800	17,386,800	17,586,800	0	0	17,586,800
* positions in above line	106.5	0.0	0.0	110.5	110.5	110.5	0.0	0.0	110.5
Gambling addiction--* FTE positions	3,000,000	0	0	3,000,000	3,000,000	3,000,000	0	0	3,000,000
* positions in above line	1.0	0.0	0.0	1.0	1.0	1.0	0.0	0.0	1.0
Protection and advocacy services support	194,400	0	0	194,400	194,400	194,400	0	0	194,400
Community residential and support services	1,893,500	0	0	1,777,200	1,777,200	1,777,200	0	0	1,777,200
Highway safety projects	400,000	0	0	0	0	0	0	0	0
Federal and other special projects	2,497,200	0	0	2,697,200	2,697,200	2,497,200	0	0	2,497,200
Family support subsidy	19,470,500	0	0	19,470,500	19,470,500	19,470,500	0	0	19,470,500
Housing and support services	9,306,800	0	0	9,306,800	9,306,800	9,306,800	0	0	9,306,800
Sec. 4-103. MENTAL HEALTH/SUBSTANCE ABUSE SERVICES (Exec. Rec. only, see NOTE)									
Full-time equated classified positions	0.0	121.0	121.0	0.0	0.0	0.0	0.0	0.0	0.0
Mental health/substance abuse services	0	2,736,817,500	2,736,817,500	0	0	0	0	0	0
GROSS APPROPRIATION	50,432,200	2,736,817,500	2,736,817,500	53,832,900	53,832,900	53,832,900	0	0	53,832,900
Appropriated from:									
Interdepartmental grant revenues	0	2,769,000	2,769,000	0	0	0	0	0	0
Federal revenues:									
Total federal revenues	35,287,800	1,556,735,300	1,556,735,300	37,101,600	37,301,600	37,101,600	0	0	37,101,600
Special revenue funds:									
Total local revenues	0	25,228,900	25,228,900	0	0	0	0	0	0
Total private revenues	190,000	190,000	190,000	390,000	190,000	390,000	0	0	390,000
Total other state restricted revenues	3,000,000	25,314,900	25,314,900	3,000,000	3,000,000	3,000,000	0	0	3,000,000
State general fund/general purpose	11,954,400	1,126,579,400	1,126,579,400	13,341,300	13,341,300	13,341,300	0	0	13,341,300

NOTE - The Executive Recommendation Sec. 4-103 line item is a rollup of all line items from Sections 103 and 104.

COMMUNITY MENTAL HEALTH/SUBSTANCE ABUSE SERVICES PROGRAMS

The budget includes an increase of \$6,972,000 in federal Medicaid revenue supporting the Medicaid Mental Health Services appropriation, in conjunction with corresponding decreases of \$157,500 in QAAP revenue and \$6,814,500 in GF/GP, due to an increase in the Medicaid match rate from 65.79% to 66.14%. Funds for the Medicaid Mental Health Services appropriation are increased by \$106,145,700 Gross (\$35,940,900 GF/GP) anticipating an average caseload increase of 4.5% in Medicaid eligibles over FY 2009- 10. Funds for the Medicaid Mental Health Services appropriation are increased by \$136,066,400 Gross (\$46,072,100 GF/GP) based on the May 12, 2011 Medicaid Revenue Consensus agreement between the House and Senate Fiscal Agencies, and State Budget Office. Funds for the Medicaid Mental Health Services appropriation are increased by \$24,343,400 Gross (\$8,242,700 GF/GP) to reflect a 1.17% capitation rate increase and ensure rates are actuarially sound in FY 2011-12. Eliminating the FY 2010-11 ARRA FMAP adjustment for the Medicaid Mental Health Services line item as the one-time federal revenue will no longer be available in FY 2011-12, ARRA FMAP revenue is reduced by \$110,122,300, QAAP revenue is increased by \$2,452,500, and GF/GP is increased by \$107,669,800.

The budget includes a reduction of \$860,300 in QAAP revenue supporting the Medicaid Mental Health Services appropriation, with a corresponding increase in GF/GP, to reflect the federal Medicaid match rate adjustment of 65.79% instead of the annualized average ARRA match rate of 73.13% for the 13.2% PIHP hospital rate adjustor retainer. The budget includes a reduction of \$133,500 in QAAP revenue supporting the Medicaid Mental Health Services appropriation, with a corresponding increase in GF/GP, to reflect the federal Medicaid match rate adjustment of 66.14% for the 13.2% PIHP hospital rate adjustor retainer. The budget removes use tax generated by a 6.0% tax from the capitation payment rates for PIHPs (\$131,221,100 Gross, \$44,431,500 GF/GP), anticipating the enactment of a 1.0% assessment on all health insurance claims. To reflect a shift in programming, the budget redirects funding of \$4,872,100 Gross (\$1,649,700 GF/GP) from the Medicaid Mental Health Services appropriation to the Mental Health/Substance Abuse Program Administration appropriation. The Department of Community Health plans to implement two projects: safety net for individuals with developmental disabilities who are at risk of losing their placements in licensed adult foster care facilities or family homes, and being admitted to hospital inpatient units; and standardized statewide assessment instruments to measure the functioning of adults with serious mental illness or individuals with developmental disabilities. As the federal Medicaid match rate is lower for administrative services, the gross amount redirected to the Mental Health/Substance Abuse Program appropriation is lower than that noted for the Medicaid Mental Health Services appropriation.

As 4 residential leases have expired in Oakland County, \$116,300 Gross (all GF/GP) has been transferred to the Community Mental Health Non-Medicaid Services line item from the Community Residential and Support Services line item. Administrative funding included in the Community Mental Health Non-Medicaid Services line item is reduced up to an estimated \$3,400,000 Gross (all GF/GP) based on a methodology similar to the one used in FY 2010-11. Funds for non-Medicaid services provided by CMHSPs to individuals with mental illness and developmental disabilities are reduced by up to an estimated \$5,083,300 Gross (all GF/GP) which will impact 1,000 individuals. Section 462 of the appropriation act specifies that the service-related reductions may not exceed 4% for each CMHSP.

The budget eliminates FY 2010-11 ARRA FMAP adjustment of \$2,312,400 for the Medicaid Adult Benefits Waiver line item as this one-time federal funding will no longer be available in FY 2011-12. The federal Medicaid revenue supporting the Medicaid Adult Benefits Waiver line item is increased by \$144,900 to recognize an increase in the FMAP rate from 65.79% to 66.14%. Funding for the Medicaid Adult Benefits Waiver line item is reduced by \$5,116,300 Gross (\$298,800 GF/GP) to recognize GF/GP available to support this program. The budget includes the removal of use tax revenue supporting the Medicaid Adult Benefits Waiver line item (\$2,046,100 Gross, \$692,800 GF/GP), anticipating the enactment of a 1.0% assessment on all health insurance claims. The budget adds \$9,890,500 Gross (\$3,348,900 GF/GP) to the Medicaid Adult Benefits Waiver line item as FY 2010-11 enrollments in the program in October, November, and December of 2010 were higher than anticipated. The annual average enrollment was budgeted at 49,863 and increased to an estimated 74,700. The budget eliminates the funding increase of \$9,890,500 Gross (\$3,348,900 GF/GP) for the Medicaid Adult Benefits Waiver line item in FY 2011-12.

Funding for the Mental Health Services for Special Populations line item is reduced by \$1,031,000 Gross (all GF/GP) which represents a 15.0% reduction from the FY 2010-11 appropriation. The methodology for implementing the reduction had not been finalized during the development of the budget although it is a possibility that some of the reductions may be made on "across the board" basis. Pursuant to the Leadership Target Agreement of May 19, 2011, funding for the Mental Health Services for Special Populations line item is increased by \$3,000,000 Gross (all GF/GP). The appropriation is not included in Part 1, but is included in Section 1901 of the appropriation act to distinguish intent to fund on a one-time only basis. The DCH's spending plan for this line item dated December 2, 2011 indicates the following one-time GF/GP allocations: \$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.

An increase of \$133,600 is included in the enacted budget for the federal Medicaid revenue supporting the Medicaid Substance Abuse Services appropriation, with a corresponding decrease in GF/GP, due to an increase in the Medicaid

match rate from 65.79% to 66.14%. Eliminating the FY 2010-11 ARRA FMAP adjustment for the Medicaid Substance Abuse Services line item as the federal revenue is no longer available, ARRA FMAP revenue is reduced by \$2,245,900 and GF/GP is increased by \$2,245,900. Funds for the Medicaid Substance Abuse Services appropriation are increased by \$2,360,500 Gross (\$799,300 GF/GP) anticipating an average caseload increase of 4.5% from FY 2009-10. Funds for the Medicaid Substance Abuse Services appropriation are increased by \$5,341,300 Gross (\$1,808,500 GF/GP) based on the May 12, 2011 Medicaid Revenue Consensus agreement between the House and Senate Fiscal Agencies, and State Budget Office. Funding for the Medicaid Substance Abuse Services line item is increased by \$540,200 Gross (\$182,900 GF/GP) to reflect a 1.17% increase in capitation payment rate and ensure rates are actuarially sound in FY 2011-12. The budget includes the removal of use tax revenue supporting the Medicaid Substance Abuse Services appropriation (\$2,707,100 Gross, \$916,600 GF/GP), anticipating the enactment of a 1.0% assessment on all health insurance claims.

Funding for the CMHSP, Purchase of State Services Contracts line item is reduced by \$148,000 Gross (all GF/GP) to reflect an increase in the federal Medicaid match rate from 65.79% to 66.14% for state psychiatric hospitals. Eliminating the FY 2010-11 ARRA FMAP adjustment for state psychiatric hospitals as this one-time federal funding will no longer be available in FY 2011-12, funding for the CMHSP, Purchase of State Services Contracts line item is increased by \$1,580,500 Gross (all GF/GP). Funding for the CMHSP, Purchase of State Services Contracts line item is increased by \$180,500 Gross (all GF/GP) to finance pharmacy inflationary cost of 3% for state psychiatric hospitals. Funding for the CMHSP, Purchase of State Services Contracts line item is increased by \$5,465,900 Gross (all GF/GP) to finance economic adjustments for employee defined benefit and contribution retirement pension and insurance costs, insurance costs, and gas, fuel and utility costs at state psychiatric hospitals. Recognizing retirement incentive savings for employees at state psychiatric hospitals, funding for the CMHSP, Purchase of State Services Contracts line item is reduced by \$607,800 Gross (all GF/GP).

The enacted budget includes no changes for the Civil Service Charges line item.

Employee defined benefit retirement pension and insurance costs supporting the Federal Mental Health Block Grant appropriation are increased by \$13,900 Gross (all federal revenue). Employee defined contribution retirement pension and insurance costs supporting the Federal Mental Health Block Grant appropriation are increased by \$500 Gross (all federal revenue). Using a 3.0% weighted average decrease factor for all insurances, employee insurance costs supporting the Federal Mental Health Block Grant appropriation are reduced by \$1,600 Gross (all federal revenue).

Funding for the State Disability Assistance Program Substance Abuse Services line item is reduced by \$224,300 Gross (all GF/GP) which represents a 10.0% reduction from the FY 2010-11 authorization for this line item. According to the

Department of Community Health, the reduction equates to an estimated 8,300 room and board days of residential treatment for an estimated 400 recipients.

The budget recognizes the availability of \$1,266,900 in federal Medicaid Adult Benefits Waiver (ABW) revenue to support the Community Substance Abuse Prevention, Education, and Treatment Programs line item. The budget eliminates FY 2010-11 ARRA FMAP adjustment of \$277,700 for the Community Substance Abuse Prevention, Education, and Treatment Programs line item as this one-time federal funding will no longer be available in FY 2011-12. The excess substance abuse license fine and fee revenue authorization of \$1,266,900 is removed from the Community Substance Abuse Prevention, Education, and Treatment Programs line item. In FY 2010-11, \$3,051,100 substance abuse license fine and fee revenue was supporting the line item. One-time allocation of \$1.0 million GF/GP to enhance the community health outreach program provided by Self-Help Addiction Rehabilitation (SHAR), Inc. in the Detroit area is eliminated from the Community Substance Abuse Prevention, Education, and Treatment Programs appropriation. The budget includes an unspecified reduction of \$182,100 Gross (all GF/GP) for the Community Substance Abuse Prevention, Education, and Treatment Programs line item. The budget includes a reduction of \$152,900 Gross (all GF/GP) for the Community Substance Abuse Prevention, Education, and Treatment Programs line item anticipating administrative system savings for coordinating agencies on substance abuse. The Community Substance Abuse Prevention, Education, and Treatment Programs appropriation is reduced by \$165,000 (all GF/GP) in recognition of 15.0% GF/GP funding reduction for the Salvation Army Harbor Light Program and Odyssey House from FY 2010-11 authorization.

The FY 2010-11 ARRA FMAP adjustment of \$1,066,000 for the Children's Waiver Home Care Program line item is eliminated as this one-time federal funding is no longer available in FY 2011-12, in conjunction with a corresponding increase in GF/GP support for the line item. The federal Medicaid revenue supporting the Children's Waiver Home Care Program line item is increased by \$68,400, in conjunction with a corresponding decrease in GF/GP, due to an increase in the Medicaid match rate from 65.79% to 66.14%. Funds for the Children's Waiver Home Care Program is reduced by \$2,105,000 Gross (\$712,800 GF/GP). The DCH will be reviewing administration and regulatory requirements to implement efficiencies for the waiver program. The DCH also hopes to capture unspent authorization for the home and community-based services waiver program for 464 eligible children with developmental disabilities.

Employee defined benefit retirement pension and insurance costs supported by the Nursing Home PAS/ARR-OBRA line item are increased by \$36,200 Gross (\$15,400 GF/GP). Employee defined contribution retirement pension and insurance costs supported by the Nursing Home PAS/ARR-OBRA line item are increased by \$1,100 Gross (\$500 GF/GP). Using a 3.0% weighted average decrease factor for all insurances, employee insurance costs supported by the Nursing Home PAS/ARR-OBRA line item are reduced by \$2,700 Gross (\$1,100 GF/GP).

The budget recognizes \$1.0 million increase in an Interdepartmental Grant from the Department of Human Services for the Children with Serious Emotional Disturbance Waiver line item that provides home and community-based services to up to 357 eligible children with serious emotional disturbance.

FY 2010-11 SUPPLEMENTAL ACTIONS

PUBLIC ACT 49 of 2011 SUPPLEMENTAL APPROPRIATIONS

Public Act 49 of 2011 reduces funding for the CMHSP, Purchase of State Services Contracts line item by \$3,590,300 Gross (all GF/GP) to reflect savings at state hospitals and centers that will be achieved by the state employees early retirement incentive legislation (Public Act 185 of 2010). The reduction is distributed as follows: \$1,027,200 for Caro Regional Mental Health Center - Psychiatric Hospital; \$841,100 Kalamazoo Psychiatric Hospital - Adult; \$1,397,400 for Walter P. Reuther Psychiatric Hospital - Adult; and \$325,200 for Hawthorn Center - Psychiatric Hospital - Children and Adolescents.

PUBLIC ACT 83 OF 2011 SUPPLEMENTAL APPROPRIATIONS

Public Act 83 of 2011 increases FY 2010-11 funding for the Medicaid Mental Health Services line item by \$118,774,900 Gross (\$34,159,700 GF/GP) to reflect caseload, utilization, and inflation costs as determined at the May 12, 2011 Medicaid consensus meeting between the House and Senate Fiscal Agencies, and State Budget Office.

Public Act 83 of 2011 increases FY 2010-11 funding for the Medicaid Adult Benefits Waiver line item by \$11,292,200 Gross (\$3,247,600 GF/GP) to reflect caseload, utilization, and inflation costs as determined at the May 12, 2011 Medicaid consensus meeting between the House and Senate Fiscal Agencies, and State Budget Office.

Public Act 83 of 2011 increases FY 2010-11 funding for the Medicaid Substance Abuse Services line item by \$3,758,300 Gross (\$1,080,900 GF/GP) to reflect caseload, utilization, and inflation costs as determined at the May 12, 2011 Medicaid consensus meeting between the House and Senate Fiscal Agencies, and State Budget Office.

		(H.B. 4324, Article 4)			(S.B. 172)			FY 2011-12	FY 2011-12
FY 2011-12	FY 2010-11	FY 2011-12	FY 2011-12	FY 2011-12	FY 2011-12	FY 2011-12	FY 2011-12	One-Time Basis	ENACTED
P.A. 63 of 2011, Article IV (H.B. 4526)	COMM.HEALTH	EXECUTIVE	REVISED EXEC.	HOUSE	SENATE	ENROLLED	FY 2011-12	Appropriations	Including Sec. 1901
DEPARTMENT OF COMMUNITY HEALTH	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	VETOES	(Sec. 1901)	One-Time Approps
	17-Feb-11	17-Feb-11	2-May-11	4-May-11	26-Apr-11	26-May-11	21-Jun-11	21-Jun-11	21-Jun-11
		(NOTE)	(NOTE)						
Sec. 104. COMMUNITY MENTAL HEALTH/SUBSTANCE ABUSE SERVICES PROGRAMS									
Full-time equated classified positions	9.5	0.0	0.0	9.5	9.5	9.5	0.0	0.0	9.5
Medicaid mental health services	2,019,515,600	0	0	2,055,796,700	2,055,796,700	2,149,977,900	0	0	2,149,977,900
Community mental health non-Medicaid services	282,275,100	0	0	273,908,100	268,839,200	273,908,100	0	0	273,908,100
Medicaid adult benefits waiver	41,386,000	0	0	32,056,100	32,056,100	32,056,100	0	0	32,056,100
Mental health services for special populations	6,873,800	0	0	0	6,873,800	5,842,800	0	0	5,842,800
Mental health serv-special populations (1-time)	0	0	0	0	0	0	0	3,000,000	3,000,000
Medicaid substance abuse services	41,174,800	0	0	42,410,600	42,410,600	46,709,700	0	0	46,709,700
CMHSP, purchase of state services contracts	127,730,800	0	0	134,021,400	134,201,900	134,201,900	0	0	134,201,900
Civil service charges	1,499,300	0	0	1,499,300	1,499,300	1,499,300	0	0	1,499,300
Federal mental health block grant--* FTE positions in above line	15,384,700	0	0	15,397,500	15,397,500	15,397,500	0	0	15,397,500
State disability assistance program substance abuse services	2,243,100	0	0	0	0	2,018,800	0	0	2,018,800
Community substance abuse prevention, education, and treatment programs	83,515,200	0	0	77,170,600	81,737,500	81,737,500	0	0	81,737,500
Children's waiver home care program	21,049,800	0	0	18,944,800	18,944,800	18,944,800	0	0	18,944,800
Nursing home PAS/ARR-OBRA--* FTE positions in above line	12,144,700	0	0	12,179,300	12,179,300	12,179,300	0	0	12,179,300
Children with serious emotional disturbance waiver	7,188,000	0	0	8,188,000	8,188,000	8,188,000	0	0	8,188,000
GROSS APPROPRIATION	2,661,980,900	0	0	2,671,572,400	2,678,124,700	2,782,661,700	0	3,000,000	2,785,661,700
Appropriated from:									
Interdepartmental grant revenues:									
Interdepartmental grant from the department of human services	1,769,000	0	0	2,769,000	2,769,000	2,769,000	0	0	2,769,000
Federal revenues:									
Total federal revenues	1,493,564,500	0	0	1,515,519,600	1,519,433,700	1,584,568,500	0	0	1,584,568,500
Federal FMAP stimulus (ARRA)	116,024,300	0	0	0	0	0	0	0	0
Special revenue funds:									
Total local revenues	25,228,900	0	0	25,228,900	25,228,900	25,228,900	0	0	25,228,900
Total other state restricted revenues	22,280,600	0	0	22,314,900	22,314,900	22,314,900	0	0	22,314,900
State general fund/general purpose	1,003,113,600	0	0	1,105,740,000	1,108,378,200	1,147,780,400	0	3,000,000	1,150,780,400
NOTE - The Executive Recommendation Sec. 4-103 rolled up line item includes all line items from Section 104, as well as Section 103.									

STATE PSYCHIATRIC HOSPITALS, CENTERS FOR PERSONS WITH DEVELOPMENTAL DISABILITIES, AND FORENSIC AND PRISON MENTAL HEALTH SERVICES (RENAMED STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES)

The FY 2010-11 ARRA FMAP adjustment of \$1,580,500 is eliminated for state psychiatric hospitals as this one-time federal revenue is no longer available in FY 2011-12, in conjunction with a corresponding increase of \$1,580,500 increase in the CMHSP, Purchase of State Services deduct. (This adjustment is related to \$1,580,500 increase in the CMHSP, Purchase of State Services line item within the Community Mental Health/Substance Abuse Services Programs appropriation unit.) Included in the budget is an increase of \$148,000 in the federal Medicaid revenue supporting state psychiatric hospitals, in conjunction with a corresponding decrease in CMHSP, Purchase of State Services Contracts deduct, to recognize an increase in the Medicaid match rate from 65.79% to 66.14%. (This adjustment is related to \$148,000 decrease in the CMHSP, Purchase of State Services Contracts line item within the Community Mental Health/Substance Abuse Services Programs appropriation unit.) Retirement incentive savings of \$607,800 Gross (all CMHSP, Purchase of State Services Contracts revenue) are recognized for employees at state psychiatric hospitals. (This adjustment is related to \$607,800 reduction in the CMHSP, Purchase of State Services Contracts line item within the Community Mental Health/Substance Abuse Services Programs appropriation unit.)

Employee defined benefit retirement pension and insurance costs supporting state psychiatric hospitals are increased by \$7,523,900 Gross (\$5,560,500 CMHSP, Purchase of State Services Contracts revenue). Employee defined contribution retirement pension and insurance costs supporting state psychiatric hospitals are increased by \$211,600 Gross (\$164,800 CMHSP, Purchase of State Services Contracts revenue). Using a 3.0% weighted average decrease factor for all insurances, employee insurance costs supporting state psychiatric hospitals are reduced by \$531,400 Gross (\$404,000 CMHSP, Purchase of State Services Contracts revenue). Applying a 4.0% economic factor, funds allocated for state psychiatric hospitals are increased by \$188,500 Gross (\$144,600 CMHSP, Purchase of State Services Contracts revenue) for gas, fuel, and utility costs. (Economic adjustments for employee defined benefit and contribution retirement pension and insurance costs, insurance costs, and gas, fuel, and utility costs at state psychiatric hospitals correspond to \$5,465,900 net increase in the CMHSP, Purchase of State Services Contracts line item within the Community Mental Health/Substance Abuse Services Programs appropriation unit.) Funds for state psychiatric hospitals are increased by \$230,800 Gross (\$180,500 CMHSP, Purchase of State Services Contracts revenue) to finance a 3.0% inflationary increase for pharmacy costs. (This adjustment is related to \$180,500 increase for CMHSP, Purchase of State Services Contracts line item within the Community Mental Health/Substance Abuse Services Programs appropriation unit.)

Funds for the Center for Forensic Psychiatry line item are increased by \$64,700 Gross (\$60,300 GF/GP) to finance a 3.0% inflationary adjustment for pharmacy costs at this facility. Retirement incentive savings of \$102,700 Gross (all GF/GP) are recognized for employees supported by the Center for Forensic Psychiatry line item. Employee defined benefit retirement pension and insurance costs supporting the Center for Forensic Psychiatry line item are increased by \$1,659,200 Gross (\$1,549,900 GF/GP). Employee defined contribution retirement pension and insurance costs supporting the Center for Forensic Psychiatry line item are increased by \$88,500 Gross (\$82,700 GF/GP). Employee supplemental retirement costs supporting the Center for Forensic Psychiatry line item are increased by \$991,300 Gross (\$926,000 GF/GP). Employees of the Department of Corrections are covered by a different retirement plan. Using a 3.0% weighted average decrease factor for all insurances, employee insurance costs supporting the Center for Forensic Psychiatry line item are reduced by \$191,700 Gross (\$179,100 GF/GP). Applying a 4.0% economic factor, funds for the Center for the Forensic Psychiatry line item are increased by \$52,600 Gross (\$49,100 GF/GP) for gas, fuel, and utility costs.

Interdepartmental grant funds of \$50,527,800 and 396.3 FTE positions have been transferred from the Forensic Mental Health Services Provided to the Department of Corrections (DOC) line item as the DCH is no longer responsible for providing mental health services to prisoners under the jurisdiction of the DOC. The effective date of the transfer was February 20, 2011.

The enacted budget includes no changes for the Revenue Recapture appropriation.

The enacted budget includes no changes for the IDEA, Federal Special Education appropriation.

The enacted budget includes no changes for the Special Maintenance appropriation.

The enacted budget includes no changes for the Purchase of Medical Services for Residents of Hospitals and Centers appropriation.

The enacted budget includes no changes for the Gifts and Bequests for Patient Living and Treatment Environment appropriation.

FY 2010-11 SUPPLEMENTAL ACTIONS

PUBLIC ACT 49 OF 2011 SUPPLEMENTAL APPROPRIATIONS

Public Act 49 of 2011 reduces funding for Caro Regional Mental Health Center - Psychiatric Hospital by \$1,027,200 Gross (all CMHSP, Purchase of State Services Contracts revenue) to reflect savings that will be achieved by the state employees early retirement incentive legislation (Public Act 185 of 2010).

Public Act 49 of 2011 reduces funding for Kalamazoo Psychiatric Hospital - Adult by \$841,100 Gross (all CMHSP, Purchase of State Services Contracts revenue) to reflect savings that will be achieved by the state employees early retirement incentive legislation (Public Act 185 of 2010).

Public Act 49 of 2011 reduces funding for Walter P. Reuther Psychiatric Hospital - Adult by \$1,397,400 Gross (all CMHSP, Purchase of State Services Contracts revenue) to reflect savings that will be achieved by the state employees early retirement incentive legislation (Public Act 185 of 2010).

Public Act 49 of 2011 reduces funding for Hawthorn Center -Psychiatric Hospital - Children and Adolescents by \$325,200 Gross (all CMHSP, Purchase of State Services Contracts revenue) to reflect savings that will be achieved by the state employees early retirement incentive legislation (Public Act 185 of 2010).

Public Act 49 of 2011 reduces funding for the Center for Forensic Psychiatry by \$624,900 Gross (all GF/GP) to reflect savings that will be achieved by the state employees early retirement incentive legislation (Public Act 185 of 2010).

		(H.B. 4324, Article 4)			(S.B. 172)			FY 2011-12	FY 2011-12
FY 2011-12	COMM.HEALTH	FY 2011-12 EXECUTIVE	FY 2011-12 REVISED EXEC.	FY 2011-12 HOUSE	FY 2011-12 SENATE	FY 2011-12 ENROLLED	FY 2011-12	One-Time Basis Appropriations	ENACTED Including Sec. 1901
P.A. 63 of 2011, Article IV (H.B. 4526)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	VETOES	(Sec. 1901)	One-Time Approps
DEPARTMENT OF COMMUNITY HEALTH	17-Feb-11	17-Feb-11	2-May-11	4-May-11	26-Apr-11	26-May-11	21-Jun-11	21-Jun-11	21-Jun-11
		(NOTE)	(NOTE)						
Sec. 105. STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES									
Total average population	893.0	0.0	0.0	893.0	893.0	893.0	0.0	0.0	893.0
Full-time equated classified positions	2,590.5	0.0	0.0	2,194.2	2,194.2	2,194.2	0.0	0.0	2,194.2
Caro Regional Mental Health Center - psychiatric hospital - adult--* FTE positions	55,012,200	0	0	56,706,900	56,772,200	56,772,200	0	0	56,772,200
* positions in above line	468.3	0.0	0.0	468.3	468.3	468.3	0.0	0.0	468.3
Average population	185.0	0.0	0.0	185.0	185.0	185.0	0.0	0.0	185.0
Kalamazoo Psychiatric Hospital - adult--* FTE positions	53,272,000	0	0	54,704,100	54,782,400	54,782,400	0	0	54,782,400
* positions in above line	483.1	0.0	0.0	483.1	483.1	483.1	0.0	0.0	483.1
Average population	189.0	0.0	0.0	189.0	189.0	189.0	0.0	0.0	189.0
Walter P. Reuther Psychiatric Hospital - adult--* FTE positions	49,818,900	0	0	52,222,600	52,297,800	52,297,800	0	0	52,297,800
* positions in above line	433.3	0.0	0.0	433.3	433.3	433.3	0.0	0.0	433.3
Average population	234.0	0.0	0.0	234.0	234.0	234.0	0.0	0.0	234.0
Hawthorn Center - psychiatric hospital - children and adolescents--* FTE positions	25,809,600	0	0	27,063,900	27,075,900	27,075,900	0	0	27,075,900
* positions in above line	230.9	0.0	0.0	230.9	230.9	230.9	0.0	0.0	230.9
Average population	75.0	0.0	0.0	75.0	75.0	75.0	0.0	0.0	75.0
Center for forensic psychiatry--* FTE positions	64,206,000	0	0	66,703,200	66,767,900	66,767,900	0	0	66,767,900
* positions in above line	578.6	0.0	0.0	578.6	578.6	578.6	0.0	0.0	578.6
Average population	210.0	0.0	0.0	210.0	210.0	210.0	0.0	0.0	210.0
Forensic mental health services provided to the department of corrections--* FTE positions	50,527,800	0	0	0	0	0	0	0	0
* positions in above line	396.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Revenue recapture	750,000	0	0	750,000	750,000	750,000	0	0	750,000
IDEA, federal special education	120,000	0	0	120,000	120,000	120,000	0	0	120,000
Special maintenance	332,500	0	0	332,500	332,500	332,500	0	0	332,500
Purchase of medical services for residents of hospitals and centers	445,600	0	0	445,600	445,600	445,600	0	0	445,600
Gifts and bequests for patient living and treatment environment	1,000,000	0	0	1,000,000	1,000,000	1,000,000	0	0	1,000,000
Sec. 4-104. STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES (Exec. Rec. only, see NOTE)									
Full-time equated classified positions	0.0	2,194.2	2,194.2	0.0	0.0	0.0	0.0	0.0	0.0
State psychiatric hospitals and forensic mental	0	262,040,600	262,040,600	0	0	0	0	0	0
GROSS APPROPRIATION	301,294,600	262,040,600	262,040,600	260,048,800	260,344,300	260,344,300	0	0	260,344,300
Appropriated from:									
Interdepartmental grant revenues:									
Interdepartmental grant from the department of corrections	50,527,800	0	0	0	0	0	0	0	0
Federal revenues:									
Total federal revenues	28,582,800	29,937,000	29,937,000	29,897,500	29,921,200	29,921,200	0	0	29,921,200

		(H.B. 4324, Article 4)			(S.B. 172)			FY 2011-12	FY 2011-12
FY 2011-12	FY 2010-11	FY 2011-12	FY 2011-12	FY 2011-12	FY 2011-12	FY 2011-12	FY 2011-12	One-Time Basis	ENACTED
P.A. 63 of 2011, Article IV (H.B. 4526)	COMM.HEALTH	EXECUTIVE	REVISED EXEC.	HOUSE	SENATE	ENROLLED	FY 2011-12	Appropriations	Including Sec. 1901
DEPARTMENT OF COMMUNITY HEALTH	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	VETOES	(Sec. 1901)	One-Time Approps
	17-Feb-11	17-Feb-11	2-May-11	4-May-11	26-Apr-11	26-May-11	21-Jun-11	21-Jun-11	21-Jun-11
		(NOTE)	(NOTE)						
Federal FMAP stimulus (ARRA)	1,580,500	0	0	0	0	0	0	0	0
Special revenue funds:									
CMHSP, purchase of state services contracts	127,730,800	0	0	134,021,400	134,201,900	134,201,900	0	0	134,201,900
Other local revenues	16,824,700	151,828,000	151,828,000	17,477,700	17,494,500	17,494,500	0	0	17,494,500
Total private revenues	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	0	0	1,000,000
Total other state restricted revenues	15,655,900	15,957,900	15,957,900	15,934,200	15,948,400	15,948,400	0	0	15,948,400
State general fund/general purpose	59,392,100	63,317,700	63,317,700	61,718,000	61,778,300	61,778,300	0	0	61,778,300

NOTE - The Executive Recommendation Sec. 4-104 line item is a rollup of all line items from Section 105.

PUBLIC HEALTH

		(H.B. 4324, Article 4)			(S.B. 172)			FY 2011-12	FY 2011-12
FY 2011-12	FY 2010-11	FY 2011-12	FY 2011-12	FY 2011-12	FY 2011-12	FY 2011-12	FY 2011-12	One-Time Basis	ENACTED
P.A. 63 of 2011, Article IV (H.B. 4526)	COMM.HEALTH	EXECUTIVE	REVISED EXEC.	HOUSE	SENATE	ENROLLED	FY 2011-12	Appropriations	Including Sec. 1901
DEPARTMENT OF COMMUNITY HEALTH	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	VETOES	(Sec. 1901)	One-Time Approps
	17-Feb-11	17-Feb-11	2-May-11	4-May-11	26-Apr-11	26-May-11	21-Jun-11	21-Jun-11	21-Jun-11
		(NOTE)	(NOTE)						
PUBLIC HEALTH APPROPRIATION SUMMARY:									
Full-time equated classified positions	994.8	1,015.3	625.5	1,014.3	1,019.8	624.5	0.0	0.0	624.5
GROSS APPROPRIATION	634,381,200	635,880,200	582,779,500	625,345,500	630,257,300	584,369,700	0	3,300,000	587,669,700
Interdepartmental grant revenues:									
Total interdepartmental grants and intradepartmental transfers	1,724,000	1,759,700	3,800,400	1,759,700	1,759,700	3,800,400	0	0	3,800,400
ADJUSTED GROSS APPROPRIATION	632,657,200	634,120,500	578,979,100	623,585,800	628,497,600	580,569,300	0	3,300,000	583,869,300
Federal revenues:									
Total federal revenues	405,359,500	410,039,900	390,659,300	409,954,900	410,585,900	394,568,800	0	0	394,568,800
Total federal revenues (ARRA)	10,000,000	0	0	0	0	0	0	0	0
Special revenue funds:									
Total private revenues	82,159,500	87,163,100	86,963,100	87,163,100	87,163,100	86,963,100	0	0	86,963,100
Total local revenues	5,325,000	5,325,000	5,325,000	5,325,000	5,325,000	5,325,000	0	0	5,325,000
Total other state restricted revenues	67,499,100	77,862,000	42,301,200	65,099,600	69,523,900	38,963,100	0	0	38,963,100
State general fund/general purpose	62,314,100	53,730,500	53,730,500	56,043,200	55,899,700	54,749,300	0	3,300,000	58,049,300
NOTE - The Executive Recommendation shown in the Public Health Appropriation Summary is a comparable amount extracted from the rolled up line items.									

PUBLIC HEALTH ADMINISTRATION

The Public Health Administration line item is adjusted for employee-related economics including an increase of \$99,600 Gross (\$84,200 GF/GP) for defined benefit retirement costs, a reduction of \$600 Gross (\$500 GF/GP) for defined contribution retirement costs, a reduction of \$3,800 Gross (\$3,200 GF/GP) for an overall insurance cost reduction of 3.0%, and a net reduction of \$13,800 Gross (\$0 GF/GP) reversing all amounts of state restricted Michigan Health Initiative Funds included in all of the above adjustments, as the MHI funds are already fully allocated. There are no salary and wage adjustments for employees.

The Minority Health Grants and Contracts line item is adjusted for employee-related economics including an increase of \$20,000 Gross (\$0 GF/GP) for defined benefit retirement costs, an increase of \$200 Gross (\$0 GF/GP) for defined contribution retirement costs, a reduction of \$700 Gross (\$0 GF/GP) for an overall insurance cost reduction of 3.0%, and a net reduction of \$17,800 Gross (\$0 GF/GP) reversing all amounts of state restricted Healthy Michigan Funds included in all of the above adjustments, as the HMF funds are already fully allocated. There are no salary and wage adjustments for employees. The line item is reduced by \$500,000 Gross (\$0 GF/GP) with the elimination of all state restricted Healthy Michigan funds from this line item for health disparities projects; all 11 Healthy Michigan funded public health prevention projects totaling \$10.9 million across the DCH budget are defunded, and the funds shifted to Medicaid for GF/GP savings or to a new Healthy Michigan Fund Programs line item in this appropriation unit funded at a reduced total project amount of \$5.0 million.

There are no changes to the Promotion of Healthy Behaviors line item.

The Public Health Projects (ARRA) line item is eliminated with the completion of one-time federal American Recovery and Reinvestment Act (ARRA) public health grants for public health laboratory infrastructure and immunization registry information sharing with electronic medical records, and elimination of the \$5,000,000 Gross (\$0 GF/GP) appropriation.

The Vital Records and Health Statistics line item is adjusted for employee-related economics including an increase of \$365,000 Gross (\$0 GF/GP) for defined benefit retirement costs, an increase of \$8,500 Gross (\$0 GF/GP) for defined contribution retirement costs, and a reduction of \$32,100 Gross (\$0 GF/GP) for an overall insurance cost reduction of 3.0%. There are no salary and wage adjustments for employees. A reduction of \$137,500 Gross (\$0 GF/GP) is made to the line item to recognize completion of federal grant funding received through Wayne State University since FY 2003-04 to build collaboration between the Michigan cancer surveillance program and registry and the Metropolitan Detroit cancer surveillance program.

A new line item, Healthy Michigan Fund Programs, is established with an appropriation of \$5,000,000 Gross (\$0 GF/GP) of state restricted Healthy Michigan Funds (HMF) for public health prevention projects pursuant to the Leadership Target Agreement of May 19, 2011. The projects are funded from this single line item. This replaces \$10.9 million of HMF appropriations to 11 individual prevention projects/programs, \$5.9 million of which was shifted to Medicaid as match, for GF/GP savings. Public health and family health programs affected by reduced or eliminated HMF project funding include: cancer prevention and control, cardiovascular health, diabetes and kidney, health disparities, immunization, maternity outpatient medical services, Michigan Model for school health education, pregnancy prevention, smoking prevention and quit kits, and local public health training and evaluation. Note that boilerplate sections 1901 and 1902 are related appropriations made pursuant to the Leadership Target Agreement of \$3.0 million of one-time basis GF/GP funds for the Healthy Michigan Fund Programs line item for public health prevention projects in FY 2011-12. The \$3.0 million appropriation is not included in Part 1, but is included in Section 1901 of the appropriation act to distinguish intent to fund on a one-time only basis.

		(H.B. 4324, Article 4)			(S.B. 172)			FY 2011-12	FY 2011-12
FY 2011-12	COMM.HEALTH	EXECUTIVE	REVISED EXEC.	HOUSE	SENATE	ENROLLED	FY 2011-12	One-Time Basis	ENACTED
P.A. 63 of 2011, Article IV (H.B. 4526)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	VETOES	Appropriations	Including Sec. 1901
DEPARTMENT OF COMMUNITY HEALTH	17-Feb-11	17-Feb-11	2-May-11	4-May-11	26-Apr-11	26-May-11	21-Jun-11	(Sec. 1901)	One-Time Approps
		(NOTE)	(NOTE)						
Sec. 106. PUBLIC HEALTH ADMINISTRATION									
Full-time equated classified positions	91.7	0.0	0.0	91.7	91.7	91.7	0.0	0.0	91.7
Public health administration--* FTE positions	1,475,800	0	0	1,557,200	1,557,200	1,557,200	0	0	1,557,200
* positions in above line	7.3	0.0	0.0	7.3	7.3	7.3	0.0	0.0	7.3
Healthy Michigan fund programs	0	0	0	0	0	5,000,000	0	0	5,000,000
Healthy Michigan fund programs (1-time)	0	0	0	0	0	0	0	3,000,000	3,000,000
Minority health grants and contracts--* FTE pos	1,111,000	0	0	612,700	612,700	612,700	0	0	612,700
* positions in above line	3.0	0.0	0.0	3.0	3.0	3.0	0.0	0.0	3.0
Promotion of healthy behaviors	975,900	0	0	975,900	975,900	975,900	0	0	975,900
Public health projects (ARRA)	5,000,000	0	0	0	0	0	0	0	0
Vital records and health statistics--* FTE positio	9,238,900	0	0	9,442,800	9,442,800	9,442,800	0	0	9,442,800
* positions in above line	81.4	0.0	0.0	81.4	81.4	81.4	0.0	0.0	81.4
Sec. 4-105. DISEASE PREVENTION AND CONTROL (Exec. Rec. only, see NOTE)									
Full-time equated classified positions	0.0	457.6	457.6	0.0	0.0	0.0	0.0	0.0	0.0
Disease prevention and control	0	252,367,700	252,367,700	0	0	0	0	0	0
GROSS APPROPRIATION									
Appropriated from:	17,801,600	252,367,700	252,367,700	12,588,600	12,588,600	17,588,600	0	3,000,000	20,588,600
Interdepartmental grant revenues:									
Interdepartmental grant from the department of human services	1,148,200	1,643,400	1,643,400	1,171,500	1,171,500	1,171,500	0	0	1,171,500
Federal revenues:									
Total federal revenues	4,946,900	136,210,900	136,210,900	4,887,900	4,887,900	4,887,900	0	0	4,887,900
Federal revenues (ARRA)	5,000,000	0	0	0	0	0	0	0	0
Special revenue funds:									
Total local revenues	0	5,150,000	5,150,000	0	0	0	0	0	0
Total private revenues	300,000	28,094,300	28,094,300	300,000	300,000	300,000	0	0	300,000
Total other state restricted revenues	5,232,500	34,939,400	34,939,400	4,974,700	4,974,700	9,974,700	0	0	9,974,700
State general fund/general purpose	1,174,000	46,329,700	46,329,700	1,254,500	1,254,500	1,254,500	0	3,000,000	4,254,500
NOTE - The Executive Recommendation Sec. 4-105 line item is a rollup of all line items from Sections 106, 108, 109, 110 and 112, and 3 of 4 line items from Sec. 111.									

HEALTH POLICY, REGULATION, AND PROFESSIONS (RENAMED HEALTH POLICY)

Funds for the Health Systems Administration line item are reduced by \$\$379,400 Gross (\$60,700 GF/GP) to recognize retirement incentive savings for employees supported by this line item. Savings of \$4,490,300 GF/GP are anticipated for the Health Systems Administration line item by increasing the licensure fees for health facilities such as nursing homes, freestanding outpatient facilities, and hospitals. Statutory changes to the Mental Health Code and Public Health Code are required in order to realize the proposed increase in fee revenue of \$5,229,500 and GF/GP savings. (The budgetary adjustment is made as funding for the Health Systems Administration line item is transferred to the Department of Licensing and Regulatory Affairs; however, no position was taken on increasing licensure fees for health facilities.) Employee defined benefit retirement pension and insurance costs supporting the Health Systems Administration line item are increased by \$721,800 Gross (\$146,400 GF/GP). Employee defined contribution retirement pension and insurance costs supporting the Health Systems Administration line item are increased by \$34,700 Gross (\$7,100 GF/GP). Using a 3.0% weighted average decrease factor for all insurances, employee insurance costs supporting the Health Systems Administration line item are reduced by \$69,200 Gross (\$14,100 GF/GP). Funding of \$22,369,300 Gross (\$15,173,900 federal revenue, \$6,995,400 state restricted revenue, and \$200,000 private revenue) and 199.6 FTE positions are transferred from the Health Systems Administration line item to the Department of Licensing and Regulation pursuant to Executive Order 2011-4 and Executive Budget Revision letter dated May 2, 2011.

Funding for the Emergency Medical Services Program State Staff line item is increased by \$3.5 million to recognize statewide trauma system funds that are to be realized from fees assessed against convicted criminal defendants. Also, 14.5 FTE positions are associated with the funding increase. The Crime Victim's Rights Services Act, as amended by PA 280 of 2010, allows excess crime victim compensation revenue to be used for the establishment and maintenance of a statewide trauma system. Retirement incentive savings of \$25,300 Gross (all GF/GP) are recognized for employees supported by the Emergency Medical Services Program State Staff line item. Employee defined benefit retirement pension and insurance costs supporting the Emergency Medical Services Program State Staff line item are increased by \$70,800 Gross (\$11,600 GF/GP). Employee defined contribution retirement pension and insurance costs supporting the Emergency Medical Services Program State Staff line item are increased by \$5,100 Gross (\$900 GF/GP). Using a 3.0% weighted average decrease factor for all insurances, employee insurance costs supporting the Emergency Medical Services Program State Staff line item are reduced by \$8,600 Gross (\$1,400 GF/GP).

Employee defined benefit retirement pension and insurance costs supporting the Radiological Health Administration line item are increased by \$125,700 Gross (all federal and state restricted revenue). Employee defined contribution retirement pension and insurance costs supporting the Radiological Health Administration line item are increased by \$2,500 Gross

(all federal and state restricted revenue). Using a 3.0% weighted average decrease factor for all insurances, employee insurance costs supporting the Radiological Health Administration line item are reduced by \$9,300 Gross (all federal and state restricted revenue). Funding of \$3,179,400 Gross (\$710,400 federal revenue and \$2,469,300 state restricted revenue) and 21.4 FTE positions are transferred from the Radiological Health Administration line item to the Department of Licensing and Regulatory Affairs pursuant to Executive Order 2011-4 and Executive Budget Revision letter dated May 2, 2011.

The enacted budget includes no changes for the Emergency Medical Services Grants and Services line item.

Funds for the Health Professions line item are increased by \$239,700 Gross (all state restricted revenue) to finance 3.0 FTE positions in recognition of increased staff costs for investigating pharmacies. Funds for the Health Professions line item are increased by \$254,600 Gross (all state restricted revenue) to finance 3.0 FTE positions in recognition of increased staff costs for new licensure requirements for dietetics, massage therapists, and acupuncture. Employee defined benefit retirement pension and insurance costs supporting the Health Professions line item are increased by \$498,600 Gross (all federal and state restricted revenue). Employee defined contribution retirement pension and insurance costs supporting the Health Professions line item are increased by \$31,900 Gross (all federal and state restricted revenue). Using a 3.0% weighted average decrease factor for all insurances, employee insurance costs supporting the Health Professions line item are reduced by \$57,200 Gross (all federal and state restricted revenue). Funding of \$26,945,900 Gross (\$3,496,300 federal revenue and \$23,449,600 state restricted revenue) is transferred from the Health Professions line item to the Department of Licensing and Regulatory Affairs pursuant to Executive Order 2011-4 and Executive Budget Revision letter dated May 2, 2011.

Funding for the Background Check Program line item is reduced by \$2,720,500 Gross (\$2,174,500 GF/GP) anticipating savings that will be realized if homes for the aged and adult foster care facilities are required to pay for their employee background checks. Also, 5.5 FTE positions are eliminated for this line item. Statutory changes to the Public Health Code and Adult Foster Care Facility Licensing Act are required in order to realize the proposed savings. (The budgetary adjustment is made as funding and FTE positions for the Background Check Program line item are transferred to the Department of Licensing and Regulatory Affairs; however, no position was taken on shifting costs of employee background checks to homes for the aged and adult foster care facilities.) Employee defined benefit retirement pension and insurance costs supporting the Background Check Program line item are increased by \$16,300 Gross (\$13,000 GF/GP). Employee defined contribution retirement pension and insurance costs supporting the Background Check Program line item are increased by \$1,400 Gross (\$1,100 GF/GP). Using a 3.0% weighted average decrease factor for

all insurances, employee insurance costs supporting the Background Check Program line item are reduced by \$2,600 Gross (\$2,100 GF/GP).

Retirement incentive savings of \$104,600 Gross (all GF/GP) are recognized for employees supported by the Health Policy and Regulation line item. Employee defined benefits retirement pension and insurance costs supporting the Health Policy and Regulation line item are increased by \$140,400 Gross (\$65,900 GF/GP). Employee defined contribution retirement pension and insurance costs supporting the Health Policy and Regulation line item are increased by \$5,400 Gross (\$2,600 GF/GP). Using a 3.0% weighted average decrease factor for all insurances, employee insurance costs supporting the Health Policy, Regulation, and Professions Administration line item are reduced by \$12,700 Gross (\$5,900 GF/GP). Funding of \$902,300 Gross (all state restricted revenue) and 8.8 FTE positions are transferred from the Health Policy and Regulation line item to the Department of Licensing and Regulatory Affairs pursuant to Executive Order 2011-4 and Executive Budget Revision letter dated May 2, 2011. An Interdepartmental Grant of \$1,296,500 and 3.0 FTE positions are transferred to the Health Policy and Regulation line item from the Department of Licensing and Regulatory Affairs pursuant to Executive Order 2011-4 and Executive Budget Revision letter dated May 2, 2011. The Health Policy and Regulation line item is renamed "Health Policy Administration".

Employee defined benefit retirement pension and insurance costs supporting the Nurse Scholarship, Education, and Research Program line item are increased by \$16,600 Gross (all state restricted revenue). Employee defined contribution retirement pension and insurance costs supporting the Nurse Scholarship, Education, and Research Program line item are increased by \$800 Gross (all state restricted revenue). Using a 3.0% weighted average decrease factor for all insurances, employee insurance costs supporting the Nurse Scholarship, Education, and Research Program line item are reduced by \$1,000 Gross (all state restricted revenue). Funding of \$1,744,200 Gross (all state restricted revenue) is transferred from the Nurse Scholarship, Education, and Research Program line item to the Department of Licensing and Regulatory Affairs pursuant to Executive Order 2011-4 and Executive Budget Revision letter dated May 2, 2011. An Interdepartmental Grant of \$744,200 are transferred to the Nurse Scholarship, Education, and Research Program line item from the Department of Licensing and Regulatory Affairs pursuant to Executive Order 2011-4 and Executive Budget Revision letter dated May 2, 2011. The Nurse Scholarship, Education, and Research Program line item is renamed "Nurse Education and Research Program".

Employee defined benefit retirement pension and insurance costs supporting the Certificate of Need Program Administration line item are increased by \$65,700 Gross (all state restricted revenue). Employee defined contribution retirement pension and insurance costs supporting the Certificate of Need Program Administration line item are increased by \$2,400 Gross (all state restricted revenue). Using a 3.0% weighted average decrease factor for all insurances,

employee insurance costs supporting the Certificate of Need Program Administration line item are reduced by \$5,400 Gross (all state restricted revenue).

Employee defined benefit retirement pension and insurance costs supporting the Rural Health Services line item are increased by \$2,800 Gross (all federal revenue). Employee defined contribution retirement pension and insurance costs supporting the Rural Health Services line item are increased by \$300 Gross (all federal revenue). Using a 3.0% weighted average decrease factor, employee insurance costs supporting the Rural Health Services line item are reduced by \$200 Gross (all federal revenue).

The enacted budget includes no changes to the Michigan Essential Health Provider line item.

Funding included in the Primary Care Services line item for Bronson Methodist Hospital DSH payment is reduced by \$330,200 Gross (\$111,800 GF/GP). This budgetary adjustment for Bronson Methodist Hospital represents a 16.3% reduction from FY 2010-11 gross funding of \$2,025,000 (15.0% reduction from GF/GP funding of \$692,700). Pursuant to the Leadership Target Agreement of May 19, 2011, funding of \$300,000 GF/GP is appropriated for Primary Care Services - Island Health Clinics. The appropriation for Beaver, Drummond, and Mackinac Island clinics is not included in Part 1, but is included in Section 1901 of the appropriation act to distinguish intent to fund on a one-time only basis. Funds for the Primary Care Services line item is reduced by \$900,000 Gross (all federal revenue) to recognize completion of the federal Alternate Emergency Room Services grant of \$498,800 and eliminate excess federal grant authorization of \$401,200. The Alternate Emergency Room Services grant funds were used to reduce inappropriate room admissions through increasing access to primary care providers and case management.

Employee defined benefit retirement pension and insurance costs supporting the Primary Care Services line item are increased by \$2,800 Gross (all federal revenue). Employee defined contribution retirement pension and insurance costs supporting the Primary Care Services line item are increased by \$300 Gross (all federal revenue). Using a 3.0% weighted average decrease factor for all insurances, employee insurance costs supporting the Primary Care Services line item are reduced by \$300 Gross (all federal revenue). Helen M. Nickless Volunteer Clinic funding of \$75,000 Gross (all GF/GP) is eliminated from the Primary Care Services line item. Ashley Clinic funding of \$60,000 Gross (all federal revenue) is eliminated from the Primary Care Services line item and transferred to the Sexually Transmitted Disease Control Local Agreements line item within the Infectious Disease Control appropriation unit to achieve GF/GP savings.

One-time contingency funding authorization of \$5.0 million in federal ARRA grants that may have become available in FY 2010-11 for primary care services projects is eliminated from the Primary Care Services (ARRA) line item. The

Department of Community Health was a recipient of 2 ARRA grants: SEARCH-ARRA grant of \$194,200 to provide opportunities for health professions students and residents to serve on multidisciplinary health care teams in underserved areas; and PCO-ARRA grant of \$42,725 to coordinate activities related to the delivery of primary care services, and the recruitment and retention of health care providers.

FY 2010-11 SUPPLEMENTAL ACTIONS

PUBLIC ACT 49 OF 2011 SUPPLEMENTAL ACTIONS

Public Act 49 of 2011 reduces funding for the Health Systems Administration line item by \$122,400 Gross (all GF/GP) to reflect savings achieved from the state employees early retirement incentive legislation (Public Act 185 of 2010).

Public Act 49 of 2011 reduces funding for the Emergency Medical Services Program State Staff line item by \$65,200 Gross (all GF/GP) to reflect savings achieved from the state employees early retirement incentive legislation (Public Act 185 of 2010).

Public Act 49 of 2011 reduces funding for the Health Policy and Regulation line item by \$230,800 Gross (all GF/GP) to reflect savings achieved from the state employees early retirement incentive legislation (Public Act 185 of 2010).

		(H.B. 4324, Article 4)			(S.B. 172)			FY 2011-12	FY 2011-12
FY 2011-12	COMM.HEALTH	EXECUTIVE	REVISED EXEC.	HOUSE	SENATE	ENROLLED	FY 2011-12	One-Time Basis	ENACTED
P.A. 63 of 2011, Article IV (H.B. 4526)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	VETOES	Appropriations	Including Sec. 1901
DEPARTMENT OF COMMUNITY HEALTH	17-Feb-11	17-Feb-11	2-May-11	4-May-11	26-Apr-11	26-May-11	21-Jun-11	(Sec. 1901)	One-Time Approps
		(NOTE)	(NOTE)						
Sec. 107. HEALTH POLICY									
Full-time equated classified positions	441.6	0.0	0.0	456.6	462.1	66.8	0.0	0.0	66.8
Health systems administration--* FTE positions	21,322,200	0	0	21,630,100	22,369,300	0	0	0	0
* positions in above line	199.6	0.0	0.0	199.6	199.6	0.0	0.0	0.0	0.0
Emergency medical services program state staff--* FTE positions	1,308,300	0	0	4,850,300	4,850,300	4,850,300	0	0	4,850,300
* positions in above line	8.5	0.0	0.0	23.0	23.0	23.0	0.0	0.0	23.0
Radiological health administration--* FTE positions	3,060,800	0	0	3,179,700	3,179,700	0	0	0	0
* positions in above line	21.4	0.0	0.0	21.4	21.4	0.0	0.0	0.0	0.0
Emergency medical services grants and services	660,000	0	0	660,000	660,000	660,000	0	0	660,000
Health professions--* FTE positions	25,978,300	0	0	26,945,900	26,945,900	0	0	0	0
* positions in above line	157.0	0.0	0.0	163.0	163.0	0.0	0.0	0.0	0.0
Background check program--* FTE positions	2,705,400	0	0	0	2,720,500	0	0	0	0
* positions in above line	5.5	0.0	0.0	0.0	5.5	0.0	0.0	0.0	0.0
Health policy and regulation--* FTE positions	3,728,100	0	0	3,756,600	3,756,600	0	0	0	0
* positions in above line	30.2	0.0	0.0	30.2	30.2	0.0	0.0	0.0	0.0
Health policy administration--* FTE positions	0	0	0	0	0	4,150,800	0	0	4,150,800
* positions in above line	0.0	0.0	0.0	0.0	0.0	24.4	0.0	0.0	24.4
Nurse scholarship, education, and research program--* FTE positions	1,727,800	0	0	1,744,200	1,744,200	0	0	0	0
* positions in above line	3.0	0.0	0.0	3.0	3.0	0.0	0.0	0.0	0.0
Nurse education and research program--* FTE	0	0	0	0	0	744,200	0	0	744,200
* positions in above line	0.0	0.0	0.0	0.0	0.0	3.0	0.0	0.0	3.0
Certificate of need program administration--* FTE	2,008,400	0	0	2,071,100	2,071,100	2,071,100	0	0	2,071,100
* positions in above line	14.0	0.0	0.0	14.0	14.0	14.0	0.0	0.0	14.0
Rural health services--* FTE positions	1,407,400	0	0	1,410,300	1,410,300	1,410,300	0	0	1,410,300
* positions in above line	1.0	0.0	0.0	1.0	1.0	1.0	0.0	0.0	1.0
Michigan essential health provider	872,700	0	0	872,700	872,700	872,700	0	0	872,700
Primary care services--* FTE positions	4,349,300	0	0	2,886,900	3,086,600	2,886,900	0	0	2,886,900
* positions in above line	1.4	0.0	0.0	1.4	1.4	1.4	0.0	0.0	1.4
Primary care services (ARRA)	5,000,000	0	0	0	0	0	0	0	0
Primary care services - island health clinics	0	0	0	0	0	0	0	300,000	300,000
GROSS APPROPRIATION	74,128,700	0	0	70,007,800	73,667,200	17,646,300	0	300,000	17,946,300
Appropriated from:									
Interdepartmental grant revenues:									
Interdepartmental grant from the dept of treasury, Michigan state hospital finance authority	116,300	0	0	116,300	116,300	116,300	0	0	116,300
Interdepartmental grant from the dept of licensing and regulatory affairs	0	0	0	0	0	2,040,700	0	0	2,040,700
Federal revenues:									
Total federal revenues	26,298,800	0	0	24,813,200	25,410,200	5,432,600	0	0	5,432,600

		(H.B. 4324, Article 4)			(S.B. 172)			FY 2011-12	FY 2011-12
FY 2011-12	COMM.HEALTH	EXECUTIVE	REVISED EXEC.	HOUSE	SENATE	ENROLLED	FY 2011-12	One-Time Basis	ENACTED
P.A. 63 of 2011, Article IV (H.B. 4526)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	VETOES	Appropriations	Including Sec. 1901
DEPARTMENT OF COMMUNITY HEALTH	17-Feb-11	17-Feb-11	2-May-11	4-May-11	26-Apr-11	26-May-11	21-Jun-11	(Sec. 1901)	One-Time Approps
		(NOTE)	(NOTE)						
Federal revenues (ARRA)	5,000,000	0	0	0	0	0	0	0	0
Special revenue funds:									
Total local revenues	100,000	0	0	100,000	100,000	100,000	0	0	100,000
Total private revenues	455,000	0	0	455,000	455,000	255,000	0	0	255,000
Total other state restricted revenues	31,772,400	0	0	36,563,900	41,793,400	6,232,600	0	0	6,232,600
State general fund/general purpose	10,386,200	0	0	7,959,400	5,792,300	3,469,100	0	300,000	3,769,100

NOTE - The Executive Recommendation Sec. 4-102 rolled up line item includes all line items from Section 107, as well as Sections 102, 116 and 120.

INFECTIOUS DISEASE CONTROL

The AIDS Prevention, Testing, and Care Programs line item is adjusted for employee-related economics including an increase of \$57,900 Gross (\$0 GF/GP) for defined benefit retirement costs, an increase of \$1,800 Gross (\$0 GF/GP) for defined contribution retirement costs, a reduction of \$4,800 Gross (\$0 GF/GP) for an overall insurance cost reduction of 3.0%, and a net reduction of \$46,600 Gross (\$0 GF/GP) reversing all amounts of state restricted Michigan Health Initiative Funds included in all of the above adjustments, as the MHI funds are already fully allocated. There are no salary and wage adjustments for employees. The line item is increased by \$5,000,000 Gross (\$0 GF/GP) of private funds authorization to recognize continued growth in funds received from pharmaceutical manufacturers for rebates on AIDS and HIV medications used by the AIDS Drug Assistance Program (ADAP).

The Immunization Local Agreements line item is reduced by \$1,750,000 with the elimination of all state restricted Healthy Michigan funds from this line item for immunization registry projects; all 11 Healthy Michigan funded public health prevention projects totaling \$10.9 million across the DCH budget are defunded, and the funds shifted to Medicaid for GF/GP savings or to a new Healthy Michigan Fund Programs line item in the Public Health Administration appropriation unit funded at a reduced total project amount of \$5.0 million.

The Immunization Program Management and Field Support line item is adjusted for employee-related economics including an increase of \$59,400 Gross (\$7,000 GF/GP) for defined benefit retirement costs, an increase of \$3,100 Gross (\$400 GF/GP) for defined contribution retirement costs, a reduction of \$6,300 Gross (\$700 GF/GP) for an overall insurance cost reduction of 3.0%, and a net reduction of \$9,900 Gross (\$0 GF/GP) reversing all amounts of state restricted Healthy Michigan Funds included in all of the above adjustments, as the HMF funds are already fully allocated. There are no salary and wage adjustments for employees. The line item is reduced by \$354,900 Gross (\$0 GF/GP) with the elimination of all state restricted Healthy Michigan funds from this line item for immunization registry projects; all 11 Healthy Michigan funded public health prevention projects totaling \$10.9 million across the DCH budget are defunded, and the funds shifted to Medicaid for GF/GP savings or to a new Healthy Michigan Fund Programs line item in the Public Health Administration appropriation unit funded at a reduced total project amount of \$5.0 million.

The Pediatric AIDS Prevention and Control line item is adjusted for employee-related economics including an increase of \$400 Gross (\$0 GF/GP) for defined contribution retirement costs, and a reduction of \$300 Gross (\$0 GF/GP) for an overall insurance cost reduction of 3.0%. There are no salary and wage adjustments for employees.

The Sexually Transmitted Disease Control Local Agreements line item is adjusted by a net \$0 Gross (reduction of \$60,000 GF/GP) fund shift, increasing federal Preventive Health and Health Services Block Grant funds appropriated to this line item by \$60,000 and reducing GF/GP funding by the same amount, for GF/GP savings. The block grant funds are made available by elimination of funding in the Primary Care Services line item for Ashley Clinic, in the Health Policy appropriation unit.

The Sexually Transmitted Disease Control Management and Field Support line item is adjusted for employee-related economics including an increase of \$129,100 Gross (\$8,000 GF/GP) for defined benefit retirement costs, an increase of \$2,100 Gross (\$100 GF/GP) for defined contribution retirement costs, a reduction of \$8,300 Gross (\$500 GF/GP) for an overall insurance cost reduction of 3.0%, and a net reduction of \$115,300 Gross (\$0 GF/GP) reversing all amounts of state restricted Healthy Michigan Funds included in all of the above adjustments, as the HMF funds are already fully allocated. There are no salary and wage adjustments for employees.

		(H.B. 4324, Article 4)			(S.B. 172)			FY 2011-12	FY 2011-12
FY 2011-12	COMM.HEALTH	EXECUTIVE	REVISED EXEC.	HOUSE	SENATE	ENROLLED	FY 2011-12	One-Time Basis	ENACTED
P.A. 63 of 2011, Article IV (H.B. 4526)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	VETOES	Appropriations	Including Sec. 1901
DEPARTMENT OF COMMUNITY HEALTH	17-Feb-11	17-Feb-11	2-May-11	4-May-11	26-Apr-11	26-May-11	21-Jun-11	(Sec. 1901)	One-Time Approps
		(NOTE)	(NOTE)						
Sec. 108. INFECTIOUS DISEASE CONTROL									
Full-time equated classified positions	50.7	0.0	0.0	50.7	50.7	50.7	0.0	0.0	50.7
AIDS prevention, testing, and care programs--*	54,441,000	0	0	59,449,300	59,449,300	59,449,300	0	0	59,449,300
* positions in above line	12.7	0.0	0.0	12.7	12.7	12.7	0.0	0.0	12.7
Immunization local agreements	13,725,200	0	0	11,975,200	11,975,200	11,975,200	0	0	11,975,200
Immunization program management and field support--* FTE positions	2,094,900	0	0	1,786,300	1,786,300	1,786,300	0	0	1,786,300
* positions in above line	15.0	0.0	0.0	15.0	15.0	15.0	0.0	0.0	15.0
Pediatric AIDS prevention and control--* FTE positions	1,231,300	0	0	1,231,400	1,231,400	1,231,400	0	0	1,231,400
* positions in above line	1.0	0.0	0.0	1.0	1.0	1.0	0.0	0.0	1.0
Sexually transmitted disease control local agreements	3,360,700	0	0	3,360,700	3,360,700	3,360,700	0	0	3,360,700
Sexually transmitted disease control management and field support--* FTE	3,735,700	0	0	3,743,300	3,743,300	3,743,300	0	0	3,743,300
* positions in above line	22.0	0.0	0.0	22.0	22.0	22.0	0.0	0.0	22.0
GROSS APPROPRIATION	78,588,800	0	0	81,546,200	81,546,200	81,546,200	0	0	81,546,200
Appropriated from:									
Federal revenues:									
Total federal revenues	43,433,200	0	0	43,541,200	43,490,200	43,541,200	0	0	43,541,200
Special revenue funds:									
Total private revenues	22,707,700	0	0	27,707,700	27,707,700	27,707,700	0	0	27,707,700
Total other state restricted revenues	9,575,500	0	0	7,470,600	7,470,600	7,470,600	0	0	7,470,600
State general fund/general purpose	2,872,400	0	0	2,826,700	2,877,700	2,826,700	0	0	2,826,700
NOTE - The Executive Recommendation Sec. 4-105 rolled up line item includes all line items from Sec. 108, as well as Sections 106, 109, 110, 112, and 3 of 4 line items from Sec. 111.									

LABORATORY SERVICES

The Laboratory Services line item is adjusted for employee-related economics including an increase of \$579,500 Gross (\$325,000 GF/GP) for defined benefit retirement costs, a reduction of \$5,100 Gross (\$2,900 GF/GP) for defined contribution retirement costs, a reduction of \$44,000 Gross (\$24,700 GF/GP) for an overall insurance cost reduction of 3.0%, and a net reduction of \$33,300 Gross (\$0 GF/GP) reversing all amounts of state restricted Michigan Health Initiative Funds included in all of the above adjustments, as the MHI funds are already fully allocated. There are no salary and wage adjustments for employees. An increase of \$200,000 Gross (\$0 GF/GP) is made to the line item to recognize a new 1-year federal grant for Food Emergency Response Network (FERN), to develop and improve public health laboratory capability, capacity, and readiness to respond to threats to the nation's food supply, and perform chemical, microbiological and/or radiological testing of food for toxic agents; the grant may be renewable for 2-4 years based on availability of funds. The line item is increased by 2.0 FTEs and \$205,000 Gross (\$0 GF/GP) to recognize increased newborn screening fee revenue for screening-related laboratory services, from a \$7.00 increase in the screening fee per test card for 2 additional newborn screening tests effective October 1, 2011 and an annual fee adjustment for inflation, increasing the fee from \$87.03 to \$94.03. The line item is reduced by \$307,500 Gross (all GF/GP) to recognize savings of employee-related costs resulting from state employees retiring under the early retirement incentive program in 2010 (PA 185 of 2010); under the program only about half of the resulting vacancies were filled for positions which did not provide direct care. For GF/GP savings, the line item is reduced by \$250,000 Gross (all GF/GP) to eliminate the final year of funding for the Upper Peninsula regional public health laboratory in Houghton; the laboratory closed in November 2010, and FY 2010-11 funding was used to support overnight mail or other transport costs for expedited and timely water testing for residents.

In this appropriation unit, the interdepartmental grant revenue fund source name is changed from Department of Natural Resources and Environment to Department of Environmental Quality to reflect division of the Department of Natural Resources and Environment into two departments, pursuant to Executive Order 2011-1, effective March 13, 2011.

FY 2010-11 SUPPLEMENTAL ACTIONS

PUBLIC ACT 49 OF 2011 SUPPLEMENTAL APPROPRIATIONS

Public Act 49 of 2011 reduces the Laboratory Services line item for FY 2010-11 by \$412,400 Gross (all GF/GP) to recognize savings from the state employee early retirement incentive program (PA 185 of 2010).

		(H.B. 4324, Article 4)			(S.B. 172)			FY 2011-12	FY 2011-12
FY 2011-12	FY 2010-11	FY 2011-12	FY 2011-12	FY 2011-12	FY 2011-12	FY 2011-12	FY 2011-12	One-Time Basis	ENACTED
P.A. 63 of 2011, Article IV (H.B. 4526)	COMM.HEALTH	EXECUTIVE	REVISED EXEC.	HOUSE	SENATE	ENROLLED	FY 2011-12	Appropriations	Including Sec. 1901
DEPARTMENT OF COMMUNITY HEALTH	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	VETOES	(Sec. 1901)	One-Time Approps
	17-Feb-11	17-Feb-11	2-May-11	4-May-11	26-Apr-11	26-May-11	21-Jun-11	21-Jun-11	21-Jun-11
		(NOTE)	(NOTE)						
Sec. 109. LABORATORY SERVICES									
Full-time equated classified positions	109.0	0.0	0.0	111.0	111.0	111.0	0.0	0.0	111.0
Laboratory services--* FTE positions	16,839,300	0	0	17,183,900	17,183,900	17,183,900	0	0	17,183,900
* positions in above line	109.0	0.0	0.0	111.0	111.0	111.0	0.0	0.0	111.0
GROSS APPROPRIATION	16,839,300	0	0	17,183,900	17,183,900	17,183,900	0	0	17,183,900
Appropriated from:									
Interdepartmental grant revenues:									
Interdepartmental grant from the dept of natural resources and environment	459,500	0	0	0	0	0	0	0	0
Interdepartmental grant from the dept of environmental quality	0	0	0	471,900	471,900	471,900	0	0	471,900
Federal revenues:									
Total federal revenues	1,818,100	0	0	2,092,300	2,092,300	2,092,300	0	0	2,092,300
Special revenue funds:									
Total other state restricted revenues	7,949,500	0	0	8,267,600	8,267,600	8,267,600	0	0	8,267,600
State general fund/general purpose	6,612,200	0	0	6,352,100	6,352,100	6,352,100	0	0	6,352,100

NOTE - The Executive Recommendation Sec. 4-105 rolled up line item includes all line items from Sec. 109, as well as Sections 106, 108, 110, 112, and 3 of 4 line items from Sec. 111.

EPIDEMIOLOGY

There are no changes to the AIDS Surveillance and Prevention Program line item.

The Asthma Prevention and Control line item is adjusted for employee-related economics including an increase of \$1,100 Gross (\$0 GF/GP) for defined contribution retirement costs, and a reduction of \$1,300 Gross (\$0 GF/GP) for an overall insurance cost reduction of 3.0%. There are no salary and wage adjustments for employees.

The Bioterrorism Preparedness line item is adjusted for employee-related economics including an increase of \$125,000 Gross (\$0 GF/GP) for defined benefit retirement costs, an increase of \$20,900 Gross (\$0 GF/GP) for defined contribution retirement costs, and a reduction of \$28,900 Gross (\$0 GF/GP) for an overall insurance cost reduction of 3.0%. There are no salary and wage adjustments for employees. The FTEs for this line item are reduced by 2.0 to reflect actual FTEs; two positions vacated due to retirements will not be replaced, anticipating reduction of the federal grant funds supporting this program.

The Epidemiology Administration line item is adjusted for employee-related economics including an increase of \$130,000 Gross (\$46,300 GF/GP) for defined benefit retirement costs, an increase of \$9,900 Gross (\$3,500 GF/GP) for defined contribution retirement costs, a reduction of \$16,500 Gross (\$5,900 GF/GP) for an overall insurance cost reduction of 3.0%, and a net reduction of \$6,100 Gross (\$0 GF/GP) reversing all amounts of state restricted Michigan Health Initiative Funds included in all of the above adjustments, as the MHI funds are already fully allocated. There are no salary and wage adjustments for employees. Federal funding is reduced by \$166,700 Gross (\$0 GF/GP) to recognize completion of the 3-year federal grant "Detroit Asthma Morbidity, Air Quality and Traffic (DAMAT) Study", funded since 2008-09 to evaluate an epidemiological model for assessing the effect of traffic and industrial emissions on a child's risk for severe asthma events. The line item is increased by 1.0 FTE and \$235,500 Gross (\$0 GF/GP) to recognize a new 3-year Environmental Public Health and Emergency Response federal CDC grant to develop and implement a Michigan Climate and Health Adaptation Plan, to minimize the public health impact of adverse effects of climate change, environmental change, and extreme weather events. The line item is reduced by \$27,400 Gross (all GF/GP) to recognize savings of employee-related costs resulting from state employees retiring under the early retirement incentive program in 2010 (PA 185 of 2010); under the program only about half of the resulting vacancies were filled for positions which did not provide direct care.

The Lead Abatement Program line item is adjusted for employee-related economics including an increase of \$20,700 Gross (\$0 GF/GP) for defined benefit retirement costs, an increase of \$1,700 Gross (\$0 GF/GP) for defined contribution

retirement costs, and a reduction of \$3,900 Gross (\$0 GF/GP) for an overall insurance cost reduction of 3.0%. There are no salary and wage adjustments for employees. The line item is increased by \$193,200 Gross (\$0 GF/GP) to recognize increased state restricted fee revenue from certification applications for professional lead abatement workers, supervisors, and contractors; the funds are used to meet the increased demand for the certification program including costs for staff, publications, training, certification and enforcement.

The Newborn Screening Follow-Up and Treatment Services line item is adjusted for employee-related economics including an increase of \$7,800 Gross (\$0 GF/GP) for defined benefit retirement costs, an increase of \$3,500 Gross (\$0 GF/GP) for defined contribution retirement costs, and a reduction of \$4,100 Gross (\$0 GF/GP) for an overall insurance cost reduction of 3.0%. There are no salary and wage adjustments for employees. The line item is increased by \$600,000 Gross (\$0 GF/GP) to recognize increased newborn screening fee revenue for the screening program, from a \$7.00 increase in the screening fee per test card for 2 additional newborn screening tests effective October 1, 2011 and an annual fee adjustment for inflation, increasing the fee from \$87.03 to \$94.03.

There are no changes to the Tuberculosis Control and Prevention line item.

FY 2010-11 SUPPLEMENTAL ACTIONS

PUBLIC ACT 49 OF 2011 SUPPLEMENTAL APPROPRIATIONS

Public Act 49 of 2011 reduces the Epidemiology Administration line item for FY 2010-11 by \$43,900 Gross (all GF/GP) to recognize savings from the state employee early retirement incentive program (PA 185 of 2010).

		(H.B. 4324, Article 4)			(S.B. 172)			FY 2011-12	FY 2011-12
FY 2011-12	COMM.HEALTH	EXECUTIVE	REVISED EXEC.	HOUSE	SENATE	ENROLLED	FY 2011-12	One-Time Basis	ENACTED
P.A. 63 of 2011, Article IV (H.B. 4526)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	VETOES	Appropriations	Including Sec. 1901
DEPARTMENT OF COMMUNITY HEALTH	17-Feb-11	17-Feb-11	2-May-11	4-May-11	26-Apr-11	26-May-11	21-Jun-11	(Sec. 1901)	One-Time Approps
		(NOTE)	(NOTE)						
Sec. 110. EPIDEMIOLOGY									
Full-time equated classified positions	127.7	0.0	0.0	126.7	126.7	126.7	0.0	0.0	126.7
AIDS surveillance and prevention program	2,254,100	0	0	2,254,100	2,254,100	2,254,100	0	0	2,254,100
Asthma prevention and control--* FTE positions	857,100	0	0	856,900	856,900	856,900	0	0	856,900
* positions in above line	2.6	0.0	0.0	2.6	2.6	2.6	0.0	0.0	2.6
Bioterrorism preparedness--* FTE positions	49,169,900	0	0	49,286,900	49,286,900	49,286,900	0	0	49,286,900
* positions in above line	68.6	0.0	0.0	66.6	66.6	66.6	0.0	0.0	66.6
Epidemiology administration--* FTE positions	8,043,300	0	0	8,202,000	8,202,000	8,202,000	0	0	8,202,000
* positions in above line	39.0	0.0	0.0	40.0	40.0	40.0	0.0	0.0	40.0
Lead abatement program--* FTE positions	2,436,000	0	0	2,647,700	2,647,700	2,647,700	0	0	2,647,700
* positions in above line	7.0	0.0	0.0	7.0	7.0	7.0	0.0	0.0	7.0
Newborn screening follow-up and treatment services--* FTE positions	4,730,600	0	0	5,337,800	5,337,800	5,337,800	0	0	5,337,800
* positions in above line	10.5	0.0	0.0	10.5	10.5	10.5	0.0	0.0	10.5
Tuberculosis control and prevention	867,000	0	0	867,000	867,000	867,000	0	0	867,000
GROSS APPROPRIATION	68,358,000	0	0	69,452,400	69,452,400	69,452,400	0	0	69,452,400
Appropriated from:									
Federal revenues:									
Total federal revenues	61,002,200	0	0	61,271,300	61,271,300	61,271,300	0	0	61,271,300
Special revenue funds:									
Total private revenues	25,000	0	0	25,000	25,000	25,000	0	0	25,000
Total other state restricted revenues	5,559,100	0	0	6,367,900	6,367,900	6,367,900	0	0	6,367,900
State general fund/general purpose	1,771,700	0	0	1,788,200	1,788,200	1,788,200	0	0	1,788,200
NOTE - The Executive Recommendation Sec. 4-105 rolled up line item includes all line items from Sec. 110, as well as Sections 106, 108, 109, 112, and 3 of 4 line items from Sec. 111.									

LOCAL HEALTH ADMINISTRATION AND GRANTS

The Essential Local Public Health Services line item is reduced by \$1,696,700 Gross (all GF/GP), for GF/GP savings, reducing funds to local health departments for state and local cost-shared services related to immunizations, infectious disease control, sexually transmitted disease control, food protection, water supply protection and on-site sewage management. Hearing and vision screening programs for school-aged children funded by this line item are not affected by the GF/GP reduction.

There are no changes to the Implementation of 1993 PA 133, MCL 333.17015 line item.

The Local Health Services line item is adjusted to recognize 2.0 FTEs funded by the 5-year federal Patient Protection and Affordable Care Act (ACA) grant award for Strengthening Public Health Infrastructure for Improved Health Outcomes, first funded in FY 2010-11 to enable states to meet national public health standards. The line item is reduced by \$100,000 Gross (\$0 GF/GP) with the elimination of all state restricted Healthy Michigan funds from this line item for local public health training projects; all 11 Healthy Michigan funded public health prevention projects totaling \$10.9 million across the DCH budget are defunded, and the funds shifted to Medicaid for GF/GP savings or to a new Healthy Michigan Fund Programs line item in the Public Health Administration appropriation unit funded at a reduced total project amount of \$5.0 million.

There are no changes to the Medicaid Outreach Cost Reimbursement to Local Health Departments line item.

		(H.B. 4324, Article 4)			(S.B. 172)			FY 2011-12	FY 2011-12
FY 2011-12	FY 2010-11	FY 2011-12	FY 2011-12	FY 2011-12	FY 2011-12	FY 2011-12	FY 2011-12	One-Time Basis	ENACTED
P.A. 63 of 2011, Article IV (H.B. 4526)	COMM.HEALTH	EXECUTIVE	REVISED EXEC.	HOUSE	SENATE	ENROLLED	FY 2011-12	Appropriations	Including Sec. 1901
DEPARTMENT OF COMMUNITY HEALTH	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	VETOES	(Sec. 1901)	One-Time Approps
	17-Feb-11	17-Feb-11	2-May-11	4-May-11	26-Apr-11	26-May-11	21-Jun-11	21-Jun-11	21-Jun-11
		(NOTE)	(NOTE)						
Sec. 111. LOCAL HEALTH ADMINISTRATION AND GRANTS									
Full-time equated classified positions	0.0	0.0	0.0	2.0	2.0	2.0	0.0	0.0	2.0
Essential local public health services	39,082,800	0	0	35,689,500	37,386,100	37,386,100	0	0	37,386,100
Implementation of 1993 PA 133, MCL 333.17015	20,000	0	0	20,000	20,000	20,000	0	0	20,000
Local health services--* FTE positions	600,000	0	0	500,000	500,000	500,000	0	0	500,000
* positions in above line	0.0	0.0	0.0	2.0	2.0	2.0	0.0	0.0	2.0
Medicaid outreach cost reimbursement to local health departments	9,000,000	0	0	9,000,000	9,000,000	9,000,000	0	0	9,000,000
GROSS APPROPRIATION	48,702,800	0	0	45,209,500	46,906,100	46,906,100	0	0	46,906,100
Appropriated from:									
Federal revenues:									
Total federal revenues	9,500,000	0	0	9,500,000	9,500,000	9,500,000	0	0	9,500,000
Special revenue funds:									
Total local revenues	5,150,000	0	0	5,150,000	5,150,000	5,150,000	0	0	5,150,000
Total other state restricted revenues	100,000	0	0	0	0	0	0	0	0
State general fund/general purpose	33,952,800	0	0	30,559,500	32,256,100	32,256,100	0	0	32,256,100
NOTE 1 - The Executive Recommendation Sec. 4-105 rolled up line item includes 3 of 4 line items from Section 111, as well as all line items from Sections 106, 108, 109, 110 and 112.									
NOTE 2 - The Exec. Rec. Sec. 4-107 rolled up line item includes the Medicaid Outreach Cost Reimb to LHDs line item from Sec. 111, and all line items from Sections 115, 118 and 119.									

CHRONIC DISEASE AND INJURY PREVENTION AND HEALTH PROMOTION

The Alzheimer's Information Network line item and program are eliminated with the removal of the remaining funding in the line item. The \$99,500 Gross (\$0 GF/GP) of federal Preventive Health and Health Services block grant funds are transferred to the Chronic Disease Control and Health Promotion Administration line item to be used for health promotion and disease prevention programs. Funding for this line item had been reduced in FY 2009-10 from \$389,500 to \$99,500.

The Cancer Prevention and Control Program line item is adjusted for employee-related economics including an increase of \$12,600 Gross (\$0 GF/GP) for defined benefit retirement costs, an increase of \$3,600 Gross (\$0 GF/GP) for defined contribution retirement costs, a reduction of \$4,600 Gross (\$0 GF/GP) for an overall insurance cost reduction of 3.0%, and a net reduction of \$2,400 Gross (\$0 GF/GP) reversing all amounts of state restricted Healthy Michigan Funds included in all of the above adjustments, as the HMF funds are already fully allocated. There are no salary and wage adjustments for employees. The line item is increased by \$385,100 Gross (\$0 GF/GP) to recognize increased funds from the ongoing federal Well Integrated Screening and Evaluation for Women Across the Nation (WISEWOMAN) grant, for cardiovascular and chronic disease screening and referrals, now funded at a total of \$1.6 million. The line item is increased by \$175,000 Gross (\$0 GF/GP) for a new 5-year federal CDC Investigations and Technical Assistance grant for a project Demonstrating the Capacity of Comprehensive Cancer Control Programs to focus on successful projects, policies and practices that are directly linked to the comprehensive cancer control plan, tobacco plan, and obesity plan. The line item is adjusted for a net \$0 Gross (\$0 GF/GP) fund shift between federal sources, establishing \$1.0 million of the federal authorization to recognize the colorectal cancer grant award, and reducing the comprehensive cancer grant award by the same amount. The line item is reduced by \$826,200 Gross (\$0 GF/GP) with the elimination of all state restricted Healthy Michigan funds from this line item for cancer prevention and control projects, including breast and cervical cancer screening for low-income women; all 11 Healthy Michigan funded public health prevention projects totaling \$10.9 million across the DCH budget are defunded, and the funds shifted to Medicaid for GF/GP savings or to a new Healthy Michigan Fund Programs line item in the Public Health Administration appropriation unit funded at a reduced total project amount of \$5.0 million.

The Chronic Disease Control and Health Promotion Administration line item is adjusted for employee-related economics including an increase of \$79,200 Gross (\$800 GF/GP) for defined benefit retirement costs, an increase of \$5,300 Gross (\$300 GF/GP) for defined contribution retirement costs, a reduction of \$11,100 Gross (\$1,800 GF/GP) for an overall insurance cost reduction of 3.0%, and a net reduction of \$44,600 Gross (\$0 GF/GP) reversing all amounts of state restricted Healthy Michigan Funds included in all of the above adjustments, as the HMF funds are already fully allocated. There are no salary and wage adjustments for employees. The line item is increased by \$55,200 Gross (\$0 GF/GP) to

recognize an increase in the federal Health Promotion for Persons with Disabilities grant from \$194,800 to \$250,000. The line item is increased by \$99,500 Gross (\$0 GF/GP) of federal Preventive Health and Health Services block grant funds transferred from the Alzheimer's Information Network line item which has been eliminated; \$50,000 of the funds will be used for the Health Promotion for Persons with Disabilities program and \$49,500 will be used for the Building Healthy Communities program. The line item is reduced by \$898,200 Gross (\$0 GF/GP) with the elimination of all state restricted Healthy Michigan funds from this line item for cardiovascular health projects; all 11 Healthy Michigan funded public health prevention projects totaling \$10.9 million across the DCH budget are defunded, and the funds shifted to Medicaid for GF/GP savings or to a new Healthy Michigan Fund Programs line item in the Public Health Administration appropriation unit funded at a reduced total project amount of \$5.0 million.

The Diabetes and Kidney Program line item is adjusted for employee-related economics including an increase of \$20,700 Gross (\$0 GF/GP) for defined benefit retirement costs, an increase of \$3,600 Gross (\$0 GF/GP) for defined contribution retirement costs, a reduction of \$5,500 Gross (\$0 GF/GP) for an overall insurance cost reduction of 3.0%, and a net reduction of \$6,100 Gross (\$0 GF/GP) reversing all amounts of state restricted Healthy Michigan Funds and Michigan Health Initiative Funds included in all of the above adjustments, as the HMF and MHI funds are already fully allocated. There are no salary and wage adjustments for employees. The line item is reduced by \$805,200 Gross (\$0 GF/GP) with the elimination of all state restricted Healthy Michigan funds from this line item for diabetes program projects; all 11 Healthy Michigan funded public health prevention projects totaling \$10.9 million across the DCH budget are defunded, and the funds shifted to Medicaid for GF/GP savings or to a new Healthy Michigan Fund Programs line item in the Public Health Administration appropriation unit funded at a reduced total project amount of \$5.0 million.

The Injury Control Intervention Project line item is eliminated with the removal of \$200,000 Gross (\$100,000 GF/GP) for a traumatic brain injury treatment model pilot program. Related boilerplate Sec. 1031 is also removed.

The Public Health Traffic Safety Coordination line item is adjusted for employee-related economics including an increase of \$400 Gross (\$0 GF/GP) for defined contribution retirement costs, and a reduction of \$500 Gross (\$0 GF/GP) for an overall insurance cost reduction of 3.0%. There are no salary and wage adjustments for employees. The line item is reduced by \$199,900 Gross (\$0 GF/GP) to recognize completion of the federal grant for state and community highway safety - child passenger safety training and education, funded since the early 1990s or prior.

The Smoking Prevention Program line item is adjusted for employee-related economics including an increase of \$47,800 Gross (\$0 GF/GP) for defined benefit retirement costs, an increase of \$3,500 Gross (\$0 GF/GP) for defined contribution retirement costs, a reduction of \$6,200 Gross (\$0 GF/GP) for an overall insurance cost reduction of 3.0%, and a net

reduction of \$15,300 Gross (\$0 GF/GP) reversing all amounts of state restricted Healthy Michigan Funds included in all of the above adjustments, as the HMF funds are already fully allocated. There are no salary and wage adjustments for employees. The line item is reduced by \$2,598,400 Gross (\$0 GF/GP) with the elimination of all state restricted Healthy Michigan funds from this line item for smoking prevention projects, including free nicotine Quit Kits and nicotine replacement therapy, and Clean Indoor Air Act enforcement efforts; all 11 Healthy Michigan funded public health prevention projects totaling \$10.9 million across the DCH budget are defunded, and the funds shifted to Medicaid for GF/GP savings or to a new Healthy Michigan Fund Programs line item in the Public Health Administration appropriation unit funded at a reduced total project amount of \$5.0 million.

The Violence Prevention line item is adjusted for employee-related economics including an increase of \$1,300 Gross (\$0 GF/GP) for defined benefit retirement costs, an increase of \$800 Gross (\$0 GF/GP) for defined contribution retirement costs, and a reduction of \$900 Gross (\$0 GF/GP) for an overall insurance cost reduction of 3.0%. There are no salary and wage adjustments for employees. The line item is increased by \$98,800 Gross (\$0 GF/GP) to recognize increased funds available under the federal Youth Suicide Primary Prevention and Early Intervention grant funded since FY 2008-09, increasing the authorization from \$401,200 to \$500,000. The line item is increased by \$346,500 Gross (\$0 GF/GP) to recognize funds available under the ongoing federal rape prevention and education grant; this funding was previously expended under Department of Human Services and is now being expended under the DCH.

		(H.B. 4324, Article 4)			(S.B. 172)			FY 2011-12	FY 2011-12
FY 2011-12	COMM.HEALTH	EXECUTIVE	REVISED EXEC.	HOUSE	SENATE	ENROLLED	FY 2011-12	One-Time Basis	ENACTED
P.A. 63 of 2011, Article IV (H.B. 4526)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	VETOES	Appropriations	Including Sec. 1901
DEPARTMENT OF COMMUNITY HEALTH	17-Feb-11	17-Feb-11	2-May-11	4-May-11	26-Apr-11	26-May-11	21-Jun-11	(Sec. 1901)	One-Time Approps
		(NOTE)	(NOTE)						
Sec. 112. CHRONIC DISEASE AND INJURY PREVENTION AND HEALTH PROMOTION									
Full-time equated classified positions	75.5	0.0	0.0	75.5	75.5	75.5	0.0	0.0	75.5
Alzheimer's information network	99,500	0	0	0	0	0	0	0	0
Cancer prevention and control program--* FTE	14,555,100	0	0	14,298,200	14,298,200	14,298,200	0	0	14,298,200
* positions in above line	12.0	0.0	0.0	12.0	12.0	12.0	0.0	0.0	12.0
Chronic disease control and health promotion administration--* FTE positions	6,664,800	0	0	5,950,100	5,950,100	5,950,100	0	0	5,950,100
* positions in above line	33.4	0.0	0.0	33.4	33.4	33.4	0.0	0.0	33.4
Diabetes and kidney program--* FTE positions	2,570,100	0	0	2,582,800	1,777,600	1,777,600	0	0	1,777,600
* positions in above line	12.2	0.0	0.0	12.2	12.2	12.2	0.0	0.0	12.2
Injury control intervention project	200,000	0	0	0	170,000	0	0	0	0
Public health traffic safety coordination--* FTE positions	287,500	0	0	87,500	87,500	87,500	0	0	87,500
* positions in above line	1.0	0.0	0.0	1.0	1.0	1.0	0.0	0.0	1.0
Smoking prevention program--* FTE positions	4,643,600	0	0	2,075,000	2,075,000	2,075,000	0	0	2,075,000
* positions in above line	14.0	0.0	0.0	14.0	14.0	14.0	0.0	0.0	14.0
Violence prevention--* FTE positions	1,676,700	0	0	2,123,200	2,123,200	2,123,200	0	0	2,123,200
* positions in above line	2.9	0.0	0.0	2.9	2.9	2.9	0.0	0.0	2.9
GROSS APPROPRIATION	30,697,300	0	0	27,116,800	26,481,600	26,311,600	0	0	26,311,600
Appropriated from:									
Federal revenues:									
Total federal revenues	23,014,000	0	0	23,884,200	23,969,200	23,884,200	0	0	23,884,200
Special revenue funds:									
Total private revenues	61,600	0	0	61,600	61,600	61,600	0	0	61,600
Total other state restricted revenues	5,804,900	0	0	1,454,900	649,700	649,700	0	0	649,700
State general fund/general purpose	1,816,800	0	0	1,716,100	1,801,100	1,716,100	0	0	1,716,100
NOTE - The Executive Recommendation Sec. 4-105 rolled up line item includes all line items from Sec. 112, as well as Sections 106, 108, 109, 110 and 3 of 4 line items from Sec. 111.									

FAMILY, MATERNAL, AND CHILDREN'S HEALTH SERVICES

The Childhood Lead Program line item is adjusted for employee-related economics including an increase of \$6,200 Gross (\$600 GF/GP) for defined benefit retirement costs, an increase of \$1,800 Gross (\$200 GF/GP) for defined contribution retirement costs, and a reduction of \$3,100 Gross (\$300 GF/GP) for an overall insurance cost reduction of 3.0%. There are no salary and wage adjustments for employees.

The Dental Programs line item is adjusted for employee-related economics including an increase of \$1,100 Gross (\$0 GF/GP) for defined contribution retirement costs, and a reduction of \$1,700 Gross (\$0 GF/GP) for an overall insurance cost reduction of 3.0%. There are no salary and wage adjustments for employees.

There are no changes to the Dental Program for Persons with Developmental Disabilities line item.

The Family, Maternal, and Children's Health Services Administration line item is adjusted for employee-related economics including an increase of \$244,800 Gross (\$131,800 GF/GP) for defined benefit retirement costs, an increase of \$5,300 Gross (\$2,900 GF/GP) for defined contribution retirement costs, and a reduction of \$17,000 Gross (\$9,200 GF/GP) for an overall insurance cost reduction of 3.0%. There are no salary and wage adjustments for employees. The line item is reduced by \$37,000 Gross (all GF/GP) to recognize savings of employee-related costs resulting from state employees retiring under the early retirement incentive program in 2010 (PA 185 of 2010); under the program only about half of the resulting vacancies were filled for positions which did not provide direct care.

There are no changes to the Family Planning Local Agreements line item.

There are no changes to the Local MCH Services line item.

The Pregnancy Prevention Program line item is reduced by \$1,105,200 with the elimination of all state restricted Healthy Michigan funds from this line item for the pregnancy prevention program and services for low-income women; all 11 Healthy Michigan funded public health prevention projects totaling \$10.9 million across the DCH budget are defunded, and the funds shifted to Medicaid for GF/GP savings or to a new Healthy Michigan Fund Programs line item in the Public Health Administration appropriation unit funded at a reduced total project amount of \$5.0 million.

The Prenatal Care Outreach and Service Delivery Support line item is reduced by \$50,000 Gross (all GF/GP) of funding for public and provider awareness and education about stillbirth, for GF/GP savings; related boilerplate Sec. 1117 (2) is

also eliminated. The line item is increased by \$3,000,000 Gross (\$1,500,000 GF/GP), the GF/GP funding pursuant to the Leadership Target Agreement of May 19, 2011, for the Nurse Family Partnership Program serving first-time, low-income pregnant women and teenagers in communities with high infant mortality rates; federal authorization for matching Title XIX federal funds that may be earned is also included. Additional federal funds authorization of \$794,200 Gross (\$0 GF/GP) is also included for the Nurse Family Partnership Program to recognize matching Title XIX federal funds that may be earned by local programs where local health departments provide the required non-federal matching funds.

The School Health and Education Programs line item is eliminated with the removal of all \$400,000 of state restricted Healthy Michigan funds for this line item for the Michigan Model school health education project, effecting a total reduction of 1.0 FTE and \$405,500 Gross (\$5,500 GF/GP); all 11 Healthy Michigan funded public health prevention projects totaling \$10.9 million across the DCH budget are defunded, and the funds shifted to Medicaid for GF/GP savings or to a new Healthy Michigan Fund Programs line item in the Public Health Administration appropriation unit funded at a reduced total project amount of \$5.0 million.

The Special Projects line item is adjusted for employee-related economics including an increase of \$900 Gross (\$0 GF/GP) for defined contribution retirement costs, and a reduction of \$1,300 Gross (\$0 GF/GP) for an overall insurance cost reduction of 3.0%. There are no salary and wage adjustments for employees. The line item is increased by 1.25 FTEs and \$1,653,200 Gross (\$0 GF/GP) to recognize federal restoration of community-based sexual abstinence education grants to states for adolescents, previously funded from FY 2000-01 through FY 2007-08, and in FY 2009-10. The line item is increased by \$500,000 Gross (\$0 GF/GP) to recognize a new 3-year federal award under the Maternal and Child Health Special Projects of Regional and National Significance (SPRANS) grant for a project First Time Motherhood and New Parents Initiative, to improve birth and first year of life outcomes by increasing awareness of services and programs for preconception care, interconception care, prenatal care, and parenting. The line item is increased by 1.25 FTEs and \$1,754,800 Gross (\$0 GF/GP) to recognize a new 2-year federal Personal Responsibility Education Program grant, to educate adolescents on abstinence and contraception for the prevention of pregnancy and sexually transmitted infections, including adulthood preparation subjects; the programs are provided through local health departments, community-based organizations, and schools. The line item is reduced by \$125,000 Gross (all GF/GP), eliminating funding for a colon disease prevention project of Henry Ford Health System and the Chaldean Chamber Foundation, first funded in FY 2009-10. The line item is reduced by \$50,000 Gross (all GF/GP), eliminating funding for the Special Needs Vision Clinic in Bay County, first funded in FY 2007-08.

There are no changes to the Sudden Infant Death Syndrome Program line item.

FY 2010-11 SUPPLEMENTAL ACTIONS

PUBLIC ACT 49 OF 2011 SUPPLEMENTAL APPROPRIATIONS

Public Act 49 of 2011 reduces the Family, Maternal, and Children's Health Services Administration line item for FY 2010-11 by \$60,700 Gross (all GF/GP) to recognize savings from the state employee early retirement incentive program (PA 185 of 2010).

PUBLIC ACT 83 OF 2011 SUPPLEMENTAL APPROPRIATIONS

Public Act 83 of 2011 increases the Dental Programs line item for FY 2010-11 by \$60,000 Gross (\$0 GF/GP) to recognize a private grant from Delta Dental Foundation for grants to local recipients to purchase new or replacement fluoridation equipment to initiate or continue community water fluoridation.

Public Act 83 of 2011 increases the Family, Maternal, and Children's Health Services Administration line item for FY 2010-11 by \$684,200 Gross (\$0 GF/GP) to recognize the following private grants: \$305,500 from the W. K. Kellogg Foundation to reduce infant mortality rates focusing on disparities of African American women, \$371,200 of a \$1.3 million award through 2013 from the W. K. Kellogg Foundation to address social determinants of racial disparities in infant mortality, and \$7,500 remaining funding of a 2-year 2009 W. K. Kellogg Foundation \$60,000 grant to support DCH participation in a Food and Society Policy Fellow program regarding awareness of sustainable food and farming systems, through the Institute for Agriculture and Trade Policy, previously authorized in FY 2008-09 and FY 2009-10.

Public Act 83 of 2011 increases the Special Projects line item for FY 2010-11 by \$794,200 Gross (\$0 GF/GP) to recognize federal Medicaid Title XIX matching funds earned by locally-funded nurse family partnership programs in Berrien, Calhoun, Kalamazoo and Kent Counties (in FY 2011-12, this funding is included in the Prenatal Care Outreach and Service Delivery Support line item). The line item is increased by \$63,000 Gross (\$0 GF/GP) to recognize a private W. K. Kellogg Foundation grant to continue nurse family partnership programs in targeted communities.

		(H.B. 4324, Article 4)			(S.B. 172)			FY 2011-12	FY 2011-12
FY 2011-12	COMM.HEALTH	EXECUTIVE	REVISED EXEC.	HOUSE	SENATE	ENROLLED	FY 2011-12	One-Time Basis	ENACTED
P.A. 63 of 2011, Article IV (H.B. 4526)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	VETOES	Appropriations	Including Sec. 1901
DEPARTMENT OF COMMUNITY HEALTH	17-Feb-11	17-Feb-11	2-May-11	4-May-11	26-Apr-11	26-May-11	21-Jun-11	(Sec. 1901)	One-Time Approps
		(NOTE)	(NOTE)						
Sec. 113. FAMILY, MATERNAL, AND CHILDREN'S HEALTH SERVICES									
Full-time equated classified positions	53.6	0.0	0.0	55.1	55.1	55.1	0.0	0.0	55.1
Childhood lead program--* FTE positions	1,593,500	0	0	1,598,400	1,598,400	1,598,400	0	0	1,598,400
* positions in above line	6.0	0.0	0.0	6.0	6.0	6.0	0.0	0.0	6.0
Dental programs--* FTE positions	992,600	0	0	992,000	992,000	992,000	0	0	992,000
* positions in above line	3.0	0.0	0.0	3.0	3.0	3.0	0.0	0.0	3.0
Dental program for persons with developmental disabilities	151,000	0	0	151,000	151,000	151,000	0	0	151,000
Family, maternal, and children's health services administration--* FTE positions	5,851,600	0	0	6,047,700	6,047,700	6,047,700	0	0	6,047,700
* positions in above line	43.6	0.0	0.0	43.6	43.6	43.6	0.0	0.0	43.6
Family planning local agreements	9,085,700	0	0	9,085,700	9,085,700	9,085,700	0	0	9,085,700
Local MCH services	7,018,100	0	0	7,018,100	7,018,100	7,018,100	0	0	7,018,100
Pregnancy prevention program	1,707,300	0	0	602,100	602,100	602,100	0	0	602,100
Prenatal care outreach and service delivery support	50,000	0	0	200	42,500	3,794,200	0	0	3,794,200
School health and education programs--* FTE positions	405,500	0	0	0	0	0	0	0	0
* positions in above line	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Special projects--* FTE positions	4,665,200	0	0	8,397,800	8,546,500	8,397,800	0	0	8,397,800
* positions in above line	0.0	0.0	0.0	2.5	2.5	2.5	0.0	0.0	2.5
Sudden infant death syndrome program	321,300	0	0	321,300	321,300	321,300	0	0	321,300
Sec. 4-106. SERVICES TO SENIOR CITIZENS, FAMILIES, AND CHILDREN (Exec. Rec. only, see NOTE)									
Full-time equated classified positions	0.0	144.6	144.6	0.0	0.0	0.0	0.0	0.0	0.0
Services to senior citizens, families, and children	0	392,729,400	392,729,400	0	0	0	0	0	0
GROSS APPROPRIATION									
Appropriated from:	31,841,800	392,729,400	392,729,400	34,214,300	34,405,300	38,008,300	0	0	38,008,300
Federal revenues:									
Total federal revenues	26,533,600	297,124,000	297,124,000	30,552,600	30,552,600	32,846,800	0	0	32,846,800
Special revenue funds:									
Total local revenues	75,000	75,000	75,000	75,000	75,000	75,000	0	0	75,000
Total private revenues	0	59,291,300	59,291,300	0	0	0	0	0	0
Total other state restricted revenues	1,505,200	6,997,900	6,997,900	0	0	0	0	0	0
State general fund/general purpose	3,728,000	29,241,200	29,241,200	3,586,700	3,777,700	5,086,500	0	0	5,086,500
NOTE - The Executive Recommendation Sec. 4-106 line item is a rollup of all line items from Sections 113, 114 and 117.									

WOMEN, INFANTS, AND CHILDREN FOOD AND NUTRITION PROGRAM

The Women, Infants, and Children Program Administration and Special Projects line item is adjusted for employee-related economics including an increase of \$238,800 Gross (\$0 GF/GP) for defined benefit retirement costs, an increase of \$6,900 Gross (\$0 GF/GP) for defined contribution retirement costs, and a reduction of \$17,900 Gross (\$0 GF/GP) for an overall insurance cost reduction of 3.0%. There are no salary and wage adjustments for employees. The line item is increased by \$375,300 Gross (\$0 GF/GP) to recognize a new 2-year federal WIC Technical Standardization grant, to advance the management information system for the WIC program, including the electronic benefit transfer (EBT) system. The line item is increased by \$1,700,300 Gross (\$0 GF/GP) to recognize additional funds from the ongoing WIC Peer Counseling grant, increasing the grant authorization from \$328,900 to \$2,029,200.

There are no changes to the Women, Infants, and Children Program Local Agreements and Food Costs line item.

		(H.B. 4324, Article 4)			(S.B. 172)			FY 2011-12	FY 2011-12
FY 2011-12	FY 2010-11	FY 2011-12	FY 2011-12	FY 2011-12	FY 2011-12	FY 2011-12	FY 2011-12	One-Time Basis	ENACTED
P.A. 63 of 2011, Article IV (H.B. 4526)	COMM.HEALTH	EXECUTIVE	REVISED EXEC.	HOUSE	SENATE	ENROLLED	FY 2011-12	Appropriations	Including Sec. 1901
DEPARTMENT OF COMMUNITY HEALTH	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	VETOES	(Sec. 1901)	One-Time Approps
	17-Feb-11	17-Feb-11	2-May-11	4-May-11	26-Apr-11	26-May-11	21-Jun-11	21-Jun-11	21-Jun-11
		(NOTE)	(NOTE)						
Sec. 114. WOMEN, INFANTS, AND CHILDREN FOOD AND NUTRITION PROGRAM									
Full-time equated classified positions	45.0	0.0	0.0	45.0	45.0	45.0	0.0	0.0	45.0
Women, infants, and children program administration and special projects--* FTE	13,597,400	0	0	13,825,200	13,825,200	15,900,800	0	0	15,900,800
* positions in above line	45.0	0.0	0.0	45.0	45.0	45.0	0.0	0.0	45.0
Women, infants, and children program local agreements and food costs	253,825,500	0	0	254,200,800	254,200,800	253,825,500	0	0	253,825,500
GROSS APPROPRIATION	267,422,900	0	0	268,026,000	268,026,000	269,726,300	0	0	269,726,300
Appropriated from:									
Federal revenues:									
Total federal revenues	208,812,700	0	0	209,412,200	209,412,200	211,112,500	0	0	211,112,500
Special revenue funds:									
Total private revenues	58,610,200	0	0	58,613,800	58,613,800	58,613,800	0	0	58,613,800
State general fund/general purpose	0	0	0	0	0	0	0	0	0

NOTE - The Executive Recommendation Sec. 4-106 rolled up line item includes all line items from Section 114, as well as Sections 113 and 117.

CHILDREN'S SPECIAL HEALTH CARE SERVICES

The Children's Special Health Care Services (CSHCS) Administration line item is adjusted for employee-related economics including increases of \$256,900 Gross (\$137,300 GF/GP) for defined benefit retirement costs, \$3,500 Gross (\$1,800 GF/GP) for defined contribution retirement costs, and a 3% decrease of \$17,100 Gross (\$9,100 GF/GP) for overall insurance costs. The line is reduced \$59,600 GF/GP related to employee costs resulting from state employees retiring under the early retirement incentive program in 2010, PA 185 of 2010. Under the program, only about half of the resulting vacancies were filled for positions which did not provide direct care. The line is increased \$265,000 federal funds reflecting receipt of HRSA Access to Care grant funds. The line is decreased \$284,000 federal reflecting the removal of authorization for the HRSA Integrated Community Services grant funds.

There are no appropriation changes to the Bequests for Care and Services line.

There are no appropriation changes to the Outreach and Advocacy line item.

There are no appropriation changes to the Nonemergency Medical Transportation line item.

The Medical Care and Treatment line is increased by \$67,688,300 Gross (\$28,226,000 GF/GP) for Medicaid inflation, caseload and utilization adjustments. Federal funds within the line item are increased by \$698,300 while GF/GP revenues are decreased an identical amount to reflect a change in the federal Medicaid matching rate (FMAP) from 65.79% to 66.14%. The ARRA enhanced rate is not available in FY 2011-12 therefore \$9,668,700 GF/GP replaces a like amount of federal ARRA funds.

Estimated savings from the impact of the Affordable Care Act on Title V only CSHCS eligibles reduces the line by \$500,000 GF/GP. The line is reduced \$11.0 million Gross (\$3,724,600 GF/GP) based on estimated savings generated by requiring CSHCS enrollees who are both Title XIX and Title V eligible to be in managed care. The line is reduced \$3.5 million GF/GP recognizing additional savings due to changes resulting from the Affordable Care Act.

FY 2010-11 SUPPLEMENTAL ACTIONS

PUBLIC ACT 49 OF 2011 SUPPLEMENTAL APPROPRIATIONS

Public Act 49 of 2011 reduces funding by \$37,500 GF/GP to reflect savings achieved from the state employees early retirement incentive legislation (Public Act 185 of 2010) that was enacted pursuant to the establishment of state appropriation spending targets.

PUBLIC ACT 83 OF 2011 SUPPLEMENTAL APPROPRIATIONS

Public Act 83 of 2011 increases funding \$43,366,800 Gross (\$18,812,500 GF/GP) for Medicaid program expenditures due to changes in projected costs related to caseload, utilization, and inflation.

		(H.B. 4324, Article 4)			(S.B. 172)			FY 2011-12	FY 2011-12
FY 2011-12	COMM.HEALTH	EXECUTIVE	REVISED EXEC.	HOUSE	SENATE	ENROLLED	FY 2011-12	One-Time Basis	ENACTED
P.A. 63 of 2011, Article IV (H.B. 4526)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	VETOES	Appropriations	Including Sec. 1901
DEPARTMENT OF COMMUNITY HEALTH	17-Feb-11	17-Feb-11	2-May-11	4-May-11	26-Apr-11	26-May-11	21-Jun-11	(Sec. 1901)	One-Time Approps
		(NOTE)	(NOTE)						
Sec. 115. CHILDREN'S SPECIAL HEALTH CARE SERVICES									
Full-time equated classified positions	47.8	0.0	0.0	47.8	47.8	47.8	0.0	0.0	47.8
Children's special health care services administration--* FTE positions	5,081,000	0	0	5,245,700	5,245,700	5,245,700	0	0	5,245,700
* positions in above line	45.0	0.0	0.0	45.0	45.0	45.0	0.0	0.0	45.0
Bequests for care and services--* FTE positions	1,511,400	0	0	1,511,400	1,511,400	1,511,400	0	0	1,511,400
* positions in above line	2.8	0.0	0.0	2.8	2.8	2.8	0.0	0.0	2.8
Outreach and advocacy	3,773,500	0	0	3,773,500	3,773,500	3,773,500	0	0	3,773,500
Nonemergency medical transportation	2,679,300	0	0	2,679,300	2,679,300	2,679,300	0	0	2,679,300
Medical care and treatment	241,368,200	0	0	281,971,300	278,471,300	294,056,500	0	0	294,056,500
GROSS APPROPRIATION	254,413,400	0	0	295,181,200	291,681,200	307,266,400	0	0	307,266,400
Appropriated from:									
Federal revenues:									
Total federal revenues	142,332,700	0	0	166,222,000	166,222,000	175,308,200	0	0	175,308,200
Federal FMAP stimulus (ARRA)	9,686,700	0	0	0	0	0	0	0	0
Special revenue funds:									
Total private revenues	996,800	0	0	996,800	996,800	996,800	0	0	996,800
Total other state restricted revenues	3,839,600	0	0	3,843,600	3,843,600	3,843,600	0	0	3,843,600
State general fund/general purpose	97,557,600	0	0	124,118,800	120,618,800	127,117,800	0	0	127,117,800
NOTE - The Exec. Rec. Sec. 4-107 rolled up line item includes all line items from Sec. 115, Sections 118 & 119, and the Medicaid Outreach Cost Reimb to LHDs line item from Sec. 111.									

**CRIME VICTIM
SERVICES COMMISSION**

CRIME VICTIM SERVICES COMMISSION

The Grants Administration Services line item is adjusted for employee-related economics including an increase of \$71,000 Gross (\$0 GF/GP) for defined benefit retirement costs, an increase of \$1,000 Gross (\$0 GF/GP) for defined contribution retirement costs, and a reduction of \$5,400 Gross (\$0 GF/GP) for an overall insurance cost reduction of 3.0%. There are no salary and wage adjustments for employees. The line item is increased by 2.0 FTEs and \$204,900 Gross (\$0 GF/GP) of federal Victims of Crime Act (VOCA) Victim Assistance grant funds for administrative purposes, the increase in FTEs to handle increased program and grant needs.

The Justice Assistance Grants line item is increased by \$6,106,100 Gross (\$0 GF/GP) of federal Victims of Crime Act funding under the Victim Assistance grant for services to victims. The increased funds are available due to an increase in deposits to the federal Crime Victims Fund and subsequent increase in the amounts distributed to states.

The Crime Victim Rights Services Grants line item is increased by \$4,070,000 Gross (\$0 GF/GP) of federal and state restricted funds authorizations in the following amounts: \$1,470,000 for victim compensation grants including \$570,000 of federal VOCA Victim Compensation grant funds and \$900,000 from the state restricted Crime Victim's Rights Fund, \$2.0 million of Crime Victim's Rights Fund monies for grants to county prosecutors for training and for victim programs and services, and \$600,000 of Crime Victim's Rights Fund monies for Sexual Assault Forensic Exam SAFE Response program of reimbursement to health care providers for victim forensic exams related to sexual assault. The increase in state Crime Victim's Rights Fund monies is related to an increase in the assessments charged to convicted criminal defendants and deposited to the Fund, enacted in 2010.

		(H.B. 4324, Article 4)			(S.B. 172)			FY 2011-12	FY 2011-12
FY 2010-11	FY 2011-12	FY 2011-12	FY 2011-12	FY 2011-12	FY 2011-12	FY 2011-12	FY 2011-12	One-Time Basis	ENACTED
COMM.HEALTH	EXECUTIVE	REVISED EXEC.	HOUSE	SENATE	ENROLLED	FY 2011-12	Appropriations	Including Sec. 1901	
P.A. 63 of 2011, Article IV (H.B. 4526)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	VETOES	(Sec. 1901)	One-Time Approps
DEPARTMENT OF COMMUNITY HEALTH	17-Feb-11	17-Feb-11	2-May-11	4-May-11	26-Apr-11	26-May-11	21-Jun-11	21-Jun-11	21-Jun-11
		(NOTE)	(NOTE)						
Sec. 116. CRIME VICTIM SERVICES COMMISSION									
Full-time equated classified positions	11.0	0.0	0.0	13.0	13.0	13.0	0.0	0.0	13.0
Grants administration services--* FTE positions	1,539,800	0	0	1,811,300	1,811,300	1,811,300	0	0	1,811,300
* positions in above line	11.0	0.0	0.0	13.0	13.0	13.0	0.0	0.0	13.0
Justice assistance grants	13,000,000	0	0	19,106,100	19,106,100	19,106,100	0	0	19,106,100
Crime victim rights services grants	12,500,000	0	0	16,570,000	16,570,000	16,570,000	0	0	16,570,000
GROSS APPROPRIATION	27,039,800	0	0	37,487,400	37,487,400	37,487,400	0	0	37,487,400
Appropriated from:									
Federal revenues:									
Total federal revenues	16,563,700	0	0	23,467,200	23,467,200	23,467,200	0	0	23,467,200
Special revenue funds:									
Total other state restricted revenues	10,476,100	0	0	14,020,200	14,020,200	14,020,200	0	0	14,020,200
State general fund/general purpose	0	0	0	0	0	0	0	0	0

NOTE - The Executive Recommendation Sec. 4-102 rolled up line item includes all line items from Section 116, as well as Sections 102, 107 and 120.

**OFFICE OF SERVICES
TO THE AGING**

OFFICE OF SERVICES TO THE AGING

The Office of Services to Aging Administration line item is adjusted for employee-related economics including an increase of \$241,400 Gross (\$102,500 GF/GP) for defined benefit retirement costs, an increase of \$2,300 Gross (\$1,000 GF/GP) for defined contribution retirement costs, and a reduction of \$17,100 Gross (\$7,300 GF/GP) for an overall insurance cost reduction of 3.0%. There are no salary and wage adjustments for employees. The line item is reduced by \$844,000 Gross (\$0 GF/GP) to recognize completion of the federal Long-Term Care System Transformation grant received since FY 2007-08 to build an integrative and responsive long-term care system. The line item is reduced by \$47,400 Gross (all GF/GP) to recognize savings of employee-related costs resulting from state employees retiring under the early retirement incentive program in 2010 (PA 185 of 2010); under the program only about half of the resulting vacancies were filled for positions which did not provide direct care.

The Community Services line item is increased by \$90,000 Gross (\$0 GF/GP) to recognize increased funding from the ongoing federal Medicare/Medicaid Assistance Program (MMAP) grant, funded since 1984. The line item is reduced by \$180,000 Gross (\$0 GF/GP) to recognize completion of the 3-year federal grant for Model Approaches to Statewide Legal Assistance Systems for Seniors received since FY 2008-09 to increase access to low-cost legal services for at-risk needy seniors who wish to remain independent (CLAIMS program, Coordinated Legal Assistance in Michigan for Seniors). The line item is reduced by \$440,000 Gross (\$0 GF/GP) to recognize completion of the 3-year federal Alzheimer's and Dementia grant received since FY 2009-10 to implement evidence-based programs for dementia caregivers. The line item is reduced by \$320,000 Gross (\$0 GF/GP) to recognize completion of the 2-year federal Nursing Home Diversion grant received since FY 2009-10 to establish pilot programs targeting community and caregiver services for persons at risk of nursing home placement but not eligible for Medicaid, using single point of entry systems. The line item is increased by \$250,000 Gross (\$0 GF/GP) to recognize increased funding from the 3-year federal grant for the development of Aging and Disability Resource Center (ADRC) partnerships to develop a statewide model for long-term care supports and services; this grant is to develop options counseling standards, operating protocols, staff requirements, and pilot training curriculum; this grant was first funded at \$230,000 in FY 2010-11 in the OSA Administration line item.

The Community Services line item is also increased by \$200,000 Gross (\$0 GF/GP) to recognize a new federal grant Enhanced Training and Services to End Violence Against and Abuse of Women Later in Life. The line item is increased by \$265,000 Gross (\$0 GF/GP) to recognize a new 3-year federal Creating Confident Caregivers Expansion grant, part of the Alzheimer's Innovation grant program, to provide evidence-based strategies and tools to assist caregivers of persons with dementia or similar impairment. The line item is increased by \$1,300,000 Gross (\$0 GF/GP) to recognize a new 3-year federal grant Personal and Home Care Aide State Training Program, to develop and strengthen training and

certification programs for personal care and home care aides, and strengthen the direct-care worker workforce; the funds are granted under the federal Patient Protection and Affordable Care Act (ACA). For GF/GP savings, funding of \$120,000 Gross (all GF/GP) for Tribal Elders health programs is eliminated, first funded in FY 2007-08.

The Nutrition Services line item is increased by \$70,000 Gross (\$0 GF/GP) of private funds to reflect an estimated increase in private contributions and donations collected locally by county extension agencies to support the Senior Project FRESH Farmer's Market Nutrition Program.

There are no changes to the Foster Grandparent Volunteer Program line item.

There are no changes to the Retired and Senior Volunteer Program line item.

There are no changes to the Senior Companion Volunteer Program line item.

There are no changes to the Employment Assistance line item.

There are no changes to the Respite Care Program line item.

FY 2010-11 SUPPLEMENTAL ACTIONS

PUBLIC ACT 49 OF 2011 SUPPLEMENTAL APPROPRIATIONS

Public Act 49 of 2011 reduces the Office of Services to Aging Administration line item for FY 2010-11 by \$46,100 Gross (all GF/GP) to recognize savings from the state employee early retirement incentive program (PA 185 of 2010).

		(H.B. 4324, Article 4)			(S.B. 172)			FY 2011-12	FY 2011-12
FY 2011-12	COMM.HEALTH	EXECUTIVE	REVISED EXEC.	HOUSE	SENATE	ENROLLED	FY 2011-12	One-Time Basis	ENACTED
P.A. 63 of 2011, Article IV (H.B. 4526)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	VETOES	Appropriations	Including Sec. 1901
DEPARTMENT OF COMMUNITY HEALTH	17-Feb-11	17-Feb-11	2-May-11	4-May-11	26-Apr-11	26-May-11	21-Jun-11	(Sec. 1901)	One-Time Approps
		(NOTE)	(NOTE)						
Sec. 117. OFFICE OF SERVICES TO THE AGING									
Full-time equated classified positions	43.5	0.0	0.0	43.5	43.5	43.5	0.0	0.0	43.5
Office of services to aging administration--* FTE	7,073,600	0	0	6,408,800	6,408,800	6,408,800	0	0	6,408,800
* positions in above line	43.5	0.0	0.0	43.5	43.5	43.5	0.0	0.0	43.5
Community services	34,269,400	0	0	33,479,400	34,289,000	35,314,400	0	0	35,314,400
Nutrition services	35,360,200	0	0	33,848,500	35,430,200	35,430,200	0	0	35,430,200
Foster grandparent volunteer program	2,233,600	0	0	0	1,898,600	2,233,600	0	0	2,233,600
Retired and senior volunteer program	627,300	0	0	0	533,300	627,300	0	0	627,300
Senior companion volunteer program	1,604,400	0	0	0	1,363,700	1,604,400	0	0	1,604,400
Employment assistance	3,792,500	0	0	3,792,500	3,792,500	3,792,500	0	0	3,792,500
Respite care program	5,868,700	0	0	5,868,700	5,868,700	5,868,700	0	0	5,868,700
GROSS APPROPRIATION	90,829,700	0	0	83,397,900	89,584,800	91,279,900	0	0	91,279,900
Appropriated from:									
Federal revenues:									
Total federal revenues	56,707,800	0	0	57,159,200	57,159,200	57,159,200	0	0	57,159,200
Special revenue funds:									
Total private revenues	607,500	0	0	677,500	677,500	677,500	0	0	677,500
Merit award trust fund	4,468,700	0	0	4,468,700	4,468,700	4,468,700	0	0	4,468,700
Total other state restricted revenues	1,400,000	0	0	1,400,000	1,400,000	1,400,000	0	0	1,400,000
State general fund/general purpose	27,645,700	0	0	19,692,500	25,879,400	27,574,500	0	0	27,574,500
NOTE - The Executive Recommendation Sec. 4-106 rolled up line item includes all line items from Section 117, as well as Sections 113 and 114.									

MEDICAL SERVICES

MEDICAL SERVICES ADMINISTRATION

The Medical Services Administration line is reduced \$1.0 million federal authorization reflecting the end of the HRSA Health Benefits Exchange grant. The line is reduced \$1,160,800 Gross (\$580,400 GF/GP) resulting from state employees retiring under the early retirement incentive program in 2010, PA 185 of 2010. Under the program, only about half of the resulting vacancies were filled for positions which did not provide direct care.

The Medical Services Administration line is increased \$200,000 Gross (\$100,000 GF/GP) supporting an additional 2.0 FTEs. These positions are related to savings projected due to a shift of individuals who are eligible for both Medicare and Medicaid (dual eligibles) from fee-for-service to an integrated managed care system. Total savings of \$29,628,700 Gross (\$10.0 million GF/GP) are estimated given a reduction in the Physician Services line and the Hospital Services and Therapy line. Savings are based on a start date of April 1, 2012. A federal waiver would be required to allow the State to receive the Medicare funds to manage the care of the dual eligibles.

The Medical Services Administration line item is adjusted for employee-related economics including an increase of \$1,689,800 Gross (\$658,700 GF/GP) for defined benefit retirement costs, a reduction of \$137,000 Gross (\$53,400 GF/GP) for defined contribution retirement costs, and a decrease of \$163,000 Gross (\$63,500 GF/GP) for overall insurance cost decreases of 3.0%.

There are no appropriation changes to the Facility Inspection Contract line item.

For the MIChild Administration line no changes were adopted.

The State Health Information Exchange (ARRA) line is reduced \$8.0 million federal ARRA funds, therefore eliminated, recognizing the end of the HRSA State Health Information Exchange Award.

FY 2010-11 SUPPLEMENTAL ACTIONS

PUBLIC ACT 49 OF 2011 SUPPLEMENTAL APPROPRIATIONS

Public Act 49 of 2011 reduces funding by \$825,100 GF/GP to reflect savings achieved from the state employees early retirement incentive legislation (Public Act 185 of 2010) that was enacted pursuant to the establishment of state appropriation spending targets.

PUBLIC ACT 83 OF 2011 SUPPLEMENTAL APPROPRIATIONS

Public Act 83 of 2011 includes the creation of a new appropriation line within the Medical Services Administration appropriation unit entitled Electronic Health Record Incentive Program. The line is funded at \$83,542,000 Gross (\$1,466,700 GF/GP) based on projected spending for FY 2010-11 for this program which provide incentive payments to eligible professionals, hospitals, and critical access hospitals as they adopt, implement, upgrade or demonstrate meaning use of certified electronic health record (ERH) technology. An ERH is an electronic record of patient health information generated by one or more encounters in any care delivery setting. The ERH incentive program was funded by the American Recovery and Reinvestment Act (ARRA) and is expected to be active for 11 years.

		(H.B. 4324, Article 4)			(S.B. 172)			FY 2011-12	FY 2011-12
	FY 2010-11	FY 2011-12	FY 2011-12	FY 2011-12	FY 2011-12	FY 2011-12		One-Time Basis	ENACTED
FY 2011-12	COMM.HEALTH	EXECUTIVE	REVISED EXEC.	HOUSE	SENATE	ENROLLED	FY 2011-12	Appropriations	Including Sec. 1901
P.A. 63 of 2011, Article IV (H.B. 4526)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	VETOES	(Sec. 1901)	One-Time Approps
DEPARTMENT OF COMMUNITY HEALTH	17-Feb-11	17-Feb-11	2-May-11	4-May-11	26-Apr-11	26-May-11	21-Jun-11	21-Jun-11	21-Jun-11
Sec. 118. MEDICAL SERVICES ADMINISTRATION									
Full-time equated classified positions	413.0	0.0	0.0	415.0	415.0	415.0	0.0	0.0	415.0
Medical services administration--* FTE position	65,628,000	0	0	65,057,000	65,057,000	65,057,000	0	0	65,057,000
* positions in above line	413.0	0.0	0.0	415.0	415.0	415.0	0.0	0.0	415.0
Facility inspection contract	132,800	0	0	132,800	132,800	132,800	0	0	132,800
MiChild administration	4,327,800	0	0	4,327,800	4,327,800	4,327,800	0	0	4,327,800
State health information exchange (ARRA)	8,000,000	0	0	0	0	0	0	0	0
GROSS APPROPRIATION	78,088,600	0	0	69,517,600	69,517,600	69,517,600	0	0	69,517,600
Appropriated from:									
Federal revenues:									
Total federal revenues	48,114,100	0	0	47,476,900	47,476,900	47,476,900	0	0	47,476,900
Federal revenues (ARRA)	8,000,000	0	0	0	0	0	0	0	0
Special revenue funds:									
Total local revenues	105,900	0	0	105,900	105,900	105,900	0	0	105,900
Total private revenues	100,000	0	0	100,000	100,000	100,000	0	0	100,000
Total other state restricted revenues	105,300	0	0	110,100	110,100	110,100	0	0	110,100
State general fund/general purpose	21,663,300	0	0	21,724,700	21,724,700	21,724,700	0	0	21,724,700

NOTE - The Exec. Rec. Sec. 4-107 rolled up line item includes all line items from Sec. 118, Sections 115 & 119, and the Medicaid Outreach Cost Reimb to LHDs line item from Sec. 111.

MEDICAL SERVICES

Medicaid base adjustments are reflected in the budget to recognize current Medicaid expenditure trends and projected inflation, caseload, and utilization growth in various Medical Services program line items. The initial Medicaid base adjustments proposed in the Executive Budget and the staff consensus estimates that were adopted in the enacted budget are summarized below:

Medical Services Line Item	Initial Medicaid Base Adjustment	Staff Consensus Base Adjustment
Hospital Services and Therapy	\$15,293,800	\$20,344,500
Physician Services	\$4,031,000	\$16,855,400
Medicare Premium Payments	\$9,679,000	\$9,679,000
Pharmaceutical Services	(\$63,997,100)	(\$43,997,100)
Home Health Services	\$681,900	\$681,900
Hospice Services	\$29,637,700	\$24,637,700
Transportation	(\$471,500)	\$528,500
Auxiliary Medical Services	\$764,600	\$764,600
Dental Services	\$14,787,500	\$14,787,500
Ambulance Services	(\$2,064,100)	(\$435,700)
Long Term Care Services	\$52,447,300	\$82,183,300
Adult Home Help	\$14,631,500	\$14,631,500
Personal Care Services	\$421,500	\$421,500
Health Plan Services ¹	\$109,633,300	\$174,132,500
Plan First Family Planning Waiver	\$1,819,300	\$1,819,300
Federal Medicare Pharmaceutical Program	\$4,653,500	\$4,653,500
Total	\$191,949,200	\$321,717,900

(1) Does not include Medicaid health plan actuarial soundness adjustment.

The Hospital Services and Therapy line is increased by \$20,344,500 Gross (\$6,888,600 GF/GP) for Medicaid inflation, caseload and utilization adjustments. Federal funds within the line item are increased by \$2,259,600 while GF/GP revenues are decreased an identical amount to reflect a change in the federal Medicaid matching rate (FMAP) from 65.79% to 66.14%. The ARRA enhanced rate is not available in FY 2011-12 therefore \$52,246,300 GF/GP and \$16,850,400 state restricted replace a like amount of federal ARRA funds. Federal funding is increased by \$12,800 and GF/GP decreased by the same amount to reflect a change in the federal SCHIP matching rate from 76.05% to 76.30%. State restricted hospital quality assurance assessment program (QAAP) revenue of \$2,187,500 is replaced with the same amount of federal Medicaid revenue to reflect an increase in the regular FMAP rate for Michigan from 65.79% to 66.14%. An additional \$780,100 GF/GP is required to offset lost state retained hospital QAAP retainer resulting from an increase in the regular FMAP rate for Michigan from 65.79% to 66.14%.

The Hospital Services and Therapy line receives a transfer in from the Special Medicaid Reimbursement line of \$27.0 million Gross (\$9,142,200 state restricted), a one-time hospital QAAP DSH payment to be made in FY 2010-11. The line includes an increase of \$5,819,200 GF/GP to offset the effect on the FY 2010-11 Medicaid accrual due to the final year of enhanced federal FMAP Medicaid funding from the American Recovery and Reinvestment Act (ARRA) and related extension. This adjustment is for the entire Medical Services unit. Includes an increase of \$14,619,700 GF/GP to offset the effect on the FY 2011-12 Medicaid accrual due to the final year of enhanced federal FMAP Medicaid funding from the American Recovery and Reinvestment Act (ARRA) and related extension. This adjustment is also for the entire Medical Services unit.

The line is reduced \$27.0 million Gross (\$9,142,200 state restricted), a one-time hospital QAAP DSH payment made in FY 2010-11. The Medicaid program receives \$194,200 in available Healthy Michigan Fund revenue resulting in additional GF/GP savings within the line. The line receives additional GF/GP savings of \$5,913,600 through Healthy Michigan Fund program reductions. The line is reduced \$14,914,300 Gross (\$5,050,000 GF/GP) reflecting a shift of individuals who are eligible for both Medicare and Medicaid (dual eligibles) from fee-for-service to an integrated managed care system. Total savings of \$29,628,700 Gross (\$10.0 million GF/GP) are estimated given a reduction in the Physician Services line and an increase for staff in the Medical Services Administration line of \$200,000 Gross (\$100,000 GF/GP). Savings are based on a start date of April 1, 2012 and a federal waiver would be required to allow the State to receive the Medicare funds to manage the care of the dual eligibles.

A 19% reduction to Graduate Medical Education (GME) payments result in savings of \$31,824,300 Gross (\$10,775,700 GF/GP). GME payments are made to Michigan hospitals which provide clinical training and education to individuals in approved residency programs. This funding is provided in recognition of the higher costs incurred by the teaching

hospitals. The MOMS program is eliminated therefore the line is reduced by \$1,575,500 state restricted Healthy Michigan Fund. The line is increased by \$20.4 million federal Medicaid authorization offsetting a like amount of GF/GP reversing a GF/GP cost anticipated from the loss of the FY 2011-12 ARRA accrual.

A series of technical adjustments were requested by the Executive on May 11, 2011. The first within this line correctly places a QAAP funded DSH payment adjustment in the Special Medicaid Reimbursement line rather than the Hospital Services and Therapy line. The line is reduced \$9,640,500 Gross (\$6,376,200 federal, \$3,264,300 state restricted). Secondly, the approved request is for increasing the QAAP level by \$6,100 state restricted. And, the last technical request correctly places a QAAP funded payment adjustment in the Hospital Services and Therapy line rather than the Health Plan Services line. The line is increased \$2,648,800 state restricted.

The Hospital Disproportionate Share Payments line includes a replacement of \$182,700 GF/GP with the same amount of federal Medicaid revenue to reflect an increase in the regular FMAP rate for Michigan from 65.79% to 66.14%. The 2nd DSH pool is eliminated therefore reducing the line \$7.5 million Gross (\$2,539,500 state restricted). In the past this pool has been funded at \$5.0 million and had been subjected to the Governor's veto. A technical adjustment was requested by the Executive on May 11, 2011, correcting the miscalculation of the FMAP change on a one-time QAAP funded payment. There is no net change to the line but both the federal and GF/GP authorizations are increased \$196,100 and \$25,200 respectively, with an offset reduction of \$221,300 state restricted.

The Physician Services line is increased by \$16,885,400 Gross (\$5,717,600 GF/GP) for Medicaid inflation, caseload and utilization adjustments. Federal funds within the line item are increased by \$1,054,200 while GF/GP revenues are decreased an identical amount to reflect a change in the federal Medicaid matching rate (FMAP) from 65.79% to 66.14%. The ARRA enhanced rate is not available in FY 2011-12 therefore \$16,424,100 GF/GP replaces a like amount of federal ARRA funds.

The line is reduced \$14,914,400 Gross (\$5,050,000 GF/GP) reflecting a shift of individuals who are eligible for both Medicare and Medicaid (dual eligibles) from fee-for-service to an integrated managed care system. Total savings of \$29,628,700 Gross (\$10.0 million GF/GP) are estimated given a reduction in the Hospital Services and Therapy line and an increase for staff in the Medical Services Administration line of \$200,000 Gross (\$100,000 GF/GP). Savings are based on a start date of April 1, 2012 and a federal waiver would be required to allow the State to receive the Medicare funds to manage the care of the dual eligibles.

The Medicare Premium Payments line is increased by \$9,679,000 Gross (\$3,277,300 GF/GP) for Medicaid inflation, caseload and utilization adjustments. Federal funds within the line item are increased by \$1,327,100 while GF/GP revenues are decreased an identical amount to reflect a change in the federal Medicaid matching rate (FMAP) from 65.79% to 66.14%. The ARRA enhanced rate is not available in FY 2011-12 therefore \$19,422,700 GF/GP replaces a like amount of federal ARRA funds.

The Pharmaceutical Services line is decreased by \$43,997,100 Gross (\$14,897,400 GF/GP) for Medicaid inflation, caseload and utilization adjustments. Federal funds within the line item are increased by \$1,398,800 while GF/GP revenues are decreased an identical amount to reflect a change in the federal Medicaid matching rate (FMAP) from 65.79% to 66.14%. The ARRA enhanced rate is not available in FY 2011-12 therefore \$21,788,500 GF/GP replaces a like amount of federal ARRA funds. Funding of \$18.7 million Gross (\$6,331,800 GF/GP) is removed from the Pharmaceutical Services line as a result of including behavioral health drugs on the preferred drug list. A statutory change would be required to realize these savings.

The Home Health Services line is increased by \$681,900 Gross (\$230,900 GF/GP) for Medicaid inflation, caseload and utilization adjustments. Federal funds within the line item are increased by \$21,400 while GF/GP revenues are decreased an identical amount to reflect a change in the federal Medicaid matching rate (FMAP) from 65.79% to 66.14%. The ARRA enhanced rate is not available in FY 2011-12 therefore \$330,000 GF/GP replaces a like amount of federal ARRA funds.

The Hospice Services line is increased by \$24,637,700 Gross (\$8,342,300 GF/GP) for Medicaid inflation, caseload and utilization adjustments. Federal funds within the line item are increased by \$402,500 while GF/GP revenues are decreased an identical amount to reflect a change in the federal Medicaid matching rate (FMAP) from 65.79% to 66.14%. The ARRA enhanced rate is not available in FY 2011-12 therefore \$6,270,400 GF/GP replaces a like amount of federal ARRA funds.

The Transportation line is increased by \$528,500 Gross (\$179,000 GF/GP) for Medicaid inflation, caseload and utilization adjustments. Federal funds within the line item are increased by \$25,800 while GF/GP revenues are decreased an identical amount to reflect a change in the federal Medicaid matching rate (FMAP) from 65.79% to 66.14%. The ARRA enhanced rate is not available in FY 2011-12 therefore \$402,000 GF/GP replaces a like amount of federal ARRA funds.

The Auxiliary Medical Services line is increased by \$764,600 Gross (\$258,900 GF/GP) for Medicaid inflation, caseload and utilization adjustments. Federal funds within the line item are increased by \$19,000 while GF/GP revenues are decreased an identical amount to reflect a change in the federal Medicaid matching rate (FMAP) from 65.79% to 66.14%.

The ARRA enhanced rate is not available in FY 2011-12 therefore \$402,000 GF/GP replaces a like amount of federal ARRA funds.

The Dental Services line is increased by \$14,787,500 Gross (\$5,007,100 GF/GP) for Medicaid inflation, caseload and utilization adjustments. Federal funds within the line item are increased by \$505,100 while GF/GP revenues are decreased an identical amount to reflect a change in the federal Medicaid matching rate (FMAP) from 65.79% to 66.14%. The ARRA enhanced rate is not available in FY 2011-12 therefore \$7,868,600 GF/GP replaces a like amount of federal ARRA funds. The University of Michigan donation to the Healthy Kids Dental program is discontinued therefore the line is reduced \$1.6 million Gross (\$541,800 state restricted). This donation began in FY 2008-09. The Healthy Kids Dental program is expanded to Mason, Muskegon, Newaygo and Oceana counties adding \$4,430,000 Gross (\$1.5 million GF/GP) to the Dental Services line item. A technical adjustment was requested by the Executive on May 11, 2011, reducing the state restricted funding by \$47,200, offset with a like increase of federal authorization, a further adjustment due to the removal of the University of Michigan Healthy Kids dental program contribution.

The Ambulance Services line is decreased by \$435,700 Gross (\$147,500 GF/GP) for Medicaid inflation, caseload and utilization adjustments. Federal funds within the line item are increased by \$39,400 while GF/GP revenues are decreased an identical amount to reflect a change in the federal Medicaid matching rate (FMAP) from 65.79% to 66.14%. The ARRA enhanced rate is not available in FY 2011-12 therefore \$613,800 GF/GP replaces a like amount of federal ARRA funds.

The Long-Term Care Services line is increased by \$82,183,300 Gross (\$27,827,300 GF/GP) for Medicaid inflation, caseload and utilization adjustments. Federal funds within the line item are increased by \$4,228,400 while GF/GP revenues are decreased an identical amount to reflect a change in the federal Medicaid matching rate (FMAP) from 65.79% to 66.14%. Within the line, \$1,826,600 state restricted nursing home quality assurance assessment program (QAAP) revenue replaces the same amount of federal Medicaid revenue to reflect an increase in the regular FMAP rate for Michigan from 65.79% to 66.14%. An additional \$2,560,300 GF/GP is required to offset lost state retained nursing home QAAP retainer resulting from an increase in the regular FMAP rate for Michigan from 65.79% to 66.14%. The ARRA enhanced rate is not available in FY 2011-12 therefore \$66,395,100 GF/GP replaces a like amount of federal ARRA funds. The line includes an increase of \$18,417,300 of nursing home quality assurance assessment program revenue and an increase of \$9,205,300 GF/GP to adjust for the final year of enhanced federal FMAP Medicaid funding from the American Recovery and Reinvestment Act (ARRA) and related extension. The GF/GP represents lost state benefit due to a lower net provider benefit.

Within the line \$7,107,800 Gross (\$2,406,700 GF/GP) is transferred out to the Program for All-inclusive Care for the Elderly (PACE) line item to increase the capacity of the PACE program. This is not an expansion of the number of sites. A replacement of \$286,900 GF/GP with a like amount of Merit Award Trust Fund revenue is included in this line. Savings generated by statutory changes strengthening the existing Medicaid long-term care estate recovery law reduces the Long-Term Care Services line by \$16,573,800 Gross (\$5,611,900 GF/GP).

Within the Long-Term Care Services line, savings of \$98,000 Gross (\$49,500 GF/GP) are expected to be realized by implementing a traumatic brain injury (TBI) waiver, with the approval of the Centers for Medicare and Medicaid Services (CMS). It is estimated that additional service costs of \$1,936,900, administrative costs of \$92,700 and nursing facility care savings would yield the net \$98,000. The TBI waiver would allow individuals to experience better coordinated services with effective transition from acute care to rehabilitation to independent living. The line is reduced \$59,311,800 Gross (\$16,603,400 GF) representing the net effect of a transfer of \$23,980,500 Gross (\$9,087,400 GF) to the Home and Community-Based Services Waiver line to support transitioning additional nursing home occupants to the MIChoice program and associated nursing home savings of \$35,331,300 Gross (\$7,516,000 GF/GP) in the Long-Term Care Services appropriation line.

The Medicaid Home- and Community-Based Services Waiver line includes a transfer-in of \$22,217,200 Gross (\$6,389,700 GF/GP) which corrects the FY 2010-11 Medicaid consensus funding distribution. The amount is made up of \$11,807,600 Gross (\$3,359,900 GF/GP) from the Adult Home Help line and \$10,409,600 Gross (\$2,993,800 GF/GP) from the Personal Care Services line. Federal funds within the line item are increased by \$521,700 while GF/GP revenues are decreased an identical amount to reflect a change in the federal Medicaid matching rate (FMAP) from 65.79% to 66.14%. The ARRA enhanced rate is not available in FY 2011-12 therefore \$8,846,100 GF/GP replaces a like amount of federal ARRA funds. The line is increased \$23,980,500 Gross (\$9,087,400 GF) to support transitioning additional nursing home occupants to the MIChoice program. A net reduction of \$35.3 million Gross (\$7.5 million GF/GP) is the result when considering an associated reduction in the Long-Term Care Services appropriation line.

The Adult Home Help Services line includes a transfer out of \$11,807,600 Gross (\$3,395,900 GF/GP) to the Medicaid Home- and Community-Based Services Waiver line which corrects the FY 2010-11 Medicaid consensus funding distribution. The line is increased by \$14,631,500 Gross (\$4,954,200 GF/GP) for Medicaid inflation, caseload and utilization adjustments. Federal funds within the line item are increased by \$1,036,700 while GF/GP revenues are decreased an identical amount to reflect a change in the federal Medicaid matching rate (FMAP) from 65.79% to 66.14%. The ARRA enhanced rate is not available in FY 2011-12 therefore \$16,151,100 GF/GP replaces a like amount of federal ARRA funds. Reduces the Adult Home Help line by \$17,720,000 Gross (\$6.0 million GF/GP) by excluding individuals

from the Adult Home Help program who qualify only for assistance with instrumental activities of daily living (IADL). IADLs include shopping, laundry, housework, meal preparation and money management. Funding in the amount of \$1.0 million Gross (\$500,000 GF/GP) is eliminated supporting the Michigan Quality Community Care Council (MQCCC). The MQCCC maintains a registry for adult home help eligibles to find a service provider; it trains the recipient on how to act as an employer in finding, choosing, and hiring a provider; it completes background checks on service providers.

The Personal Care Services line is decreased by \$421,500 Gross (\$142,700 GF/GP) for Medicaid inflation, caseload and utilization adjustments. Federal funds within the line item are increased by \$49,000 while GF/GP revenues are decreased an identical amount to reflect a change in the federal Medicaid matching rate (FMAP) from 65.79% to 66.14%. The ARRA enhanced rate is not available in FY 2011-12 therefore \$763,400 GF/GP replaces a like amount of federal ARRA funds. The line includes a transfer out of \$10,409,600 Gross (\$2,993,800 GF/GP) to the Medicaid Home- and Community-Based Services Waiver line which corrects the FY 2010-11 Medicaid consensus funding distribution.

The Program of All-Inclusive Care for the Elderly line federal funds are increased by \$82,600 while GF/GP revenues are decreased an identical amount to reflect a change in the federal Medicaid matching rate (FMAP) from 65.79% to 66.14%. The ARRA enhanced rate is not available in FY 2011-12 therefore \$1,286,600 GF/GP replaces a like amount of federal ARRA funds. The line includes a transfer in from the Long-Term Care Services line item of \$7,107,800 Gross (\$2,406,700 GF/GP) to increase the capacity of the PACE program. This is not an expansion of the number of sites.

The Health Plan Services line is increased by \$174,132,500 Gross (\$58,961,200 GF/GP) for Medicaid inflation, caseload and utilization adjustments. Federal funds relating to the base program and the specialty access network fees within the line item are increased by \$11,434,200 while GF/GP revenues are decreased both \$10,856,700 GF/GP and \$577,500 state restricted to reflect a change in the federal Medicaid matching rate (FMAP) from 65.79% to 66.14%. Federal funds relating to the hospital quality assurance assessment program within the line item are increased by \$2,402,400 while state restricted revenues are decreased an identical amount to reflect a change in the federal Medicaid matching rate (FMAP) from 65.79% to 66.14%. A correction to the FY 2010-11 state psychiatric hospital disproportionate share hospital (DSH) payment results in a loss of \$5,494,400 GF/GP savings which is offset by a reduction of state restricted revenue.

An additional \$190,800 GF/GP is required to offset lost state retained hospital QAAP resulting from an increase in the regular FMAP rate for Michigan from 65.79% to 66.14%. Due to certain certification assumptions for the state psychiatric forensic center, GF/GP savings of \$9,952,300 anticipated in FY 2010-11 will not occur. The state restricted authorization is decreased by an offset of \$9,952,300 GF/G. The line is increased \$40.0 million Gross (\$13,544,000 GF/GP) adjusting for lower pharmacy rebate revenue, a change from \$120.0 million to \$80.0 million. An additional \$10.1 million GF/GP is

required to offset a like amount of Medicaid Benefits Trust Fund revenue which had been anticipated in FY 2010-11. The line is increased \$12,957,400 Gross (\$3,948,700 state restricted, \$438,700 local) recognizing the increase from \$165.0 million to \$178.0 million of specialty network access fee (SNAF) payments anticipated in FY 2010-11. The line is increased \$827,100 Gross (\$280,000 GF/GP) to make whole Medicaid HMOs due to a higher use tax burden generated by the \$12,957,400 increase of SNAF payments. The line is reduced \$6,360,100 Gross (\$2,153,500 GF/GP) recognizing savings from an anticipated enrollment increase in the PlanFirst! Family Planning Waiver program. An additional \$160.0 million GF/GP is necessary to offset one-time FMAP correction state restricted revenue (Medicaid Benefits Trust Fund) included in the FY 2010-11 budget, which was permitted in the Children's Health Insurance Program Reauthorization Act (CHIPRA).

The line includes FY 2011-12 estimated savings of \$9,952,000 GF/GP generated by the state psychiatric forensic center disproportionate share hospital payment. The state restricted authorization is increased by a like amount. Available Medicaid Benefits Trust Fund revenue anticipated in FY 2011-12 offsets \$9.3 million of GF/GP funding. The line is increased \$19,966,000 Gross (\$3,948,700 state restricted, \$2,811,800 local) recognizing the increase from \$178.0 million to \$198.0 million of specialty network access fee (SNAF) payments anticipated in FY 2011-12. The line is increased \$1,274,400 Gross (\$431,500 GF/GP) to make whole Medicaid HMOs due to a higher use tax burden generated by the \$19,966,000 increase of SNAF payments. Reduces the Health Plan Services line item by \$22,017,100 Gross (\$7,455,000 GF/GP) reflecting savings generated by broadening the Sharing Health Care Information Act to require auto insurers who are legally responsible for payment of a health care claim to report information related to the claim to the Department of Community Health. This will enable the State to better identify Medicaid eligible persons with other health care coverage and avoid or recover payments for services provided by the Medicaid program. This requires a change in Michigan law. Funding for the Arthur Hill and Mumford high school teen health clinics is reduced by 15%, \$90,000 Gross (\$30,500 GF/GP).

The line is reduced \$252,378,600 Gross (\$85,455,400 GF/GP) reflecting that portion of the HMO rates supported with use tax savings. The reduction anticipates federal action that would result in the phase-out of the State's 6% use tax on Medicaid HMOs. Companion adjustments occur in the Community Mental Health/Substance Abuse Services Programs unit, a reduction of \$135,974,300 Gross (\$46,040,900 GF/GP), totaling \$388,352,900 Gross (\$131,496,300 GF/GP) for complete use tax removal from HMOs and PIHPs. These actions anticipate the enactment of a 1% assessment, for a full year, on all health insurance claims to offset loss of the use tax.

The line includes revenue from the enactment of a 1% assessment on all health insurance claims, generating approximately \$396,856,700 of state restricted revenue which will offset a like amount of GF/GP in the DCH budget. Of

the \$396.9 million GF/GP savings, \$256,856,600 offsets use tax revenue generated by a 6% tax on Medicaid HMOs that would be replaced with this broader assessment. An additional \$140.0 million of assessment revenue would offset a like amount of GF/GP to maintain base Medicaid program expenditures. The DCH budget is reduced \$388,352,900 Gross (\$131,496,300 GF/GP) representing funds used to keep HMOs and PIHPs whole under the use tax. This replacement of the 6% use tax with a 1% assessment is based on anticipated federal action that will result in the phase-out of the use tax.

The line is increased by \$50,136,900 Gross (\$16,976,400 GF/GP) recognizing an actuarial soundness rate of 1.68%. A technical adjustment was requested by the Executive on May 11, 2011, transferring a QAAP funded payment adjustment from this line to the Hospital Services and Therapy line. The line is reduced \$2,648,800 state restricted. Adjusting for increased HRA payments the line is increased \$50.0 million Gross (\$33,070,000 federal, \$22,814,000 state restricted, reducing GF/GP by \$5,884,000).

The MIChild Program line is decreased by \$956,000 Gross (\$226,600 GF/GP) for Medicaid inflation, caseload and utilization adjustments. Federal funding is increased by \$131,800 and GF/GP decreased by the same amount to reflect a change in the federal SCHIP matching rate from 76.05% to 76.30%.

The Plan First Family Planning Waiver line is increased by \$1,819,300 Gross (\$181,900 GF/GP) for Medicaid inflation, caseload and utilization adjustments.

The Medicaid Adult Benefits Waiver line includes a FY 2010-11 adjustment increasing the line by \$31,593,600 Gross (\$10,697,600 GF/GP) as a result of larger than anticipated enrollments in October, November and December of 2010. The annual average enrollment for FY 2010-11 was budgeted at 49,683 enrollees and is now estimated to be 74,700. The line is reduced \$11,825,300 Gross (\$298,800 GF/GP increase) for Medicaid inflation, caseload and utilization adjustments. Federal funds within the line item are increased by \$437,400 while GF/GP revenues are decreased an identical amount to reflect a change in the federal Medicaid matching rate (FMAP) from 65.79% to 66.14%. The ARRA enhanced rate is not available in FY 2011-12 therefore \$6,940,000 GF/GP replaces a like amount of federal ARRA funds. The cost to support a large Medicaid Adult Benefits Waiver program over-enrollment in the first quarter of FY 2010-11 is reversed thereby reducing the line by \$31,593,600 Gross (\$10,697,600 GF/GP).

The Special Indigent Care Payments line includes a federal funds increase of \$309,800 while GF/GP revenues are decreased an identical amount to reflect a change in the federal Medicaid matching rate (FMAP) from 65.79% to 66.14%.

The Federal Medicare Pharmaceutical Program line includes an increase of \$28,826,600 GF/GP to offset the final year of enhanced federal FMAP Medicaid funding from the American Recovery and Reinvestment Act (ARRA) and related extension. Provides an increase of \$4,653,500 GF/GP based on a 3% caseload growth and a 3% increase in inflation and utilization from FY 2010-11 to FY 2011-12 for fee-for-service Medicaid accounts.

The Promotion of Health Behavior Waiver line item is eliminated, reducing federal authorization by \$10.0 million.

There are no appropriation changes to the Maternal and Child Health line item.

There are no appropriation changes to the School-Based Services line item.

The Special Medicaid Reimbursement line includes a transfer out to the Hospital Services and Therapy line of \$27.0 million Gross (\$9,142,200 state restricted), adjusting for a one-time hospital QAAP DSH payment made in FY 2010-11. Includes an increase of \$11,709,100 state restricted and \$2,142,300 local of specialty network access fee (SNAF) program funds which will offset the final year of enhanced federal FMAP Medicaid funding from the American Recovery and Reinvestment Act (ARRA) and related extension. A replacement of \$554,500 state restricted funding related to physician adjustor payments with the same amount of federal Medicaid revenue reflects an increase in the regular FMAP rate for Michigan from 65.79% to 66.14%. A reduced state psychiatric DSH payment in FY 2010-11 lowers the line by \$8,351,300 Gross (\$2,856,900 state restricted).

The line is decreased \$15,747,900 Gross (\$5,795,600 state restricted) correcting FY 1010-11 assumptions of a full year forensic center DSH payment that will not occur. The line is increased \$15,047,200 Gross (\$5,095,200 state restricted) recognizing a full FY 2011-12 disproportionate share hospital (DSH) forensic center payment. The line is increased \$10.0 million Gross (\$3,081,300 state restricted, \$304,700 local) recognizing the increase from \$116.1 million to \$198.0 million of physician adjustor payments anticipated in FY 2011-12. The line is increased \$5,000,000 Gross (\$1,692,900 state restricted) recognizing the increase of dental adjustor payments anticipated in FY 2011-12. The line is increased \$9.8 million Gross (\$3,318,300 private) in recognition of federally qualified health center/local public health foundation funded payments in FY 2011-12. Adjusts the disproportionate share hospital (DSH) authorization, a reduction of \$18,116,300 Gross (\$6,134,200 state restricted), balancing to the anticipated FY 2011-12 federal DSH cap for Michigan of \$399,122,000.

A series of technical adjustments were requested by the Executive on May 11, 2011. They are as follows. The first is a \$9,700 federal increase offset by a like amount of GF/GP adjusting the Bronson Hospital FMAP calculation from 65.79%

to 66.14%. Also requested was an adjustment to the University of Detroit-Dental Clinic DSH payment to a fixed benefit, a decrease of \$36,600 state restricted. Similarly the migration of the Wayne State University Residency Program DSH payment to a fixed benefit results in a decrease of \$45,100 state restricted. The line includes a \$9,700 federal increase offset by a like amount of GF/GP adjusting the Children's Hospital of Michigan-Poison Control program FMAP calculation from 65.79% to 66.14%. Also included within the line is a transfer of \$590,100 of public physician adjustor payments funding from state restricted to local. The public physician adjustor payments FMAP calculation from 65.79% to 66.14% is included. Federal authorization is increased by \$136,800 with an equivalent reduction in local. Changes within the line include the transfer of \$1,726,400 of public dental clinic adjustor payments funding from state restricted to local.

Technical adjustments within the Special Medicaid Reimbursement line continue with a one-time outpatient DSH pool payment FMAP calculation recognizing the change from 65.79% to 66.14%. Federal authorization is increased by \$796,500 with an equivalent reduction in state restricted. This corrects the QAAP funding to the amount that was transferred to the Hospital Services and Therapy line item. The line is also includes a correction to the State Psychiatric DSH pool payment FMAP calculation from 65.79% to 66.14% with federal authorization increasing by \$3,666,900 and an equivalent reduction in state restricted. Within the line there is included a transfer in from the Hospital Services and Therapy line of \$9,640,500 Gross (\$3,264,300 state restricted) of QAAP funded DSH payments. The funding includes an adjustment for FMAP that was not included in the original base amount.

FY 2010-11 SUPPLEMENTAL ACTIONS

PUBLIC ACT 50 OF 2011 SUPPLEMENTAL APPROPRIATIONS

Public Act 50 of 2011 provides supplemental American Recovery and Reinvestment Act (ARRA) federal funding authorization of \$4,860,800 transferred from the Departmentwide Health Projects (ARRA) line item to the Medicare Premium Payments line item to recognize additional ARRA Title XIX funding for services to individuals who are dually eligible for Medicare and Medicaid. Authorization in the Departmentwide Health Projects (ARRA) line was unexpended and available to be transferred.

PUBLIC ACT 83 OF 2011 SUPPLEMENTAL APPROPRIATIONS

Public Act 83 of 2011 effects various appropriation lines and represent net adjustments of \$21,235,800 Gross (\$41,395,400 GF/GP) based on the items noted below. These costs were identified at the May 2011 Medicaid consensus

meeting between the House and Senate Fiscal Agencies and the State Budget Office and presented at the Consensus Revenue Estimating Conference also in May.

Medicaid Expenditures: A decrease of \$15,787,900 Gross (\$8,470,900 GF/GP) for Medicaid program expenditures due to changes in projected costs related to caseload, utilization, and inflation.

State Restricted Revenue Shortfalls: Reductions of \$7.9 million in the Medicaid Benefits Trust Fund (MBTF) and \$2.0 million in the Merit Award Trust Fund are offset by an increase in GF/GP.

ARRA Accrual Cost: \$22.0 million reduction of American Recovery and Reinvestment Act (ARRA) enhanced FMAP revenue is offset by GF/GP anticipating the establishment of the Medicaid accrual.

ABW Program Funding Adjustment: Federal Medicaid authorization is reduced by \$19,695,500 and replaced with a like amount of GF/GP due to over enrollment in the Medicaid Adult Benefits Waiver (ABW) program.

SCHIP Bonus: Federal authorization is increased by \$9.2 million of State Children's Health Insurance Program (SCHIP) revenue and replaced a like amount of GF/GP. The SCHIP bonus funds are a result of Michigan's promotion of health care coverage for children. These funds cannot be used as federal match and will be used like GF/GP to address federal neutrality costs in the ABW program.

MIChoice Program Funding Adjustment: MIChoice program federal Medicaid authorization is reduced by \$6,085,900 and replaced with a like amount of GF/GP. This corrects a fund sourcing problem that was corrected in FY 2009-10 but not included in the FY 2010-11 budget development.

State Psychiatric DSH: Federal Medicaid authorization is reduced by \$10,749,400 and replaced with a like amount of GF/GP due to lower federal special financing earnings generated by the state psychiatric forensic center disproportionate share hospital (DSH) payment.

Pre-Pay July Medicaid HMO Capitated Payments: Federal ARRA enhanced FMAP authorization is increased by \$20.0 million saving the same amount of GF/GP as a result of pre-paying the July 2011 Medicaid HMO capitated payments in June 2011. The enhanced ARRA FMAP rate expires July 1, 2011.

PUBLIC ACT 157 OF 2011 SUPPLEMENTAL APPROPRIATIONS

Public Act 157 of 2011 does not have an impact on FY 2010-11 Gross and GF/GP appropriations. However, Section 301 of this supplemental act appropriates \$213.8 million GF/GP into the Medicaid Benefits Trust Fund (MBTF) for potential payment of federal Medicaid program disallowances and Medicaid fraud claims settlement. The expectation is that the State will be required to return the federal share, \$195.1 million, of Medicaid funds received in prior years for the state Forensic Center and Huron Valley Center psychiatric disproportionate share hospital (DSH) payment program. There is also the expectation that a pharmaceutical settlement between the State's Attorney General and Specialized Pharmacy, Inc. will require that \$18.7 million be returned to the federal government. The Legislature is required to appropriate the

MBTF revenue if/when the disallowances and settlement amounts are to be paid. The budgetary items are assumed in the Leadership Agreement on the FY 2011-12 budget.

		(H.B. 4324, Article 4)			(S.B. 172)			FY 2011-12	FY 2011-12
FY 2011-12	COMM.HEALTH	FY 2011-12 EXECUTIVE	FY 2011-12 REVISED EXEC.	FY 2011-12 HOUSE	FY 2011-12 SENATE	FY 2011-12 ENROLLED	FY 2011-12	One-Time Basis Appropriations	ENACTED
P.A. 63 of 2011, Article IV (H.B. 4526)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	VETOES	(Sec. 1901)	Including Sec. 1901 One-Time Approps
DEPARTMENT OF COMMUNITY HEALTH	17-Feb-11	17-Feb-11	2-May-11	4-May-11	26-Apr-11	26-May-11	21-Jun-11	21-Jun-11	21-Jun-11
		(NOTE)	(NOTE)						
Sec. 119. MEDICAL SERVICES									
Hospital services and therapy	1,308,254,500	0	0	1,239,794,200	1,138,897,800	1,273,299,300	0	0	1,273,299,300
Hospital services and therapy-graduate medical education	0	0	0	0	0	0	0	17,129,400	17,129,400
Hospital services and therapy-rural and sole community hospitals	0	0	0	0	0	0	0	29,533,400	29,533,400
Hospital disproportionate share payments	52,500,000	0	0	45,000,000	45,000,100	45,000,000	0	0	45,000,000
Physician services	301,252,900	0	0	290,369,500	290,369,500	303,223,900	0	0	303,223,900
Medicare premium payments	399,490,400	0	0	409,169,400	409,169,400	409,169,400	0	0	409,169,400
Pharmaceutical services	401,414,600	0	0	318,717,500	318,717,600	338,717,500	0	0	338,717,500
Home health services	6,109,200	0	0	6,791,100	6,791,100	6,791,100	0	0	6,791,100
Hospice services	115,000,000	0	0	144,637,700	144,637,700	139,637,700	0	0	139,637,700
Transportation	15,481,300	0	0	15,009,800	15,009,800	16,009,800	0	0	16,009,800
Auxiliary medical services	5,487,500	0	0	6,252,100	6,252,200	6,252,100	0	0	6,252,100
Dental services	145,313,300	0	0	158,500,800	158,500,800	162,930,800	0	0	162,930,800
Ambulance services	11,335,700	0	0	9,271,600	9,271,600	10,900,000	0	0	10,900,000
Long-term care services	1,687,362,700	0	0	1,717,160,900	1,717,837,500	1,686,454,600	0	0	1,686,454,600
Medicaid home- and community-based services waiver	183,723,300	0	0	205,940,500	205,940,500	229,921,000	0	0	229,921,000
Adult home help services	304,928,900	0	0	289,032,800	289,032,900	289,032,800	0	0	289,032,800
Personal care services	24,409,600	0	0	14,421,500	14,421,500	14,421,500	0	0	14,421,500
Program of all-inclusive care for the elderly	23,600,000	0	0	30,707,800	30,707,800	30,707,800	0	0	30,707,800
Health plan services	4,028,012,700	0	0	3,933,146,800	3,936,122,200	4,093,812,400	0	0	4,093,812,400
MIChild program	52,709,100	0	0	51,753,100	51,753,100	51,753,100	0	0	51,753,100
Plan first family planning waiver	11,269,900	0	0	13,089,200	13,089,200	13,089,200	0	0	13,089,200
Medicaid adult benefits waiver	124,208,300	0	0	105,877,700	105,877,700	105,877,700	0	0	105,877,700
Special indigent care payments	88,518,500	0	0	88,518,500	88,518,500	88,518,500	0	0	88,518,500
Federal Medicare pharmaceutical program	152,119,200	0	0	185,599,300	185,599,300	185,599,300	0	0	185,599,300
Promotion of healthy behavior waiver	10,000,000	0	0	0	0	0	0	0	0
Maternal and child health	20,279,500	0	0	20,279,500	20,279,500	20,279,500	0	0	20,279,500
Subtotal basic medical services program	9,472,781,100	0	0	9,299,041,300	9,201,797,300	9,521,399,000	0	46,662,800	9,568,061,800
School-based services	91,296,500	0	0	91,296,500	91,296,500	91,296,500	0	0	91,296,500
Special Medicaid reimbursement	359,191,500	0	0	329,823,200	329,823,200	339,382,000	0	0	339,382,000
Subtotal special medical services payments	450,488,000	0	0	421,119,700	421,119,700	430,678,500	0	0	430,678,500
Sec. 4-107. HEALTH CARE SERVICES (Exec. Rec. only, see NOTE)									
Full-time equated classified positions	0.0	462.8	462.8	0.0	0.0	0.0	0.0	0.0	0.0
Health care services	0	10,106,807,300	10,106,807,300	0	0	0	0	0	0
GROSS APPROPRIATION									
Appropriated from:	9,923,269,100	10,106,807,300	10,106,807,300	9,720,161,000	9,622,917,000	9,952,077,500	0	46,662,800	9,998,740,300
Federal revenues:									
Total federal revenues	6,547,019,700	6,631,685,500	6,631,685,500	6,401,465,100	6,337,148,100	6,579,215,500	0	30,862,800	6,610,078,300

		(H.B. 4324, Article 4)			(S.B. 172)			FY 2011-12	FY 2011-12
FY 2011-12	COMM.HEALTH	EXECUTIVE	REVISED EXEC.	HOUSE	SENATE	ENROLLED	FY 2011-12	One-Time Basis	ENACTED
P.A. 63 of 2011, Article IV (H.B. 4526)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	VETOES	Appropriations	Including Sec. 1901
DEPARTMENT OF COMMUNITY HEALTH	17-Feb-11	17-Feb-11	2-May-11	4-May-11	26-Apr-11	26-May-11	21-Jun-11	(Sec. 1901)	One-Time Approps
		(NOTE)	(NOTE)						
Federal FMAP stimulus (ARRA)	500,035,500	0	0	0	0	0	0	0	0
Special revenue funds:									
Total local revenues	59,888,900	66,175,900	66,175,900	66,070,000	66,070,000	68,249,700	0	0	68,249,700
Total private revenues	3,013,900	7,429,000	7,429,000	6,332,200	6,332,200	6,332,200	0	0	6,332,200
Merit award trust fund	81,988,900	0	0	82,275,800	82,275,800	82,275,800	0	0	82,275,800
Total other state restricted revenues	1,634,933,200	2,011,582,400	2,011,582,400	1,932,885,800	1,933,691,000	1,940,891,700	0	0	1,940,891,700
State general fund/general purpose	1,096,389,000	1,389,934,500	1,389,934,500	1,231,132,100	1,197,399,900	1,275,112,600	0	15,800,000	1,290,912,600

NOTE - The Executive Rec. Sec. 4-107 line item is a rollup of all line items from Sections 115, 118 and 119, and the Medicaid Outreach Cost Reimb to LHDs line item from Sec. 111.

INFORMATION TECHNOLOGY

INFORMATION TECHNOLOGY

Recognizing available state restricted revenue to support the Information Technology Services and Projects line item, the following sources of fee revenue are increased: certificate of need by \$53,700, radiological health by \$65,000, emergency medical services by \$9,900, newborn screening by \$154,200, and health professions by \$70,000. Also, recognizing available state restricted revenue to support the Information Technology Services and Projects line item, the following fee revenue authorizations are reduced: pain management by \$120,000; crime victim's services by \$139,100, first/third party by \$60,100, and health systems by \$33,600. Recognizing the completion of the federal Social Security Administration's (SSA) Electronic Death Registry grant, federal funding for the Information Technology Services and Projects line item is reduced by \$401,000. The purpose of the grant was to provide more timely electronic death records to the SSA and prevent issuance of payments on behalf of deceased persons to individuals not eligible to receive those payments

Retirement incentive savings of \$315,300 Gross (all GF/GP) are recognized for employees supported by the Information Technology and Services Project line item. Employee defined benefit retirement pension and insurance costs supporting the Information Technology Services and Projects line item are increased by \$582,800 Gross (\$137,000 GF/GP). Employee defined contribution retirement pension and insurance costs supporting the Information Technology Services and Projects line item are increased by \$22,600 Gross (\$5,400 GF/GP). Using a 3.0% weighted average decrease factor for all insurances, employee insurance costs supporting the Information Technology Services and Projects line item are reduced by \$56,900 Gross (\$13,400 GF/GP). An economic increase of \$24,300 Gross (all GF/GP) is included in the Information Technology Services and Projects line item for building and occupancy charges. Funding of \$1,360,300 (all state restricted revenue) is transferred from the Information Technology Services and Projects line item to the Department of Licensing and Regulatory Affairs pursuant to Executive Order 2011-4 and Executive Budget Revision letter dated May 2, 2011.

Funding for the Medicaid Michigan Information System line item is increased by \$8,922,600 Gross (\$1,154,600 GF/GP) for meet federal requirements for enhancements related to the Health Insurance Portability and Accountability Act (HIPAA) for the Community Health Automated Medicaid Processing System (CHAMPS).

FY 2010-11 SUPPLEMENTAL ACTIONS

PUBLIC ACT 49 OF 2011 SUPPLEMENTAL APPROPRIATIONS

Public Act 49 of 2011 reduces funding for the Information Technology Services and Projects line item by \$420,300 Gross (\$39,100 GF/GP) to reflect savings that are achieved from the state employees early retirement incentive legislation (Public Act 185 of 2010).

		(H.B. 4324, Article 4)			(S.B. 172)			FY 2011-12	FY 2011-12
	FY 2010-11	FY 2011-12	FY 2011-12	FY 2011-12	FY 2011-12	FY 2011-12		One-Time Basis	ENACTED
FY 2011-12	COMM.HEALTH	EXECUTIVE	REVISED EXEC.	HOUSE	SENATE	ENROLLED	FY 2011-12	Appropriations	Including Sec. 1901
P.A. 63 of 2011, Article IV (H.B. 4526)	YEAR-TO-DATE	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	VETOES	(Sec. 1901)	One-Time Approps
DEPARTMENT OF COMMUNITY HEALTH	17-Feb-11	17-Feb-11	2-May-11	4-May-11	26-Apr-11	26-May-11	21-Jun-11	21-Jun-11	21-Jun-11
		(NOTE)	(NOTE)						
Sec. 120. INFORMATION TECHNOLOGY									
Information technology services and projects	35,025,200	0	0	34,881,700	34,881,700	33,521,400	0	0	33,521,400
Michigan Medicaid information system	16,801,100	0	0	25,723,700	25,723,700	25,723,700	0	0	25,723,700
GROSS APPROPRIATION	51,826,300	0	0	60,605,400	60,605,400	59,245,100	0	0	59,245,100
Appropriated from:									
Federal revenues:									
Total federal revenues	36,438,600	0	0	44,191,200	44,191,200	44,191,200	0	0	44,191,200
Special revenue funds:									
Total other state restricted revenues	3,192,300	0	0	3,226,200	3,226,200	1,865,900	0	0	1,865,900
State general fund/general purpose	12,195,400	0	0	13,188,000	13,188,000	13,188,000	0	0	13,188,000

NOTE - The Executive Recommendation Sec. 4-102 rolled up line item includes all line items from Section 120, as well as Sections 102, 107 and 116.

BOILERPLATE

PART 2
GENERAL SECTIONS BOILERPLATE

Sec. 201. State Spending

Total FY 2011-12 state spending from state resources under Part 1 and state spending from state resources to be paid to local units of government.

Sec. 202. Authorized Appropriations

Provides that appropriations authorized under this article are subject to the Management and Budget Act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 203. Terms and Acronyms

Provides definitions for terms and acronyms used in this article.

Sec. 206. Contingency Funds

Appropriates up to \$200 million federal contingency funds, up to \$40 million state restricted contingency funds, up to \$20 million local contingency funds, and up to \$20 million private contingency funds. Specifies that contingency funds are not available for expenditure until transferred according to Section 393(2) of the Management and Budget Act, 1984 PA 431, MCL 18.1393.

Sec. 208. Internet Reporting Requirements

Requires that DCH use the Internet to fulfill the reporting requirements of article IV, 2011 PA 63.

Sec. 209. American Goods or Services and Michigan Goods or Services

Prohibits purchase of foreign goods or services, or both, if competitively priced and comparable quality American goods or services, or both, are available. Requires that preference be given to goods or services, or both, manufactured by Michigan businesses if competitively priced and of comparable quality. Requires that preference be given to goods or services, or both, manufactured by Michigan businesses owned and operated by veterans if competitively priced and of comparable quality.

Sec. 210. Businesses in Deprived and Depressed Communities

Requires DCH to take all reasonable steps to ensure that businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both.

Sec. 211. Fee Revenue and Restricted Fund Balances

Allows the carryforward of fee revenue, with approval of the State Budget Director, into the next fiscal year. Allows fee revenue to be used as the first source of funding in that fiscal year.

Sec. 212. Fund Sources Supporting Line Items

Requires report by February 1, 2012, on detailed name and amounts of revenue sources by line item that support FY 2011-12 appropriations. Requires report on amounts and detailed revenue sources by line item proposed to support FY 2012-13 Executive budget recommendation, upon release of the proposal.

Sec. 213. Report on Tobacco Tax and Healthy Michigan Funds

Requires state departments, agencies, and commissions receiving tobacco tax and Healthy Michigan funds to report on programs utilizing these funds by April 1, 2012, to the House and Senate Appropriations Committees, House and Senate Fiscal Agencies, and State Budget Director.

Sec. 215. Policy Changes Implementing Public Acts

Requires a report by April 1, 2012 on each policy change made to implement a public act affecting DCH which took effect during the preceding calendar year. Prohibits the use of appropriated funds by DCH on adopting a rule that will apply and have a disproportionate economic impact on small businesses.

Sec. 216. Use of Prior-Year Revenue

Allows the use of prior-year revenue for write-offs of accounts receivables, deferrals, and prior-year obligations. Does not limit DCH's ability to satisfy appropriation deductions in Part 1 to collections and accruals in the current fiscal year.

Sec. 218. Basic Health Services

Lists basic health services embodied in Part 23 of the Public Health Code, 1978 PA 368, MCL 333.2301 to 333.2321, that are to be available and accessible throughout the state.

Sec. 219. DCH Contracts with the Michigan Public Health Institute

Allows DCH to contract with the Michigan Public Health Institute for the design and implementation of projects and other public health-related activities. Requires DCH to report on each funded project by January 1, 2012. Requires DCH to provide, by September 30, 2012, copies of all reports, studies, and publications produced by the Institute.

Sec. 223. Fees for Publications, Videos, Conferences, and Workshops

Allows DCH to establish and collect fees for publications, videos and related materials, conferences, and workshops. Requires collected fees to be used to offset expenditures for printing and mailing costs of publications, videos and related materials, and costs of conferences and workshops. Prohibits DCH from collecting fees that exceed expenditures.

Sec. 259. User Fees for Information Technology (IT) Services and Projects

Directs departments and agencies to pay user fees to the Department of Technology, Management, and Budget (DTMB) for technology-related services and projects from Part 1 appropriated funds for IT. Subjects user fees to provisions of an interagency agreement between DCH and agencies, and DTMB.

Sec. 264. Submission and Applications for Medicaid Waivers

Requires DCH to notify the House and Senate Appropriations Subcommittees on Community Health and House and Senate Fiscal Agencies upon the submission of a Medicaid waiver, a Medicaid state plan amendment, or similar proposal to the Centers for Medicare and Medicaid Services. Requires written and verbal biannual reports on the status of discussions with federal agencies on potential or future Medicaid waiver applications.

Sec. 265. Retention of Reports

Directs departments and agencies receiving Part 1 appropriations to receive and retain copies of all reports funded from Part 1 appropriations. Permits DCH to electronically retain copies of reports unless required by federal and state guidelines.

Sec. 266. Out-of-State Travel

Limits FY 2011-12 out-of-state travel to when it is required by legal mandate is necessary to protect the health or safety of Michigan citizens, produce budgetary savings or increase state revenue, comply with federal requirements, or secure specialized training for staff financed entirely by federal or nonstate funds. Requires the State Budget Director to report monthly on exceptions made to specified out-of-state travel conditions.

Sec. 267. Disciplinary Action against State Employee

Prohibits DCH from taking disciplinary action against an employee for communicating with a member of the Legislature or his/her staff.

Sec. 270. Notification from Attorney General on Legal Actions

Requires DCH to provide a written report on total amounts recovered from legal actions, programs, or services for which monies were originally expended; details on disposition of funds recovered from legal actions; and descriptions of facts involved in legal actions within 180 days after receipt of notice from the Attorney General of legal actions in which expenses have been recovered.

Sec. 276. Legal Services of Attorney General

Prohibits the use of appropriated funds by DCH to hire a person to provide legal services that are the responsibility of the Attorney General. Provides that the prohibition does not apply to legal services for bonding activities and those activities authorized by the Attorney General.

Sec. 282. Administrative Costs for Coordinating Agencies and Area Agencies on Aging

Requires DCH to establish uniform definitions, standards, and instructions for the classification, allocation, assignment, calculation, recording, and reporting of administrative costs by the following entities: coordinating agencies on substance abuse, Salvation Army Harbor Light program, and area agencies on aging and local providers. Requires DCH to provide a written draft of its proposed definitions, standards, and instructions by May 15, 2012.

Sec. 287. General Fund/General Purpose Lapses

Requires DCH to report on the estimated general fund/general purpose appropriations lapses at the close of the previous fiscal year by no later than November 15, 2011.

Sec. 292. Publicly Accessible Internet Website

Requires DCH to maintain on a publicly accessible Internet website, at no cost, all of the following information: fiscal year-to-date expenditures by category and appropriation unit, fiscal year-to-date payments to a selected vendor, number of active department employees by job classification, and job specifications and wage rates. Permits DCH to develop and operate its own website to provide the information or reference the state's central transparency website as the source for the information.

Sec. 294. Information Technology (IT) Work Projects

Permits amounts appropriated for IT to be designated as work projects and carried forward to support technology projects under the direction of the DTMB. Provides that IT funds are not available for expenditure until approved as work projects under section 451a of the Management and Budget Act, 1984 PA 431, MCL 18.1451a.

Sec. 295. Privatization of Program and Service Areas

Requires DCH to explore program and other service areas, including eligibility determination, where privatization may lead to increased efficiencies and budgetary savings.

Sec. 296. State Restricted Fund Balances, Revenues, and Expenditures

Requires annual report on estimated state restricted fund balances, projected revenues, and expenditures for FY 2010-11 and FY 2011-12 within 14 days after the release of the Executive budget recommendation.

MENTAL HEALTH AND SUBSTANCE ABUSE SERVICES BOILERPLATE

COMMUNITY MENTAL HEALTH/SUBSTANCE ABUSE SERVICES PROGRAMS

Sec. 401. Comprehensive System of CMH Services

Provides that Part 1 appropriated funds are to support a comprehensive system of CMH services under the full authority and responsibility of local CMHSPs or prepaid inpatient health plans (PIHPs). Requires that DCH ensure each CMHSP or PIHP provides a complete array of mental health services, coordination of inpatient and outpatient hospital services, individualized plans of services, a case or care management system, and a system that serves at-risk and delinquent youth pursuant to provisions of the Mental Health Code, 1974 PA 258, MCL 330.1001 to 330. 2106.

Sec. 402. Contracts Between DCH and CMHSPs/PIHPs

Requires final authorizations to CMHSPs or PIHPs be made upon the execution of contracts between DCH and CMHSPs or PIHPs. Requires each contract with a CMHSP or PIHP to include a provision that it is not valid unless the total dollar obligation of all contracts entered into between DCH and CMHSPs or PIHPs for FY 2011-12 does not exceed Part 1 appropriations. Requires DCH to report immediately to the House and Senate Appropriations Subcommittees on Community Health, House and Senate Fiscal Agencies, and State Budget Director if there are new contracts or amendments to contracts with CMHSPs or PIHPs that would affect enacted rates or expenditures.

Sec. 403. Mental Health Services for Special Populations

Requires DCH to ensure CMHSPs or PIHPs meet with multicultural service providers to develop a workable framework for contracting, service delivery, and reimbursement. Prohibits appropriations for mental health services for special populations from being utilized for services to illegal immigrants, fugitive felons, and individuals who are not residents of

the state. Requires January 1, 2012 annual report from independent organizations receiving mental health services for special populations funding.

Sec. 404. Report on CMHSPs

Requires DCH to report by May 31, 2012, on the following for CMHSPs or PIHPs: expenditures and services data, information about access to CMHSPs, lapses and carry-forwards during FY 2010-11, information on the CMH Medicaid managed care program, performance indicator information required to be submitted to DCH in contracts with CMHSPs or PIHPs, and an estimate of the number of mental health direct care workers.

Sec. 406. Appropriations for State Disability Assistance Substance Abuse Services Program

Requires funds appropriated for the state disability assistance substance abuse services program be used to support per diem and board payments in substance abuse residential facilities. Requires DCH to reimburse all eligible licensed substance abuse programs at a rate equivalent to that paid by DHS to adult foster care providers.

Sec. 407. Substance Abuse Prevention, Education, and Treatment Grants

Requires that appropriations for substance abuse prevention, education, and treatment grants be expended for contracting with coordinating agencies. Requires coordinating agencies work with CMHSPs or PIHPs to coordinate care and services provided to individuals with severe and persistent mental illness and substance abuse diagnoses. Requires DCH to approve a coordinating agency fee schedule for providing substance abuse services and charge participants in accordance with their ability to pay. States legislative intent that coordinating agencies continue current efforts to collaborate on the delivery of services to those clients with mental illness and substance abuse diagnoses. Requires coordinating agencies that are located completely within the boundary of a PIHP to conduct a study on administrative costs and efficiencies associated with consolidation with that PIHP. Stipulates that a coordinating agency realizing an administrative cost savings of 5% or greater of their current costs initiate discussions regarding a potential merger in accordance with section 6226 of the Public Health Code (MCL 333.6226).

Sec. 408. Report on Substance Abuse Prevention, Education, and Treatment Programs

Requires DCH to report by April 1, 2012, on expenditures and services data on substance abuse prevention, education, and treatment programs for FY 2010-11.

Sec. 410. Substance Abuse Treatment for DHS Recipients

Requires DCH to assure that substance abuse treatment is provided to applicants and recipients of public assistance DHS who are required to obtain substance abuse treatment as a condition of eligibility for public assistance.

Sec. 411. Jail Diversion Services for Persons with Mental Illness or Developmental Disability

Directs DCH to ensure that each contract with a CMHSP or PIHP requires the CMHSP or PIHP to implement programs to encourage diversions for individuals with mental illness, serious emotional disturbance, or developmental disability from possible jail incarceration when appropriate. Requires each CMHSP or PIHP to have jail diversion services and work toward establishing relationships with representative staff of local law enforcement agencies.

Sec. 412. Non-Medicaid Substance Abuse Services

Requires DCH to contract with the Salvation Army Harbor Light Program for providing non-Medicaid substance abuse services.

Sec. 418. Monthly Report on Medicaid Managed Mental Health Program

Requires DCH to report on the amount of funding paid to PIHPs to support the Medicaid managed mental health program in the preceding month including total paid to each PIHP, per capita rate paid for each eligibility group for each PIHP, number of cases in each eligibility group, and year-to-date summary of eligibles and expenditures.

Sec. 424. Timely Claims Process for PIHPs

Requires that PIHPs contracting with DCH to provide services to the Medicaid population adhere to the timely claims processing and payments procedure to claims submitted by health professionals and facilities as described in Section 111i of the Social Welfare Act, 1939 PA 280, MCL 400.111i.

Sec. 428. Contingency Appropriation for PIHPs

Requires PIHPs to provide local funds from internal resources that can be used as a bona fide source for the state match required under the Medicaid program in order to increase capitation rates for PIHPs.

Sec. 435. County Matching Funds to CMHSP

Directs counties required under provisions of the Mental Health Code to provide matching funds to CMHSPs for mental health services rendered to residents in its jurisdiction to pay these funds in equal installments on a quarterly basis throughout the fiscal year.

Sec. 458. Recommendations of Michigan Mental Health Commission and Cost-Benefit Analysis for Residential Facilities and Specialized Mental Health Court Program

Requires DCH to report by April 15, 2012, on the following: an updated plan for implementing each recommendation of the Michigan Mental Health Commission report on October 15, 2004; a cost-benefit analysis of establishing secure

residential facilities of fewer than 17 beds for adults with serious mental illness including residential facilities' potential impact on the state's need for adult mental health facilities; and a cost-benefit analysis of establishing specialized mental health court program that diverts adults with serious mental illness alleged to have committed an offense deemed nonserious into treatment prior to the filing of any charges.

Sec. 462. Funding Formula for CMH Non-Medicaid Services

Requires DCH to further implement the FY 2009-10 funding formula for the FY 2011-12 funding reduction to the Community Mental Health Non-Medicaid Services line, except the funding reduction cannot exceed 4% for each CMHSP. Permits DCH to convene a Workgroup, including CMHSPs, regarding the allocation of the current fiscal year administrative reduction up to \$3.4 million.

Sec. 468. Incorporation of Coordinating Agencies into CMH Authorities

Requires DCH to maintain criteria for the incorporation of a city, county, or regional substance abuse coordinating agency into a local CMH authority. Allows DCH to make accommodations and adjustments in the formula distribution to coordinating agencies if all of the following are met: funding not exceeding \$75,000 is provided to any coordinating agency for administrative costs incurred by incorporating into a CMH authority, accommodations and adjustments do not favor coordinating agencies who voluntarily elect to integrate with CMH authorities, and accommodations and adjustments do not negatively affect other coordinating agencies.

Sec. 470. Integration of Mental Health and Substance Abuse Services

Directs DCH to establish written expectations, such as the coordination and consolidation of administrative functions, for CMHSPs, PIHPs, coordinating agencies, and counties on the integration of mental health and substance abuse services for those coordinating agencies that have voluntarily incorporated into CMH authorities and accepted funding from DCH for administrative costs incurred when incorporating into authorities. Requires May 1, 2012 status report on the integration of mental health and substance abuse services.

Sec. 474. Guardianship of Recipients

Directs DCH to ensure each contract with a CMHSP or PIHP requires the CMHSP or PIHP to provide each recipient and his/her family with information regarding the different types of guardianship. Prohibits a CMHSP or PIHP from attempting to reduce or restrict the ability of a recipient or his/her family from obtaining legal guardianship without just cause.

Sec. 490. Uniform Standards for Providers Contracting with PIHPs, CMHSPs, and Coordinating Agencies

Requires the Department to continue a Workgroup to develop a plan to maximize uniform and consistent standards required of providers contracting directly with PIHPs, CMHSPs, and substance abuse coordinating agencies. Requires the standards to apply to community living supports, personal care services, substance abuse services, skill-building services, and other similar supports and services. Requires the Workgroup to include representatives of DCH, PIHPs, CMHSPs, substance abuse coordinating agencies, and affected providers. Requires a status report on the Workgroup's efforts by June 1, 2012.

Sec. 491. Habilitation Supports Waiver for Persons with Developmental Disabilities

Requires the Department to explore changes in the Habilitation Supports Waiver for Persons with Developmental Disabilities that would permit a slot to become available to a county that has demonstrated a greater need for the services.

Sec. 492. Mental Health Services to County Jail Inmates

Does not allow the Department to prohibit the use of GF/GP dollars by CMHSPs to provide mental health services to inmates of a county jail if a CMHSP has entered into an agreement with a county or county sheriff.

Sec. 494. National Accreditation Review Criteria for Behavioral Health Services

Requires the Department to utilize applicable national accreditation review criteria to determine compliance with corresponding state requirements for CMHSPs, PIHPs, or subcontracting provider agencies that have been reviewed and accredited by a national accrediting entity for behavioral health care services, in order to avoid duplication of efforts. Requires a progress report by July 1, 2012 on implementation of the section.

Sec. 495. Medical Home for Recipients of Medicaid Mental Health Benefits

Expresses Legislature's intent that the Department begin working with the Centers for Medicare and Medicaid Services to develop a program that creates a medical home for individuals receiving Medicaid mental health benefits.

Sec. 496. CMHSPs and PIHPs Funding Reductions

Permits CMHSPs and PIHPs to offset state funding reductions by limiting the administrative component of their contracts with providers and case management to a maximum of 9%.

Sec. 497. Distribution of Substance Abuse Block Grant Funds

Requires population data from the most recent federal census be used in determining the distribution of substance block grant funds.

STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES

Sec. 601. Third-Party Payments and Revenue Recapture Project

Requires DCH to continue a revenue recapture project to generate additional third party revenue from cases that are closed or inactive. Permits a portion of collected revenues to be used for departmental costs and contractual fees associated with retroactive collections.

Sec. 602. Gifts and Bequests

Authorizes the carryforward of unexpended and unencumbered funds up to \$1,000,000 from gifts and bequests for patient living and treatment environments for one fiscal year. Specifies that gifts and bequests are to provide specific enhancements for individuals residing at state-operated facilities.

Sec. 605. Closures or Consolidations of State Hospitals and Centers

Prohibits DCH from implementing any closures or consolidations of state hospitals, centers, and agencies until CMHSPs or PIHPs have programs and services in place for those individuals currently in the facilities. Requires DCH to provide a closure plan four months after closure certification to the House and Senate Appropriations Subcommittees on Community Health and State Budget Director. Requires the transfer of remaining operational funds from closed state hospitals, centers, and agencies to CMHSPs or PIHPs responsible for providing services to individuals previously served by the state-run operations.

Sec. 606. Patient Reimbursement

Allows DCH to collect revenue for patient reimbursement from first and third party payers, including Medicaid and local county CMHSP payers, to cover the cost of placement in state hospitals and centers. Authorizes DCH to adjust financing sources for patient reimbursement based on actual revenue earned. Allows the carryforward of revenue collected that exceeds current-year expenditures if approved by the State Budget Director.

Sec. 608. Privatization of Food and Custodial Services

Allows DCH, in consultation with the Department of Technology, Management and Budget, to maintain a bid process to identify 1 or more private contractors to provide food and custodial services for the administrative areas at any state hospital identified by DCH as capable of generating savings through the outsourcing of those services.

PUBLIC HEALTH BOILERPLATE

PUBLIC HEALTH ADMINISTRATION

Sec. 650. Fish Consumption Advisory

Directs DCH to report to the Legislature by April 1, 2012 on the criteria and methodology used to derive information provided in the annual Michigan fish advisory.

Sec. 653. Public Health Emergency Planning

Requires DCH to maintain plans to address potential state public health emergencies.

HEALTH POLICY

Sec. 704. Emergency Medical Services (EMS) Grantees and Contractors

Requires DCH to continue to work with EMS grantees funded from Part 1 appropriations to ensure that a sufficient number of qualified EMS personnel exist to serve rural areas of the state.

Sec. 709. Michigan Essential Health Care Provider Program

Allows funds appropriated for Michigan Essential Health Care Provider Program to be used to provide loan repayment for dentists that meet the criteria established in Part 27 of the Public Health Code.

Sec. 712. Free Health Clinics

Allocates \$250,000 to free health clinics, nonprofit organizations that use volunteer health professions to provide care to uninsured individuals, from the funds appropriated for primary care services. Requires that DCH distribute funds equally to each free health clinic.

Sec. 713. Funding for Multicultural Agencies Providing Primary Care Services

Directs DCH to continue to support multicultural agencies that provide primary care services from Part 1 appropriated funds.

INFECTIOUS DISEASE CONTROL

Sec. 804. HIV and Hepatitis C Cooperative Program with Department of Corrections

Directs DCH to cooperate with Department of Corrections to share data and information regarding prisoners being released who test positive for HIV or Hepatitis C, related to the Michigan prisoner reentry initiative.

LOCAL HEALTH ADMINISTRATION AND GRANTS

Sec. 901. Reimbursement of Local Costs Related to Informed Consent Law

Directs DCH to reimburse local health departments for costs incurred for informational services provided in accordance with the Informed Consent Law to a woman seeking an abortion.

Sec. 902. Dissolution of Multi-County Local Health Department Penalty

Provides authority for DCH to assess a penalty on a county of up to 6.25% of the county health department's essential local public health services funding if that county ceases to be part of a district health department or multi-county local health department.

Sec. 904. Essential Local Public Health Services

Directs that essential local public health services line item funds shall be prospectively allocated to local public health departments to support costs for nine state and local cost-shared public health services. Certain of these services shall be provided in consultation with Department of Agriculture and Rural Development and with Department of Environmental Quality. Local public health departments shall be held to contractual standards for these services. Local eligibility is contingent upon local spending of at least the amount expended in FY 1992-93 for these services.

CHRONIC DISEASE AND INJURY PREVENTION AND HEALTH PROMOTION

Sec. 1004. Cancer Rate Investigations

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.

FAMILY, MATERNAL, AND CHILDREN'S HEALTH SERVICES

Sec. 1103. Sexual and Maternal Health Expenditure and Demographics Report

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 self-reported by individuals utilizing those services.

Sec. 1104. Report Regarding Certain Pregnancy Planning, Prenatal, and Maternal and Child Health Programs

Requires DCH to report by April 1 on funding allocations, breakdown of expenditures by urban and rural, and prior fiscal year service and expenditure data by population groups for the local maternal and child health, prenatal care, family planning, and pregnancy prevention programs. DCH shall ensure that needs of rural communities are considered in distribution of funds for these programs. Defines "rural" entity as having a population of 30,000 or less.

Sec. 1106. Family Planning Federal Title X Funding Compliance

Requires family planning programs receiving federal Title X funds to be in compliance with federal performance and quality assurance indicators; agencies not in compliance shall not receive supplemental or reallocated funds.

Sec. 1108. Restrictions on Use of Pregnancy Prevention Funding

Prohibits pregnancy prevention program appropriation line item funds from being used for abortion counseling, referrals, or services.

Sec. 1109. Volunteer Dental Services Program for the Uninsured

Allocates funds from dental program line item to the Michigan Dental Association to administer a volunteer program of dental services to the uninsured; and requires a report by December 1 on services provided in the prior fiscal year.

Sec. 1117. Stillbirth Awareness

DCH may pursue efforts to reduce the incidence of stillbirth if federal or state funds are available, including awareness, education, and standardization of data collection and definitions. Directs DCH to seek federal or other grant funds.

Sec. 1119. No Use of Funds to Encourage or Support Abortion Services

Directs that no state funds appropriated for family planning local agreements or pregnancy prevention programs shall be used to encourage or support abortion services.

Sec. 1133. Infant Mortality Data Release

Requires DCH to release infant mortality rate data to all local public health departments 72 hours or more prior to releasing infant mortality rate data to the public.

Sec. 1135. School Health Education Curriculum

Establishes that if funds become available, provision of a school health education curriculum shall be in accordance with health education goals of the Michigan Model for Comprehensive School Health Education State Steering Committee; establishes steering committee membership; and requires curriculum materials be made available upon request.

WOMEN, INFANTS, AND CHILDREN FOOD AND NUTRITION PROGRAM

Sec. 1153. WIC Program Access in Rural Communities

Requires DCH to ensure that individuals residing in rural communities have sufficient access to the services offered through the Women, Infants, and Children Special Supplemental Food and Nutrition Program.

CHILDREN'S SPECIAL HEALTH CARE SERVICES

Sec. 1202. Children's Special Health Care Services Coverage

Allows the Children's Special Health Care Services program to provide special formula for persons with certain metabolic and allergic disorders, treatment to persons age 21 or older with cystic fibrosis, services to persons age 21 or older with hemophilia, and provide human growth hormone to eligible patients.

Sec. 1204. CSHCS Eligibles and Medicaid HMOs

Requires the Department to report on its plan for enrolling Medicaid eligible CSHCS recipients into Medicaid health plans.

CRIME VICTIM SERVICES COMMISSION BOILERPLATE

Sec. 1302. Allocation of Funds for Forensic Nurse Examiner Programs

Allocates up to \$200,000 of justice assistance grants line item funds for expansion of forensic nurse examiner programs to facilitate training for improved evidence collection for the prosecution of sexual assault. Funds shall be used for program coordination and training.

OFFICE OF SERVICES TO THE AGING BOILERPLATE

Sec. 1401. Eligibility for Senior Community Services and Nutrition Services Programs

Eligibility for services funded by the community services and nutrition services appropriation line items shall be restricted to individuals at least 60 years of age who fail to qualify for home care services under Titles XVIII, XIX, or XX of the Social Security Act.

Sec. 1403. Home-Delivered Meals Waiting Lists

Requires area agency on aging regions to report home-delivered meals waiting lists to the Office of Services to the Aging and the Legislature; establishes standard criteria for persons included on the waiting list, including an initial determination of likely eligibility.

Sec. 1417. Reporting of Area Agency on Aging Allocations and Expenditures

Requires DCH to report by March 30 on total allocation of state resources to each area agency on aging by program and administration, and detail of expenditures by each area agency on aging of all state and local funds by program and administration.

Sec. 1420. Aging Care Management Pilot for Nursing Services Only

Directs DCH to establish, if funds become available, an aging care management services pilot project with services provide solely by nurses; pilot shall be established in a county with a population between 150,000 and 250,000 persons.

MEDICAL SERVICES BOILERPLATE

Sec. 1601. Remedial Services Costs and Medicaid Eligibility

Requires remedial service costs to be used in determining medically-needy eligibility for those in adult foster care and homes for the aged.

Sec. 1603. Medical Services Buy-In Program

Allows DCH to establish a statewide program for persons to purchase medical coverage at a rate determined by DCH.

Sec. 1605. Medicaid Protected Income Level

Establishes the Medicaid protected income level at 100% of the public assistance standard.

Sec. 1606. Medicaid Eligibility Deduction for Guardian and Conservator Charges

Limits the allowable deduction for guardian and conservator charges to \$60 per month when determining Medicaid eligibility and patient pay amounts.

Sec. 1607. Medicaid Presumptive Eligibility for Pregnant Women

Stipulates that Medicaid applicants whose qualifying condition is pregnancy shall be presumed to be eligible unless the preponderance of evidence in the application indicates otherwise. Sets procedures to facilitate access to health care for pregnant women including provision of an authorization letter, a listing of Medicaid physicians and health plans, referral to public health clinics for ineligible persons, and allowing qualified applicants to select or remain with the participating obstetrician of her choice. Specifies that obstetrical and prenatal care claims are to be paid at Medicaid fee-for-service rates if there is no contract between provider and managed care plan. Mandates enrollment of Medicaid eligible pregnant women into Medicaid HMOs and requires DCH to encourage physicians to provide these women a referral to a Medicaid participating dentist at the first pregnancy-related appointment.

Sec. 1611. Medicaid Payment Rates

Requires Medicaid payment rate to be accepted as payment in full, including payments from other third-party sources. Hospital service payments for persons dually eligible for Medicare and Medicaid are to include capital payments in determining Medicaid reimbursement amount.

Sec. 1620. Pharmacy Dispensing Fee and Prescription Drug Copayments

Establishes the pharmacy dispensing fee at \$2.75 for recipients not in nursing homes and \$3.00 for nursing home residents, or the pharmacy's usual and customary charge, whichever is less. Specifies prescription copayments for Medicaid recipients of \$1.00 for generic drugs and \$3.00 for brand-name drugs except as prohibited by federal or state law or regulation. States legislative intent that if DCH realizes savings resulting from the way Medicaid pays pharmacists for prescriptions from average wholesale price to average manufacturer price, the savings shall be returned to pharmacies as an increase in the dispensing fee of no more than \$2.00.

Sec. 1627. Drug Rebates for the MICHild, MOMS and CSHCS Programs

Authorizes DCH to secure manufacturer drug rebates for participants in MICHild, MOMS, and Children's Special Health Care Services (CSHCS) programs that are equivalent to Medicaid rebates, and allows for preauthorization of drugs if rebates are not provided.

Sec. 1629. Maximum Allowable Cost (MAC) Drug Pricing

Requires DCH to base its MAC prices for generic drugs on pricing available from at least two wholesalers who deliver in Michigan.

Sec. 1630. Medicaid Podiatric and Dental Services

Continues podiatric and adult dental services at not less than the level in effect on October 1, 2002.

Sec. 1631. Medical Services Copayments

Requires copayments on dental, podiatric, and vision services unless prohibited by law or regulation. Specifies copayments of \$2 for a physician office visit, \$3 for a hospital emergency room visit, \$50 for the first day of an in-patient hospital stay, and \$1 for an out-patient hospital visit.

Sec. 1641. Institutional Provider Costs Reports

Requires institutional providers to submit their cost reports within five months of the end of the fiscal year.

Sec. 1642. Ambulatory Surgery Centers

Requires DCH to allow ambulatory surgery centers in the state to fully participate in the Medicaid program.

Sec. 1657. HMO Reimbursement for Hospital ER Service, and Medicaid ER Financial Incentives

Requires reimbursement for emergency room (ER) services to screen and stabilize a patient without prior authorization by an HMO, and notice to the HMO regarding a patient's diagnosis and treatment within 24 hours of discharge; prior authorization by the HMO is required for further services beyond stabilization.

Sec. 1659. Applicable Boilerplate Sections for Medicaid Managed Care

Specifies the Medical Services boilerplate sections that apply to Medicaid managed care programs.

Sec. 1662. Review and Analysis of HMO Performance, EPSDT and MIHP Technical Assistance

Directs DCH to assure that an external quality review of each HMO is performed resulting in an analysis and evaluation of aggregated information on quality, timeliness, and access to health care services either contracted or directly provided to Medicaid beneficiaries; requires Medicaid HMOs to provide EPSDT utilization data and well child health measures; directs DCH to submit copies of analysis of HMO HEDIS reports and annual external quality review report within 30 days.

Sec. 1670. MICHild Program Eligibility

Specifies that funds appropriated for MICHild program are to be used to provide health care to children under age 19 in families with income below 200% of federal poverty level who have not had health insurance within six months of making application for MICHild benefits. Allows DCH to provide up to one year of continuous eligibility for MICHild program unless family members no longer meet eligibility criteria or family fails to pay the monthly premium. Assures continuity of care for persons whose category of MICHild eligibility changes due to family income. Specifies income level and verification requirements to determine MICHild program eligibility. Requires DCH to contract with any qualified HMO, dental care corporation, health care corporation or other entity which offers to provide MICHild health care benefit at the capitated rate. Allows DCH to obtain certain MICHild services contractually through community mental health agencies. Requires DCH to assure that an external quality review of each MICHild services contractor is performed, which analyzes quality, timeliness, and access to health care services provided by the contractor to MICHild beneficiaries. Requires DCH to develop automatic enrollment algorithm based on quality and performance factors.

Sec. 1673. MICHild Premiums and Prohibition on MICHild Copayments

Allows DCH to establish premiums for eligible individuals above 150% of poverty level of \$10 to \$15 per month for a family.

Sec. 1682. OBRA Nursing Home Enforcement Provisions

Authorizes DCH to implement federal nursing home enforcement provisions and receive/expend noncompliance penalty money; to provide funds to the Disability Network/Michigan to be distributed to 15 Centers for Independent Living for the purpose of assisting individuals with disabilities who reside in nursing homes to return to their homes; and to conduct a survey of residents, their families and employees, evaluating nursing home consumer satisfaction and quality of care. Unexpended penalty money may be carried forward to the next fiscal year.

Sec. 1684. Home- and Community-Based Services (HCBS) Waiver Costs

Requires report that identifies by waiver agent Medicaid HCBS waiver costs by administration, case management, and direct services.

Sec. 1685. Prospective Setting of Medicaid Nursing Home Payment Rates

Requires that Medicaid nursing home payment rates be set 30 days in advance of the facility's fiscal year, and be based on the most recent cost report submitted.

Sec. 1689. Home- and Community-Based Services (HCBS) Waiver

Gives priority in HCBS enrollment to nursing home residents and those eligible for nursing homes, and requires screening to prevent unnecessary nursing home admissions. Indicates Legislative intent that funding follow the person through a transfer, by appropriation, from the Long-Term Care Services line to the Medicaid Home- and Community-Based Services Waiver line. 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. Requires the maintaining of policies and regulations in order to limit the self-determination option within HCBS program to services furnished by approved home-based services providers meeting waiver qualifications.

Sec. 1692. Medicaid School-Based Services

Provides authorization for Medicaid reimbursement of school-based services.

Sec. 1693. Special Medicaid Reimbursement Payments Increase

Allows for an increase in Special Medicaid Reimbursement payments if a Medicaid state plan amendment for such payments above the appropriated level is submitted.

Sec. 1694. Allocation to Children's Hospitals

Authorizes distribution of \$1,122,300 to an academic health care system that includes a children's hospital with high indigent care volume.

Sec. 1699. Disproportionate Share Hospital (DSH) and Graduate Medical Education (GME) Payments

Authorizes separate payments for hospitals serving a disproportionate share of indigent patients in the amount of \$45.0 million, and those hospitals providing GME training programs. Distribution is based on a methodology used in FY 2003-04. A distribution report is due by September 30 of the current fiscal year. The Department is required to form a workgroup to derive a new DSH formula or formulas with the result to be reported to the Legislature.

Sec. 1712. Rural Health Initiative

Subject to availability of funds, requires DCH to implement a rural health initiative with funds to be first allocated to a rural outpatient hospital adjustor, and remaining funds for defibrillator grants, EMT training, or other similar programs.

Sec. 1718. Adult Home Help Review Process

Authorizes Medicaid adult home help beneficiaries to request a departmental review of any decisions that may adversely affect their access to home help services.

Sec. 1724. Injectable Drugs for Respiratory Syncytial Virus

Directs DCH to allow pharmacies to purchase injectable drugs for treatment of respiratory syncytial virus for shipment to physician's offices; allows Medicaid reimbursement for dispensing and administration if patients are eligible.

Sec. 1740. Graduate Medical Education Funds Distribution

Requires assurance from DCH that all GME funds continue to be promptly distributed to hospitals using a methodology developed in consultation with the graduate medical education advisory group during FY 2006-07.

Sec. 1741. Nursing Home Interim Payments

Directs DCH to continue to provide nursing homes the opportunity to receive interim payments upon their request; the Department has the ability to disapprove requests or discontinue interim payments that result in financial risk to the State; and that these payments are as similar to expected cost-settled payments as possible.

Sec. 1756. Beneficiary Monitoring Program

Requires the Department to expand and improve the beneficiary monitoring program and provide a report to the Legislature.

Sec. 1757. Medicaid Applicants, Legal Residence, and Fugitive Felon Status

Requires DCH to direct Department of Human Services to require Medicaid applicants to prove that they are residing legally in the United States and that they are residents of Michigan.

Sec. 1764. Actuarial Soundness Certification of Medicaid Health Plan Rates

Requires DCH to annually certify that rates paid to Medicaid health plans are actuarially sound and to notify the House, Senate, and fiscal agencies immediately upon rate certification and approval.

Sec. 1770. Quarterly Medicaid Policy Changes

Specifies that DCH shall attempt to make adjustments to the Medicaid provider manual and effective dates for proposed Medicaid policy bulletins on October 1, January 1, April 1, or July 1 after the end of the consultation period.

Sec. 1775. Medicaid Managed Care for Dual Eligibles

Requires the Department to report to the Legislature on a federally-approved managed care waiver for dual Medicare/Medicaid eligibles.

Sec. 1777. Nursing Home Dining Assistants

Directs DCH to permit nursing homes to use dining assistants to feed eligible residents, in accordance with federal and state law. DCH will not be responsible for training costs.

Sec. 1787. Medicaid Beneficiary Telephone Numbers Provided to Health Plans

Requires DCH's managed care enrollment broker to maintain telephone numbers of Medicaid beneficiaries and provide Medicaid health plans the telephone numbers of that health plan's enrollees on a monthly basis.

Sec. 1793. Pilot Project On Preventable Hospitalizations

Requires the Department to consider the development of a pilot project focusing on the prevention of preventable hospitalizations from nursing homes.

Sec. 1804. Identification of Medicaid Beneficiaries Who Are War Veterans

Requires DCH, in cooperation with Department of Human Services, to work with the federal government's public assistance reporting information system to identify Medicaid recipients who are veterans and may be eligible for federal veteran's health care benefits.

Sec. 1815. Cap on Health Plan Capitation Withhold

Prohibits DCH from implementing a capitation withhold as part of overall health plan capitation rate schedule that exceeds the 0.19% withhold administered during FY 2008-09.

Sec. 1820. Recognition of Medicaid Health Plan Accreditation

Requires the Department to give consideration to Medicaid health plan accreditation when establishing compliance with State program review criteria or audit requirements; includes a report requirement; requires the Department to continue to comply with federal and State laws and not initiate any action that would jeopardize beneficiary safety.

Sec. 1822. Coverage for Mental Health Prescription Drugs

Directs DCH, the DCH contracted pharmacy benefits manager, and Medicaid health plans to implement coverage for a mental health prescription drug within 30 days of that drug's approval by the DCH Pharmacy and Therapeutics Committee.

Sec. 1832. Form Standardization, E-Billing and Rejected Claims

Requires DCH to continue efforts to standardize forms, formats and documents, and the reporting of accepted and rejected encounter records received in the data warehouse. DCH shall convene a workgroup on making e-billing mandatory and a report will be provided to the Legislature by April 1. Also by April 1, DCH shall provide a report detailing the percentage of Medicaid reimbursement claims that were initially rejected in the first quarter of FY 2011-12.

Sec. 1835. HMO Encounter Data

Requires DCH to develop and implement processes to report rejected and accepted encounters to Medicaid health plans, enhance encounter data reporting processes, promulgate rules that make HMO's encounter data as complete as possible, measure acuity of each HMO's population for risk adjustment purposes, and minimize HMO administrative expenses.

Sec. 1836. Coverage for Certain Optical Services

Requires DCH to expand adult Medicaid optical coverage to medically necessary optical devices and other treatment services when conventional treatments do not provide functional vision correction.

Sec. 1837. Telemedicine and Telepsychiatry Use in Underserved Areas

Requires that DCH explore the use of telemedicine and telepsychiatry as a means to increase Medicaid recipients who reside in underserved areas access to primary care services.

Sec. 1842. Hospital Outpatient Medicaid Rate Adjustment

Requires the Department, subject to the availability of funds and the hospital qualifying, to adjust outpatient Medicaid reimbursement rates to be the actual cost of delivering outpatient services to that hospital's Medicaid recipients. The term qualifying hospital is defined.

Sec. 1846. Graduate Medical Education Funding Workgroup

Requires the Department to establish a workgroup on graduate medical education funding, identifies workgroup representation, goals of the workgroup and must issue a report.

Sec. 1847. Ambulance Quality Assurance Assessment Program

Requires the Department to meet with the Michigan Association of Ambulance Services to discuss the possible structure of an ambulance quality assurance assessment program.

Sec. 1849. Voluntary In-Home Visitation Services

Requires the Department to use 50% of the funds allocated for in-home visiting services for evidence-based models and submit a report to the Legislature.

Sec. 1850. Eligibility Redetermination by Medicaid Health Plans

Department may allow HMOs to assist in redetermination of Medicaid recipient's eligibility.

Sec. 1853. Medicaid HMO Enrollee Automatic Assignment Workgroup

Requires the Department to form a workgroup to develop revisions to the process of automatic assignment of new Medicaid recipients to HMOs if the recipient has not chosen an HMO upon enrollment.

Sec. 1854. Kidney Dialysis and Renal Care Health Homes

The Department may work with a provider of kidney dialysis services and renal care to develop a chronic condition health home program for Medicaid enrollees; develop metrics to evaluate the program; submit a report to the Legislature.

Sec. 1855. Emergency Department Redirection of Non-Emergent Patients

The Department may consider the feasibility of revenue a neutral and a financially risk averse solution to redirect non-emergent Medicaid patients from emergency departments.

Sec. 1857. Legislative Intent of Wheelchair Reimbursement

Indicates Legislative intent that there be no reduction of Medicaid reimbursement for wheelchairs.

ONE-TIME BASIS ONLY BOILERPLATE

Sec. 1901. One-Time Funding For FY 2011-12

Appropriates one-time FY 2011-12 funding of \$22.1 million GF/GP, \$53.0 million gross for the following:

Mental health services for special populations \$3,000,000

Healthy Michigan Fund programs	\$3,000,000
Primary care services - island health clinics	\$300,000
Hospital services and therapy - graduate medical education	\$17,129,400
Hospital services and therapy - rural and sole community hospitals . . .	\$29,533,400

Sec. 1902. Allocation of Healthy Michigan Funds for Cancer Prevention and Control

Allocates \$900,000 for cancer prevention and control from the one-time funds appropriated in Sec. 1901 for Healthy Michigan Fund programs.

Sec. 1903. Rural and Sole Community Hospitals

Establishes that \$10.0 million of GF/GP and associated federal match within the Hospital Services and Therapy-Rural and Sole Community Hospitals item in Sec. 1901 shall be awarded based on criteria to be established which includes services to low-income rural residents and that no hospital shall receive more than 5% of the total funding. A report is due to the Legislature.

PART 2A

PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS FOR FISCAL YEAR 2012-2013

GENERAL SECTIONS

Sec. 2001. Fiscal Year 2012-13 Anticipated Appropriations

Expresses legislative intent to provide appropriations for FY 2012-13 for the line items listed in Part 1 for FY 2011-12 , except the line items will be adjusted for changes in caseload and related costs, federal fund match rates, economic factors, and available revenue.

FY 2010-11 SUPPLEMENTAL ACTIONS

PUBLIC ACT 157 of 2011 SUPPLEMENTAL APPROPRIATIONS

Sec. 301. Potential Medicaid Disallowances and Settlement

Appropriates \$213.8 million GF/GP into the Medicaid Benefits Trust Fund for potential payment of federal Medicaid program payment disallowances and Medicaid fraud claims settlement.