



**FY 2008-09 APPROPRIATION REPORT
DEPARTMENT OF COMMUNITY HEALTH
Public Act No. 246 of 2008
And FY 2007-08 Supplemental Actions**

Prepared by:
Margaret Alston, Senior Fiscal Analyst
Susan Frey, Senior Fiscal Analyst
Steve Stauff, Senior Fiscal Analyst
Tumai Burris, Budget Assistant
November 2008

Mitchell E. Bean, Director
Michigan House of Representatives
House Fiscal Agency
P.O. Box 30014
Lansing, Michigan 48909
517-373-8080

**FY 2008-09 APPROPRIATION REPORT
DEPARTMENT OF COMMUNITY HEALTH
And FY 2007-08 Supplemental Actions**

This document is a technical legislative intent report of the enacted Department of Community Health Fiscal Year 2008-09 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 2007-08 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.

TABLE OF CONTENTS

Overview 1

APPROPRIATION SUMMARIES:

Departmentwide Administration 8

Mental Health Appropriation Summary 12

Mental Health/Substance Abuse Services Administration and Special Projects..... 13

Community Mental Health/Substance Abuse Services Programs..... 16

**State Psychiatric Hospitals, Centers for Persons with Developmental Disabilities, and
Forensic and Prison Mental Health Services..... 21**

Public Health Appropriations Summary..... 26

Public Health Administration 27

Health Policy, Regulation, and Professions 29

Infectious Disease Control..... 34

Laboratory Services 36

Epidemiology 38

Local Health Administration and Grants 41

Chronic Disease and Injury Prevention and Health Promotion 42

Family, Maternal, and Children's Health Services 46

Women, Infants, and Children Food and Nutrition Program..... 49

Children's Special Health Care Services 50

Office of Drug Control Policy	52
Crime Victim Services Commission	53
Office of Services to the Aging	55
Medical Services	
Michigan First Healthcare Plan	57
Medical Services Administration	58
Medical Services	60
Information Technology	73
<u>BOILERPLATE SUMMARIES:</u>	
General Sections Boilerplate	75
Departmentwide Administration Boilerplate.....	80
Mental Health and Substance Abuse Services Boilerplate	81
Public Health Boilerplate	89
Office of Drug Control Policy Boilerplate.....	.98
Crime Victim Services Commission Boilerplate.....	98
Office of Services to the Aging Boilerplate.....	98
Medical Services Boilerplate.....	100
Fiscal Year 2007-08 Supplemental Boilerplate Actions	117

DEPARTMENT OF COMMUNITY HEALTH OVERVIEW

The Department of Community Health (DCH) budget provides funding for Mental Health, Public Health, and Medical Services. Also included is funding for Health Policy, Regulation, and Professions, the Office of Drug Control Policy, the Office of Services to the Aging, the Crime Victim Services Commission, Departmentwide Administration, and Information Technology. **Public Act 246 of 2008** is the appropriation act for the Department of Community Health in FY 2008-09 that includes authorized funding totaling \$12.5 billion, of which \$3.1 billion is from GF/GP revenues. Highlights of Public Act 246 and changes from the prior fiscal year follow.

1. *Economic Adjustments*

A funding adjustment of \$3,790,500 Gross (\$1,248,400 GF/GP) is included in the budget to annualize the cost of a 2.0% salary and wage increase for non-bargaining and unionized employees effective April 2008, finance economic adjustments for defined benefit and contribution retirement, insurance, building occupancy, food, worker's compensation, gas, fuel, and utility costs for FY 2008-09, and reflect employee-related savings from actual HMO rates.

2. *Consolidation of Human Resources*

The budget recognizes savings of \$ 4,206,500 Gross (\$2,496,900 GF/GP) due to the consolidation of the Department of Community Health's Human Resources Operations within the Department of Management and Budget pursuant to implementation of Executive Order 2007-30. Human Resources Optimization savings of \$285,500 Gross (all GF/GP) are also recognized.

3. *Actuarially Sound Capitation Rates*

Capitation payment rates for Health Plan Services, Medicaid Mental Health Services, and Medicaid Substance Abuse Services are respectively increased by 4.0%, 2.9%, and 1.0% (\$143,508,100 Gross, \$55,540,700 GF/GP) to ensure that rates are actuarially sound in FY 2008-09.

4. *Mental Health Court Pilot Programs*

The budget includes \$1,126,900 Gross (all GF/GP), in conjunction with \$550,000 GF/GP from Judiciary, for the implementation of mental health court pilot programs. Programs may include services such as psychiatric counseling, case management, vocational training, housing assistance program, adherence monitoring, and training court and law enforcement personnel. (Sec. 459)

5. Wage Increase for Direct Care Workers

The budget adds \$6,018,000 Gross (\$2,739,300 GF/GP) to finance a 1.0% wage increase, effective February 1, 2009, for direct care workers in community mental health settings. (Sec. 405)

6. Multicultural Services

The budget allocates an additional \$1,060,000 Gross (all GF/GP) for multicultural services in which the funds are to be distributed as follows: \$350,000 for the Chaldean Culture Center, \$380,000 for the Jewish Federation, \$300,000 for ACCESS, and \$30,000 for Arab/Chaldean Council.

7. Criminal Background Check Program

A federal pilot grant of \$2.6 million is eliminated in the budget for the Criminal Background Check Program for employees of health care facilities as this grant has expired. Funding for this program is also reduced by \$519,600 anticipating less federal Medicaid revenue and health systems fees and collections.

8. Bureau of Health Professions Phone System

The budget appropriates \$1.4 million from the Health Professions Regulatory Fund to upgrade the Bureau of Health Professions customer service phone system as the Bureau receives between 400-500 calls daily. The budget also includes a shift of \$600,000 from the Health Professions Regulatory Fund to GF/GP to finance other initiatives.

9. Healthy Michigan Funded Projects

State restricted Healthy Michigan Fund appropriations are maintained for 27 projects and Medicaid. A projected Fund revenue shortfall is offset with GF/GP as part of the Target Agreement. This fund shift of \$858,000 is made in the Cancer Prevention and Control Program line item, with no change in total funding for the line.

10. Birth Certificate Standards

\$1.0 million of anticipated new federal grant funds are reflected in the budget to assist the Department in conforming to new standards for birth certificates and in matching birth and death records, pursuant to the federal Intelligence Reform and Terrorism Prevention Act of 2004 and related regulations.

11. Public Health and Family Health Grants

The public health and family health budget areas include \$2.9 million for 9 new federal and other grants ranging from \$61,600 to \$1.0 million for HIV, viral hepatitis, asthma, health promotion, stroke, heart disease, oral health, childhood obesity, and child/teen health centers. Completed public health grants removed from the budget total \$2.4 million and include urban air toxins, closing the gap on infant mortality, and abstinence partnership.

12. Michigan Health Initiative Fund Adjustments

State restricted Michigan Health Initiative (MHI) funds for public health programs are reduced by \$1.4 million to reflect available Fund revenue. MHI funds are replaced with GF/GP for the sexually transmitted disease control program, and with federal funds in departmental administration. MHI funding for AIDS and risk reduction clearinghouse and media campaign is reduced by \$225,000 from \$1.6 million to \$1.4 million. MHI funding for the bovine tuberculosis laboratory program is reduced from \$500,000 to \$200,000.

13. Infectious Disease Targeted Initiatives

Funding of \$750,000 GF/GP is added to the budget for expanded testing and treatment of gonorrhea and chlamydia diseases in high-prevalence areas, and funding of \$300,000 GF/GP is added to address contagious, antibiotic-resistant staphylococcus aureus ("staph") infections in health care facilities and in community settings (MRSA and VRSA infections).

14. Bioterrorism Funding Revisions and New Match Requirement

A \$2.2 million decrease in federal grant funds for hospital and public health system bioterrorism preparedness is included in the budget. New state and local match requirements of the federal grants may be effective late in the fiscal year. New local funding authorization of \$500,000 is included in this budget in anticipation of the match requirement.

15. Local Public Health Department Physician Recruitment Project

\$600,000 is provided for a new initiative with Michigan State University and the University of Michigan to recruit and train physicians for work in local public health, to address a shortage of qualified medical directors at local public health departments. The universities will provide half of the funding.

16. Local Public Health Medicaid Outreach Reimbursement

A \$5.0 million increase in federal revenue for local public health departments is recognized in the budget, reflecting local and state efforts to maximize federal Medicaid matching funds for qualified local Medicaid outreach expenditures.

17. Senior Services

The following increases are provided for senior programs: an additional \$600,000 for care management of community services for frail low-income elderly at home, a funding increase of 8.8% for the program; \$100,000 for new Senior Olympics funding; and a \$60,000 increase for Tribal Elders' programs, now at a total funding level of \$120,000.

18. Medicaid Fund Source Adjustments

Federal Medicaid and SCHIP funds offset \$176,898,700 of GF/GP, \$31,366,500 of state restricted revenue and \$3,443,300 of local revenue due to changes in federal match rates. Unavailable Medicaid Benefits Trust Fund revenue is made up by \$18.6 million GF/GP. A shortfall of Merit Award Trust Fund revenue is offset with \$83,143,800 GF/GP.

19. Hospital and Nursing Home State Retained QAAP

The state retained share of the hospital quality assurance assessment program (QAAP) revenue is increased by \$18,650,000 and the nursing home QAAP revenue is increased by \$13,993,800.

20. Physician Primary Care Funding Increase

The Physician Services line is increased \$1.8 million Gross (\$715,100 GF/GP) and the Health Plan Services line increased \$3,485,700 Gross (\$1,384,900 GF/GP) to provide for a Medicaid payment rate increase for certain physician primary care and well child visit procedure codes.

21. Pharmacy Dispensing Fee Increase

\$629,200 Gross (\$250,000 GF/GP) is added to the Pharmaceutical Services line to provide a \$0.25 per prescription increase in the Medicaid pharmacy dispensing fee effective April 1, 2009.

22. Community-Based Long-Term Care Services Savings and Expansion

The Long-Term Care Services line is decreased by \$32.4 million Gross (\$12.9 million GF/GP) a portion of which will fund the phase-in of a \$15,692,600 Gross (\$9,069,500 GF/GP) expansion of community-based long-term care services. The balance of \$16,736,600 Gross (\$3,846,800 GF/GP) is anticipated due to a reduction in nursing home admissions. The \$15,692,600 of funding is reallocated for: (1) expanding the PACE program \$4,050,000 Gross (\$1,609,000 GF/GP), (2) expanding the MSHDA affordable assisted living program \$1,277,500 Gross (\$507,500 GF/GP), (3) reducing the waiting list for the home and community-based services waiver program \$10,001,900 Gross (\$3,973,800 GF/GP), (4) adding specialized residential care to the current waiver \$0. The residential care component was incorrectly fund sourced in the bill with a negative federal amount of \$2,802,700 and a positive \$2,802,700 of GF/GP. The correct federal amount should be \$4,251,700, along with the appropriated GF/GP, resulting in gross funding of \$7,054,400. This correction may be made through FY 2008-09 legislative action.

23. Increase Monthly Personal Care Supplement by \$8

An \$8.00 increase to the monthly personal care supplement payment provided for Medicaid eligible residents in adult foster care homes and homes for the aged increases the Personal Care Services line by \$1,344,000 Gross (\$534,000 GF/GP).

24. Medicaid Consensus Adjustments

Multiple appropriation lines are adjusted by a reduction of \$35,078,800 Gross (\$14,923,900 GF/GP) reflecting the FY 2008-09 Medicaid consensus expenditures agreed to by the House and Senate Fiscal Agencies and the State Budget Office in May 2008.

FY 2007-08 FUNDING ADJUSTMENTS

Two supplemental funding adjustments have been made to the enacted FY 2007-08 Community Health budget, **Public Acts 113 and 279 of 2008**.

Public Act 113 of 2008 (House Bill 5344) enacted April 29, 2008 provides supplemental FY 2007-08 appropriations of \$137,504,500 Gross (\$36,090,400 GF/GP). The School-Based Services appropriation is increased by \$35,939,600 GF/GP to refund the federal government for the overpayment of Medicaid school-based services reimbursement during calendar years 2000 through 2003. An additional \$60,821,000 in federal and state restricted fund authorization is provided for the Hospital Services and Therapy line item to reflect an increase in the Medicaid Access to Care Initiative

(MACI) hospital payment up to the federally approved upper payment limit. The Health Plan Services authorization is increased by \$40,383,900 in federal, state restricted, and local funds to reflect payments to physicians serving Medicaid beneficiaries through HMOs. The Long-Term Care Services appropriation is increased by \$360,000 Gross (\$150,800 GF/GP) for Medicaid recipients who require specialized Alzheimer's disease or dementia care.

Public Act 279 of 2008 (Senate Bill 1111) enacted September 29, 2008 provides negative supplemental FY 2007-08 appropriations of \$82,986,000 Gross and positive supplemental appropriations of \$56,356,000 GF/GP. In conjunction with legislative transfers dated July 15, 2008 totaling \$100,884,900 and approved by the House and Senate Appropriations Committees, Medicaid funding levels for multiple appropriation line items are reduced by \$82,986,000 Gross (\$26,944,000 GF/GP) to reflect the consensus FY 2007-08 expenditures agreed to by the House and Senate Fiscal Agencies and the State Budget Office in May 2008. A shortfall of Merit Award Trust Fund revenue is made up by \$74.1 million of GF/GP funds. A loss of Medicaid Benefits Trust Fund revenue is offset by \$9.2 million of additional GF/GP funds.

	FY 2007-08	FY 2008-09 EXECUTIVE	FY 2008-09 REVISED EXEC.	FY 2008-09 SENATE	FY 2008-09 HOUSE	FY 2008-09 ENROLLED	FY 2008-09 ENACTED
FY 2008-09 P.A. 246 of 2008 (S.B. 1094)	COMM. HEALTH YEAR-TO-DATE	RECOMMEND. 7-Feb-08	RECOMMEND. 19-Mar-08	RECOMMEND. 25-Mar-08	RECOMMEND. 5-Jun-08	BILL 28-Jun-08	ENACTED 18-Jul-08
DEPARTMENT OF COMMUNITY HEALTH	7-Feb-08	(S. B. 1141)					
DEPARTMENT OF COMMUNITY HEALTH							
APPROPRIATION SUMMARY:							
Full-time equated unclassified positions	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Full-time equated classified positions	4,761.6	4,596.7	4,596.7	4,594.7	4,596.7	4,602.7	4,602.7
Average population	1,109.0	970.4	970.4	970.4	970.4	970.4	970.4
GROSS APPROPRIATION	12,048,326,100	12,485,130,400	12,455,551,900	12,482,872,700	12,438,712,300	12,533,142,000	12,533,142,000
Interdepartmental grant revenues:							
Total interdepartmental grants and intradepartmental tra	39,410,200	40,883,900	40,883,900	40,883,900	40,883,900	40,883,900	40,883,900
ADJUSTED GROSS APPROPRIATION	12,008,915,900	12,444,246,500	12,414,668,000	12,441,988,800	12,397,828,400	12,492,258,100	12,492,258,100
Federal revenues:							
Total federal revenues	6,708,510,700	7,159,187,100	7,159,785,100	7,159,893,600	7,146,514,600	7,225,985,400	7,225,985,400
Special revenue funds:							
Total local revenues	247,237,400	241,980,600	241,980,600	241,980,600	241,578,600	241,578,600	241,578,600
Total private revenues	65,519,800	66,686,800	66,686,800	66,686,800	66,686,800	66,686,800	66,686,800
Merit award trust fund	144,000,000	98,700,000	98,700,000	98,700,000	98,700,000	60,856,200	60,856,200
Total other state restricted revenues	1,718,336,400	1,791,586,200	1,761,409,700	1,792,486,200	1,742,591,200	1,801,622,200	1,801,622,200
State general fund/general purpose	3,125,311,600	3,086,105,800	3,086,105,800	3,082,241,600	3,101,757,200	3,095,528,900	3,095,528,900

DEPARTMENTWIDE ADMINISTRATION

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

Newborn screening fee random moment sampling revenue is increased by \$80,900 and the Health Professions Regulatory Fund revenue is reduced by a corresponding amount to reflect actual revenue supporting the Departmental Administration and Management line item. Funds for the Departmental Administration and Management line item are increased by \$123,300 Gross (\$77,300 GF/GP) to annualize the cost of a 2.0% salary and wage increase for non-bargaining and unionized employees effective April 2008. Employees' defined benefit retirement costs supported by the Departmental Administration and Management line item are increased by \$95,300 Gross (\$59,400 GF/GP). Employees' defined contribution retirement costs supported by the Departmental Administration and Management line item are reduced by \$13,700 Gross (\$10,100 GF/GP). Employees' insurance costs supported by the Departmental Administration and Management line item are reduced by \$142,000 Gross (\$87,100 GF/GP). Funds for the Departmental Administration and Management line item are reduced by \$45,100 Gross (all GF/GP) to reflect employee-related savings from actual HMO rates. The FTE positions for the Departmental Administration and Management line item are reduced by 6.8 to reflect the FTEs that are supportable by the appropriation.

The federal Immunization grant funding of \$61,200 is removed from the Departmental Administration and Management appropriation. The grant funds supported 1.0 FTE position that was responsible for distributing vaccines to providers throughout the state. The federal government will now be responsible for shipping and distributing vaccines directly to providers. Funding of \$105,000 Gross (all GF/GP) for 1.0 FTE position is transferred from the Public Health Administration line item to the Departmental Administration and Management line item. This transfer reflects a Health and Safety Officer's assignment on workforce safety issues for several years which is viewed as a departmentwide administrative function. The implementation of Executive Order 2007-30 which consolidated the Department's Human Resources Operations within the Department of Management and Budget resulted in a reduction of 13.0 FTE positions and \$1,321,300 Gross (\$1,107,000 GF/GP) for the Departmental Administration and Management line item. In accordance with Executive Order 2007-31 which consolidated the internal audit functions, \$759,000 Gross (\$607,200 GF/GP) is transferred from the Departmental Administration and Management line item to a newly created line item entitled "Internal Audit Consolidation". In conjunction with this transfer, the FTE positions for the Departmental Administration and Management line item are reduced by 7.0. Michigan Health Initiative Fund revenue is reduced by \$50,000 and the Medicaid random moment sampling revenue is increased by a corresponding amount to reflect that the Fund carryforward revenue is no longer available to support the Departmental Administration and Management line item.

The Office of Long-Term Care Supports and Services line item is mistakenly renamed the "Office of Long-Term Care and Supports and Services". The federal MI Money Follows the Person Initiative grant funding of \$130,000 is removed from the Office of Long-Term Care and Supports and Services appropriation as this grant, effective September 30, 2003, has expired. The grant funds supported 1.0 FTE position. The new federal Center for Medicare and Medicaid Services State Profile grant award of \$461,200 for the Office of Long-Term Care and Supports and Services line item is recognized. The grant will allow a Risk Management Handbook to be pilot tested by home and community-based waiver agents. It is the expectation that training and implementation materials will be developed and incorporated into the person-centered planning process for long-term care. An increase of \$200,000 in the federal Medicaid Infrastructure grant funding for the Office of Long-Term and Supports and Services line item is recognized. The funds will support 1.0 FTE position and be used to remove systematic barriers to employment for individuals with disabilities and support the inclusion of individuals in the workplace. The federal Mental Health System Transformation grant funding of \$100,000 is removed from the Office of Long-Term Care and Supports and Services appropriation as this grant, effective April 15, 2005, has expired.

Funding of \$145,600 Gross (\$72,800 GF/GP) for 1.0 FTE position has been transferred from the Medical Services Administration line item to the Office of Long-Term Care and Supports and Services line item to recognize that this staff persons works within the Office. A federal Long-Term Care System Transformation grant of \$348,000 supporting 3.0 FTE positions within the Office of Long-Term Care and Supports and Services line item is recognized. This grant will support statewide implementation of a single point-of-entry system, self-determination options in long-term care, and flexible funding strategies such as prepaid managed long-term care plan. The federal Independence Plus Initiative grant funding of \$125,000 that supported 1.0 FTE position is removed from the Office of Long-Term Care and Supports and Services appropriation. This grant, effective September 20, 2003, has ended. Funding of \$207,400 Gross (\$103,700 GF/GP) for 2.5 FTE positions is added to the Office of Long-Term Care and Supports and Services line item. The increased funding is financed with nursing home transition savings. The staff will be responsible for managing and monitoring the federal Money Follows the Person grant. Funding of \$155,800 Gross (\$72,800 GF/GP) for 1.0 FTE position is added to the Office of Long-Term Care and Supports and Services line item. The increased funding is financed with nursing home transition savings. The staff person formerly worked within Medical Services Administration.

Funds for the Office of Long-Term Care and Supports and Services line item are increased by \$17,000 Gross (\$5,800 GF/GP) to annualize the cost of a 2.0% salary and wage increase for non-bargaining and unionized employees effective April 2008. Employees' defined benefit retirement costs supported by the Office of Long-Term Care and Support and Services line item are increased by \$4,500 Gross (\$2,000 GF/GP). Employees' defined contribution retirement costs supported by the Office of Long-Term Care and Support and Services line item are increased by \$3,300 Gross (\$2,600

GF/GP). Employees' insurance costs supported by the Office of Long-Term Care and Support and Services line item are reduced by \$19,600 Gross (\$8,600 GF/GP).

An economic increase of \$86,000 Gross (\$85,800 GF/GP) is included in the budget for the Worker's Compensation Program line item.

An economic increase of \$491,700 Gross (\$82,500 GF/GP) is included in the budget for the Rent And Building Occupancy line item.

Funds for the Developmental Disabilities Council and Projects appropriation are increased by \$6,300 Gross (\$0 GF/GP) to annualize the cost of a 2.0% salary and wage increase for non-bargaining and unionized employees effective April 2008. Employees' defined benefit retirement costs supported by the Developmental Disabilities Council and Projects appropriation are increased by \$2,100 Gross (\$0 GF/GP). Employees' defined contribution retirement costs supported by the Developmental Disabilities Council and Projects appropriation are increased by \$1,100 Gross (\$0 GF/GP). Employees' insurance costs supported by the Developmental Disabilities Council and Projects appropriation are reduced by \$7,200 Gross (\$0 GF/GP).

The implementation of Executive Order 2007-30 which consolidated the Department's Human Resources Operations within the Department of Management and Budget resulted in the elimination of funding of \$285,500 Gross (all GF/GP) for the Human Resources Optimization User Charges line item.

	FY 2007-08	FY 2008-09 EXECUTIVE	FY 2008-09 REVISED EXEC.	FY 2008-09 SENATE	FY 2008-09 HOUSE	FY 2008-09 ENROLLED	FY 2008-09
FY 2008-09 P.A. 246 of 2008 (S.B. 1094)	COMM. HEALTH YEAR-TO-DATE	RECOMMEND. 7-Feb-08 (S. B. 1141)	RECOMMEND. 19-Mar-08	RECOMMEND. 25-Mar-08	RECOMMEND. 5-Jun-08	BILL 28-Jun-08	ENACTED 18-Jul-08
Sec. 102. DEPARTMENTWIDE ADMINISTRATION							
Full-time equated unclassified positions	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Full-time equated classified positions	226.5	206.2	206.2	206.2	206.2	206.2	206.2
Director and other unclassified--* FTE positions	598,600	598,600	598,600	299,300	598,600	598,600	598,600
* positions in above line	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Departmental administration and management--* FTE p	23,881,600	21,908,000	21,908,000	21,908,000	21,908,000	21,862,900	21,862,900
* positions in above line	198.0	171.2	171.2	171.2	171.2	171.2	171.2
Internal audit consolidation	0	759,000	759,000	759,000	759,000	759,000	759,000
Office of long-term care supports and services--* FTE p	2,713,800	3,882,000	3,882,000	3,882,000	3,882,000	3,882,000	3,882,000
* positions in above line	18.5	25.0	25.0	25.0	25.0	25.0	25.0
Worker's compensation program	8,825,000	8,911,000	8,911,000	8,911,000	8,911,000	8,911,000	8,911,000
Human resources optimization user charges	285,500	0	0	0	0	0	0
Rent and building occupancy	10,043,300	10,535,000	10,535,000	10,535,000	10,535,000	10,535,000	10,535,000
Developmental disabilities council and projects--* FTE p	2,772,200	2,774,500	2,774,500	2,774,500	2,774,500	2,774,500	2,774,500
* positions in above line	10.0	10.0	10.0	10.0	10.0	10.0	10.0
GROSS APPROPRIATION	49,120,000	49,368,100	49,368,100	49,068,800	49,368,100	49,323,000	49,323,000
Appropriated from:							
Federal revenues:							
Total federal revenues	14,083,900	15,418,800	15,418,800	15,418,800	15,418,800	15,418,800	15,418,800
Special revenue funds:							
Total private revenues	76,000	76,000	76,000	76,000	76,000	76,000	76,000
Total other state restricted revenues	3,500,900	3,242,700	3,242,700	3,242,700	3,242,700	3,242,700	3,242,700
State general fund/general purpose	31,459,200	30,630,600	30,630,600	30,331,300	30,630,600	30,585,500	30,585,500

MENTAL HEALTH

	FY 2007-08	FY 2008-09 EXECUTIVE	FY 2008-09 REVISED EXEC.	FY 2008-09 SENATE	FY 2008-09 HOUSE	FY 2008-09 ENROLLED	FY 2008-09
FY 2008-09 P.A. 246 of 2008 (S.B. 1094)	COMM. HEALTH YEAR-TO-DATE	RECOMMEND. 7-Feb-08	RECOMMEND. 19-Mar-08	RECOMMEND. 25-Mar-08	RECOMMEND. 5-Jun-08	BILL 28-Jun-08	ENACTED 18-Jul-08
DEPARTMENT OF COMMUNITY HEALTH	7-Feb-08	(S. B. 1141)					
MENTAL HEALTH APPROPRIATION SUMMARY:							
Full-time equated classified positions	3,077.8	2,937.2	2,937.2	2,937.2	2,937.2	2,937.2	2,937.2
Average population	1,109.0	970.4	970.4	970.4	970.4	970.4	970.4
GROSS APPROPRIATION	2,749,450,400	2,813,137,600	2,813,137,600	2,829,111,900	2,810,896,800	2,803,163,100	2,803,163,100
Interdepartmental grant revenues:							
IDG-department of corrections	38,108,200	39,344,800	39,344,800	39,344,800	39,344,800	39,344,800	39,344,800
Total interdepartmental grants and intradepartmental tra	38,108,200	39,344,800	39,344,800	39,344,800	39,344,800	39,344,800	39,344,800
ADJUSTED GROSS APPROPRIATION	2,711,342,200	2,773,792,800	2,773,792,800	2,789,767,100	2,771,552,000	2,763,818,300	2,763,818,300
Federal revenues:							
Total federal revenues	1,224,909,700	1,304,643,800	1,304,643,800	1,310,711,800	1,300,914,300	1,294,097,900	1,294,097,900
Special revenue funds:							
Total local revenues	179,405,800	176,645,900	176,645,900	176,645,900	176,645,900	176,645,900	176,645,900
Total private revenues	1,190,000	1,190,000	1,190,000	1,190,000	1,190,000	1,190,000	1,190,000
Total other state restricted revenues	121,783,200	119,848,300	119,848,300	119,848,300	119,059,200	118,586,700	118,586,700
State general fund/general purpose	1,184,053,500	1,171,464,800	1,171,464,800	1,181,371,100	1,173,742,600	1,173,297,800	1,173,297,800

MENTAL HEALTH/SUBSTANCE ABUSE SERVICES ADMINISTRATION AND SPECIAL PROJECTS

Funds for the Mental Health/Substance Abuse Program Administration line item are increased by \$21,700 Gross (all TANF) to recognize costs for administering the Family Support Subsidy program. One-time funding of \$50,000 Gross (all GF/GP) for a reverse 911 system in a community hosting Caro Regional Mental Health Center - Psychiatric Hospital is eliminated from the Mental Health/Substance Abuse Program Administration appropriation. One-time funding of \$150,000 Gross (all GF/GP) for a study on administrative efficiencies, shared services, and consolidations of local public health departments, CMHSPs, substance abuse coordinating agencies, and area agencies on aging is eliminated from the Mental Health/Substance Abuse Program Administration appropriation. The FTE positions supporting the Mental Health/Substance Abuse Program Administration line item are reduced by 2.0 to reflect the FTEs that are supportable by the appropriation.

Funds for the Mental Health/Substance Abuse Program Administration line item are increased by \$74,300 Gross (\$58,700 GF/GP) to annualize the cost of a 2.0% salary and wage increase for non-bargaining and unionized employees effective April 2008. Employees' defined benefit retirement costs supported by the Mental Health/Substance Abuse Program Administration line item are increased by \$35,200 Gross (\$27,800 GF/GP). Employees' defined contribution retirement costs supported by the Mental Health/Substance Abuse Program Administration line item are increased by \$9,400 Gross (\$7,400 GF/GP). Employee's insurance costs supported by the Mental Health/Substance Abuse Program Administration line item are reduced by \$73,600 Gross (\$58,100 GF/GP). Funds for the Mental Health/Substance Abuse Program Administration line item are reduced by \$16,500 Gross (all GF/GP) to reflect employee-related savings from actual HMO rates.

The enacted budget includes no changes for the Consumer Involvement Program line item.

State restricted revenue authorization for the Gambling Addiction line item is reduced by \$500,000 to reflect current spending.

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

The enacted budget includes no changes to the Mental Health Initiatives for Older Persons line item.

As 9 residential leases have expired in Oakland County, \$198,400 Gross (all GF/GP) has been transferred from the Community Residential and Support Services line item to the Community Mental Health Non-Medicaid Services line item.

The GF/GP support for the Community Residential and Support Services line item is reduced by \$100,000 with a corresponding increase in federal oil/gas royalty revenue.

The enacted budget includes no changes to the Highway Safety Projects line item.

A new federal Freedom Initiative grant award of \$20,000 is recognized for the Federal and Other Special Projects line item. This grant will be used by the Office of Recipient Rights to identify peer support specialists. A new federal five-year Fetal Alcohol Syndrome Disease Prevention grant award of \$250,000 is recognized for the Federal and Other Special Projects line item. The grant funds will be used to decrease the incidence of fetal alcohol syndrome disease for women of child-bearing age or pregnant women in substance abuse treatment programs.

Funding for the Family Support Subsidy line item is reduced by \$436,800 Gross (all TANF) projecting expenditures of \$18.2 million in FY 2007-08 and \$18.6 million in FY 2008-09.

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

The funding of \$100,000 Gross (all GF/GP) for the Methamphetamine Cleanup Fund line item has been transferred to the Epidemiology appropriation unit.

	FY 2007-08	FY 2008-09 EXECUTIVE	FY 2008-09 REVISED EXEC.	FY 2008-09 SENATE	FY 2008-09 HOUSE	FY 2008-09 ENROLLED	FY 2008-09 ENACTED
	COMM. HEALTH	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED
	YEAR-TO-DATE	7-Feb-08	19-Mar-08	25-Mar-08	5-Jun-08	28-Jun-08	18-Jul-08
	DEPARTMENT OF COMMUNITY HEALTH	(S. B. 1141)					
Sec. 103. MENTAL HEALTH/SUBSTANCE ABUSE SERVICES ADMINISTRATION AND SPECIAL PROJECTS							
Full-time equated classified positions	111.0	109.0	109.0	109.0	109.0	109.0	109.0
Mental health/substance abuse program administration-	13,409,500	13,276,500	13,276,500	13,476,500	13,276,500	13,260,000	13,260,000
* positions in above line	110.0	108.0	108.0	108.0	108.0	108.0	108.0
Consumer involvement program	189,100	189,100	189,100	189,100	189,100	189,100	189,100
Gambling addiction--* FTE positions	3,500,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
* positions in above line	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Protection and advocacy services support	777,400	777,400	777,400	777,400	777,400	777,400	777,400
Mental health initiatives for older persons	1,291,200	1,291,200	1,291,200	1,291,200	1,291,200	1,291,200	1,291,200
Community residential and support services	2,713,000	2,514,600	2,514,600	2,514,600	2,514,600	2,514,600	2,514,600
Highway safety projects	400,000	400,000	400,000	400,000	400,000	400,000	400,000
Federal and other special projects	3,277,200	3,547,200	3,547,200	3,547,200	3,547,200	3,547,200	3,547,200
Family support subsidy	19,036,000	18,599,200	18,599,200	18,599,200	18,599,200	18,599,200	18,599,200
Housing and support services	9,306,800	9,306,800	9,306,800	9,306,800	9,306,800	9,306,800	9,306,800
Methamphetamine cleanup fund	100,000	0	0	0	0	0	0
GROSS APPROPRIATION	54,000,200	52,902,000	52,902,000	53,102,000	52,902,000	52,885,500	52,885,500
Appropriated from:							
Federal revenues:							
Total federal revenues	35,077,400	35,041,800	35,041,800	35,041,800	35,041,800	35,041,800	35,041,800
Special revenue funds:							
Total private revenues	190,000	190,000	190,000	190,000	190,000	190,000	190,000
Total other state restricted revenues	3,500,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
State general fund/general purpose	15,232,800	14,670,200	14,670,200	14,870,200	14,670,200	14,653,700	14,653,700

COMMUNITY MENTAL HEALTH/SUBSTANCE ABUSE SERVICES PROGRAMS

The budget includes an increase of \$37,279,000 in federal Medicaid revenue supporting the Medicaid Mental Health Services appropriation, with a corresponding decrease in GF/GP, due to an increase in the Medicaid match rate from 58.10% to 60.27%. Funds for the Medicaid Mental Health Services appropriation are increased by \$935,500 Gross (\$371,700 GF/GP) anticipating an average caseload increase of 1.9% in the Medicaid eligibles over FY 2006-07. Funds for the Medicaid Mental Health Services appropriation are increased by \$7,393,000 Gross (\$3,675,100 GF/GP) in recognition of May 15, 2008 Medicaid Revenue Consensus agreement. Funds for the Medicaid Mental Health Services appropriation are increased by \$49,872,600 Gross (\$20,284,200 GF/GP) to reflect a 2.9% capitation rate increase and ensure rates are actuarially sound in FY 2008-09. Excess federal Medicaid, QAAP, and local revenue authorizations of \$2,463,300 are removed from the Medicaid Mental Health Services line item.

Unrealized gross savings of \$8,679,900 are reversed for the Medicaid Mental Health Services line item as the federal government did not approve the transfer of anti-psychotic costs to the capitation payments to PIHPs. This reversal resulted in a GF/GP increase of \$5,231,400 for the Medicaid Mental Health Services appropriation. The budget includes a reduction of \$291,900 in QAAP revenue supporting the Medicaid Mental Health Services appropriation, with a corresponding increase in GF/GP, to recognize the change in the QAAP fee from 6.0% to 5.5%. Additional QAAP revenue of \$4,408,800, with a corresponding reduction in GF/GP, is recognized for the Medicaid Mental Health Services line item. The enacted budget adds \$5,440,000 Gross (\$2,161,300 GF/GP) to the Medicaid Mental Health Services appropriation to finance a 1.0% wage increase, effective February 1, 2009, for direct care workers in community mental health settings.

As 9 residential leases have expired in Oakland County, \$198,400 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. Great Lakes Mental Health Services funding of \$220,000 Gross (all GF/GP) has been transferred from the Nursing Home PAS/ARR-OBRA line item to the Community Mental Health Non-Medicaid Services line item as this allocation is part of the base funding for CMHSPs. To recognize prior fiscal year changes in the utilization of days of care at state hospitals and centers by CMHSPs, \$2,865,200 Gross (all GF/GP) has been redirected from the CMHSP, Purchase of State Services Contracts line item to the Community Mental Health Non-Medicaid Services line item. Options are still being examined and evaluated by the Department for funding state psychiatric hospitals and center for persons with developmental disabilities. To support the base costs for state hospitals and centers, unallocated \$1.4 million Gross (all GF/GP) in CMH Non-Medicaid Risk Pool funds has been transferred to the CMHSP, Purchase of State Services Contracts line item from the Community Mental Health Non-Medicaid Services line item. The enacted budget adds

\$578,000 Gross (all GF/GP) to the Community Mental Health Non-Medicaid Services line item to finance a 1.0% wage increase, effective February 1, 2009, for direct care workers in community mental health settings.

The enacted budget includes an increase of \$608,000 in Title XXI revenue supporting the Medicaid Adult Benefits Waiver appropriation, with a corresponding decrease in GF/GP, due to an increase in the Title XXI match rate from 70.67% to 72.19%.

The enacted budget allocates an additional \$1,060,000 Gross (all GF/GP) for the Multicultural Services line item in which the funds are to be distributed as follows: \$350,000 for the Chaldean Culture Center, \$380,000 for the Jewish Federation, \$300,000 for ACCESS, and \$30,000 for Arab/Chaldean Council.

An increase of \$789,400 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 58.10% to 60.27%. The budget includes a reduction of \$14,400 in QAAP revenue supporting the Medicaid Substance Abuse Services line item, with a corresponding increase in GF/GP, to recognize the change in the QAAP fee from 6.0% to 5.5%. Funds for the Medicaid Substance Abuse Services appropriation are reduced by \$261,500 Gross (\$103,900 GF/GP) to support an anticipated 1.9% increase in the average caseload from FY 2006-07. Funds for the Medicaid Substance Abuse Services appropriation are reduced by \$186,400 Gross (\$22,900 GF/GP) in recognition of May 15, 2008 Medicaid Revenue Consensus agreement. The appropriation for the Medicaid Substance Abuse Services line item is increased by \$282,100 Gross (\$114,600 GF/GP) to reflect a 1.0% capitation rate increase and ensure rates are actuarially sound in FY 2008-09. [This adjustment includes a reduction of \$48,300 Gross (\$16,700 GF/GP) that should have occurred in the Medicaid Mental Health Services line item.] Additional QAAP revenue of \$59,200, with a corresponding reduction in GF/GP, is recognized for the Medicaid Substance Abuse Services line item.

The enacted budget includes no changes for the Respite Services line item.

The appropriation for the CMHSP, Purchase of State Services Contracts line item is reduced by \$1,356,900 Gross (all GF/GP) to reflect an increase in the federal Medicaid match rate from 58.10% to 60.27% for state psychiatric hospitals and center for persons with developmental disabilities. To recognize prior fiscal year changes in the utilization of days of care at state psychiatric hospitals and center for persons with developmental disabilities by CMHSPs, \$2,865,200 Gross (all GF/GP) has been redirected to the Community Mental Health Non-Medicaid Services line item from the CMHSP, Purchase of State Services Contracts line item. Options are still being examined and evaluated by the Department for funding state psychiatric hospitals and center for persons with developmental disabilities. To support the base costs for

state psychiatric hospitals and center for persons with developmental disabilities, unallocated \$1.4 million Gross (all GF/GP) in CMH Non-Medicaid Risk Pool funds has been transferred from the Community Mental Health Non-Medicaid Services line item to the CMHSP, Purchase of State Services Contracts line item. To support base costs at Walter P. Reuther Psychiatric Hospital and Hawthorn Center, \$1.0 million Gross (all GF/GP) has been transferred from the Purchase of Medical Services for Residents of Hospitals and Centers line item to the CMHSP, Purchase of State Services Contracts line item. To annualize the cost of a 2.0% salary and wage increase for non-bargaining and unionized employees effective April 2008 and to finance economic adjustments for employees' defined benefit and contribution retirement, insurance, food, gas, fuel, and utility costs at state psychiatric hospitals and center for persons with developmental disabilities, the funds for the CMHSP, Purchase of State Services Contracts line item are increased by \$1,205,200 Gross (all GF/GP). Funds for the CMHSP, Purchase of State Services Contracts line item are reduced by \$124,400 Gross (all GF/GP) to reflect employee-related savings from actual HMO rates at state psychiatric hospitals and center for persons with developmental disabilities. (The corresponding CMHSP, Purchase of State Services Contracts adjustment for state psychiatric hospitals and center for person with developmental disabilities appropriations was not included in the enacted budget.) The implementation of Executive Order 2007-30 which consolidated the Human Resources Operations at state psychiatric hospitals and center for persons with developmental disabilities within the Department of Management and Budget resulted in a reduction of \$1,107,100 Gross (all GF/GP) for the CMHSP, Purchase of State Services Contracts line item.

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

Funds for the Federal Mental Health Block Grant appropriation are increased by \$1,800 Gross (\$0 GF/GP) to annualize the cost of a 2.0% salary and wage increase for non-bargaining and unionized employees effective April 2008. Employees' defined benefit retirement costs supporting the Federal Mental Health Block Grant appropriation are increased by \$900 Gross (\$0 GF/GP). Employees' defined contribution retirement costs supporting the Federal Mental Health Block Grant appropriation are increased by \$200 Gross (\$0 GF/GP). Employees' insurance costs supporting the Federal Mental Health Block Grant appropriation are reduced by \$2,500 Gross (\$0 GF/GP).

The enacted budget includes no changes for the State Disability Assistance Program Substance Abuse Services line item.

The \$300,000 federal Prevention of Methamphetamine Abuse grant is removed from the Community Substance Abuse Prevention, Education, and Treatment Programs line as this grant, effective March 1, 2006, has ended.

The federal Medicaid revenue supporting the Children's Waiver Home Care Program line item is increased by \$424,300, with a corresponding decrease in GF/GP, due to an increase in the Medicaid match rate from 58.10% to 60.27%.

The Omnibus Reconciliation Act Implementation line item is renamed the "Nursing Home PAS/ARR-OBRA" line item. Great Lakes Mental Health Services funding of \$220,000 Gross (all GF/GP) has been transferred from the Nursing Home PAS/ARR-OBRA line item to the Community Mental Health Non-Medicaid Services line item as it is part of the base allocations for CMHSPs. Funds for the Nursing Home PAS/ARR-OBRA line item are increased by \$4,500 Gross (\$1,900 GF/GP) to annualize the cost of a 2.0% salary and wage increase for non-bargaining and unionized employees effective April 2008. Employees' defined benefit retirement costs supporting the Nursing Home PAS/ARR-OBRA line item are increased by \$2,400 Gross (\$1,000 GF/GP). Employees' defined contribution retirement costs supporting the Nursing Home PAS/ARR-OBRA line item are increased by \$500 Gross (\$200 GF/GP). Employees' insurance costs supporting the Nursing Home PAS/ARR-OBRA line item are reduced by \$4,200 Gross (\$1,800 GF/GP).

The enacted budget includes no changes to the Children with Serious Emotional Disturbance Waiver line item.

The enacted budget includes \$1,126,900 Gross (all GF/GP) for a newly created line item entitled "Mental Health Court Pilot Programs". This allocation, in conjunction with \$550,000 GF/GP from Judiciary, may include services such as psychiatric counseling, case management, vocational training, housing assistance, program adherence monitoring, and training court and law enforcement personnel.

FY 2007-08 SUPPLEMENTAL ACTIONS

PUBLIC ACT 279 OF 2008 SUPPLEMENTAL APPROPRIATIONS

The enacted supplemental, in conjunction with legislative transfers dated July 15, 2008 and approved by the House and Senate Appropriations Committees which decreased the allocation for Medicaid Mental Health Services by \$18,778,300 Gross (\$2,791,300 GF/GP), reduces the Medicaid Mental Health Services appropriation by \$8,738,000 Gross (\$0 GF/GP) to reflect May 15, 2008 Medicaid Revenue Consensus agreement.

The enacted supplemental reduces the Medicaid Substance Abuse Services appropriation by \$394,200 Gross (\$188,500 GF/GP) to reflect May 15, 2008 Medicaid Revenue Consensus agreement.

	FY 2007-08	FY 2008-09 EXECUTIVE	FY 2008-09 REVISED EXEC.	FY 2008-09 SENATE	FY 2008-09 HOUSE	FY 2008-09 ENROLLED	FY 2008-09 ENACTED
	COMM. HEALTH	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED
	YEAR-TO-DATE	7-Feb-08	19-Mar-08	25-Mar-08	5-Jun-08	28-Jun-08	18-Jul-08
	DEPARTMENT OF COMMUNITY HEALTH	(S. B. 1141)					
Sec. 104. COMMUNITY MENTAL HEALTH/SUBSTANCE ABUSE SERVICES PROGRAMS							
Full-time equated classified positions	9.5	9.5	9.5	9.5	9.5	9.5	9.5
Medicaid mental health services	1,717,929,300	1,786,945,200	1,786,945,200	1,797,013,200	1,781,688,900	1,770,427,200	1,770,427,200
Community mental health non-Medicaid services	319,566,100	314,199,700	314,199,700	321,449,700	315,066,700	322,027,700	322,027,700
Medicaid adult benefits waiver	40,000,000	40,000,000	40,000,000	40,000,000	40,000,000	40,000,000	40,000,000
Multicultural services	5,763,800	5,763,800	5,763,800	6,473,800	5,763,800	6,823,800	6,823,800
Medicaid substance abuse services	36,378,500	37,192,800	37,192,800	37,192,800	36,261,000	36,212,700	36,212,700
Respite services	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
CMHSP, purchase of state services contracts	136,239,300	134,605,300	134,605,300	134,605,300	134,605,300	134,480,900	134,480,900
Civil service charges	1,499,300	1,499,300	1,499,300	1,499,300	1,499,300	1,499,300	1,499,300
Federal mental health block grant--* FTE positions	15,367,900	15,368,300	15,368,300	15,368,300	15,368,300	15,368,300	15,368,300
* positions in above line	2.5	2.5	2.5	2.5	2.5	2.5	2.5
State disability assistance program substance abuse se	2,509,800	2,509,800	2,509,800	2,509,800	3,959,800	2,509,800	2,509,800
Community substance abuse prevention, education, and	85,268,000	84,968,000	84,968,000	84,968,000	87,418,000	84,968,000	84,968,000
Children's waiver home care program	19,549,800	19,549,800	19,549,800	19,549,800	19,549,800	19,549,800	19,549,800
Omnibus reconciliation act implementation--* FTE positio	12,367,200	0	0	0	0	0	0
* positions in above line	7.0	0.0	0.0	0.0	0.0	0.0	0.0
Nursing home PAS/ARR-OBRA--* FTE positions	0	12,150,400	12,150,400	12,150,400	12,150,400	12,150,400	12,150,400
* positions in above line	0.0	7.0	7.0	7.0	7.0	7.0	7.0
Mental health court pilot programs	0	2,253,800	2,253,800	0	1,434,100	1,126,900	1,126,900
Children with serious emotional disturbance waiver	570,000	570,000	570,000	570,000	570,000	570,000	570,000
Pilot projects in prevention for adults and children	0	0	0	100	0	0	0
GROSS APPROPRIATION	2,394,009,000	2,458,576,200	2,458,576,200	2,474,350,500	2,456,335,400	2,448,714,800	2,448,714,800
Appropriated from:							
Federal revenues:							
Total federal revenues	1,150,311,400	1,231,201,100	1,231,201,100	1,237,269,100	1,227,471,600	1,220,655,200	1,220,655,200
Special revenue funds:							
Total local revenues	26,072,100	25,228,900	25,228,900	25,228,900	25,228,900	25,228,900	25,228,900
Total other state restricted revenues	106,765,500	102,111,800	102,111,800	102,111,800	101,322,700	100,850,200	100,850,200
State general fund/general purpose	1,110,860,000	1,100,034,400	1,100,034,400	1,109,740,700	1,102,312,200	1,101,980,500	1,101,980,500

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

The enacted budget includes a base increase of \$1.2 million at Hawthorn Center, with a corresponding base reduction of \$1.2 million at Caro Regional Mental Health Center, to reflect projected spending and revenue at these state facilities. Included in the budget is an increase of \$1,356,900 in the federal Medicaid revenue supporting state psychiatric hospitals and center for persons with developmental disabilities, with a corresponding decrease in CMHSP, Purchase of State Services Contracts deduct, to reflect an increase in the Medicaid match rate from 58.10% to 60.27%. (This adjustment corresponds to a \$1,356,900 reduction for the CMHSP, Purchase of State Services Contracts line item within the Community Mental Health/Substance Abuse Services Programs appropriation unit.) To recognize prior fiscal year changes in the utilization of days of care at state psychiatric hospitals and center for persons with developmental disabilities by CMHSPs, a net reduction of \$5,874,300 Gross (\$2,865,200 CMHSP, Purchase of State Services Contracts) is included in the budget for state psychiatric hospitals and center for persons with developmental disabilities. Options are still being examined and evaluated by the Department for funding state facilities.

Funding is increased by \$3,374,800 Gross (all state restricted revenue) for state psychiatric hospitals and center for persons with developmental disabilities to recognize Medicare Part D revenue. Itemized billing system issues have contributed to a delay in collecting this revenue. To support the base costs for state psychiatric hospitals and center for persons with developmental disabilities, unallocated \$1.4 million has been transferred from CMH Non-Medicaid Risk Pool funds within the Community Mental Health Non-Medicaid Services line item. (This adjustment corresponds to a \$1.4 million increase for the CMHSP, Purchase of State Services Contracts line item within the Community Mental Health/Substance Abuse Services Programs appropriation unit.) The FTE positions supporting state psychiatric hospitals and center for persons at developmental disabilities are reduced by 136.1 to reflect the FTEs that are supportable by the appropriated funds. The average census at state psychiatric hospitals and center for persons with developmental disabilities is reduced by 123.6. The implementation of Executive Order 2007-30 which consolidated the Human Resources Operations at state psychiatric hospitals and center for persons with developmental disabilities within the Department of Management and Budget resulted in a reduction of 16.0 FTE positions and \$1,459,100 Gross. (This adjustment corresponds to \$1,017,100 reduction to the CMHSP, Purchase of State Services Contracts line item within the Community Mental Health/Substance Abuse Services Programs appropriation unit). To support base costs at two state psychiatric hospitals, the following transfers have been made from the Purchase of Medical Services for Residents of State Hospitals and Centers line item: \$250,000 Gross to Walter P. Reuther Psychiatric Hospital and \$750,000 Gross to Hawthorn Center. (This adjustment corresponds to a \$1.0 million increase for 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 and center for persons with developmental disabilities are increased by \$1,051,900 Gross (\$746,500 CMHSP, Purchase of State Services Contracts) to annualize a 2.0% salary and wage increase for non-bargaining and unionized employees effective April 2008. Employees' defined benefit retirement costs supporting state psychiatric hospitals and center for persons with developmental disabilities are increased by \$1,092,000 Gross (\$748,200 CMHSP, Purchase of State Services Contracts). Employees' defined contribution retirement costs supporting state psychiatric hospitals and center for persons with developmental disabilities are increased by \$401,900 Gross (\$267,200 CMHSP, Purchase of State Services Contracts). Employees' insurance costs supporting state psychiatric hospitals and center for persons with developmental disabilities are reduced by \$1,043,300 Gross (\$735,200 CMHSP, Purchase of State Services Contracts). [This adjustment does not include the corresponding CMHSP, Purchase of State Services Contracts reduction of \$124,400 to reflect employee-related savings from actual HMO rates.] Funds authorized for state psychiatric hospitals and center for persons with developmental disabilities are increased by \$98,600 Gross (\$74,900 CMHSP, Purchase of State Services Contracts) for clients' food costs. Funds allocated for state psychiatric hospitals and center for persons with developmental disabilities are increased by \$152,400 Gross (\$103,600 CMHSP, Purchase of State Services Contracts) for gas, fuel, and utility costs. (All of these economic adjustments correspond to a \$1,205,200 net increase in the CMHSP, Purchase of State Services Contracts line item within the Community Mental Health/Substance Abuse Services Programs appropriation unit.)

The FTE positions supporting the Center for Forensic Psychiatry are increased by 17.6 to reflect the FTEs that are supportable by the appropriated funds. The average census at the Center for Forensic Psychiatry is reduced by 15.0. The funds for the Center for Forensic Psychiatry are increased by \$93,500 Gross (\$87,400 GF/GP) to fully finance a FY 2007-08 5.0% inflationary increase for pharmacy costs. Funds for the Center for Forensic Psychiatry are increased by \$357,600 Gross (\$334,200 GF/GP) to annualize a 2.0% salary and wage increase for non-bargaining and unionized employees effective April 2008. Employees' defined benefit retirement costs supporting the Center for Forensic Psychiatry are increased by \$56,100 Gross (\$52,400 GF/GP). Employees' defined contribution retirement costs supporting the Center for Forensic Psychiatry are reduced by \$96,300 Gross (\$90,000 GF/GP). Employees' supplemental retirement costs supporting the Center for Forensic Psychiatry are reduced by \$3,000 Gross (\$2,800 GF/GP). Employees of the Department of Corrections are covered by a different retirement plan. Employees' insurance costs supporting the Center for Forensic Psychiatry are reduced by \$313,700 Gross (\$293,100 GF/GP). Funds for the Center for Forensic Psychiatry are reduced by \$96,600 Gross (all GF/GP) to reflect employee-related savings from actual HMO rates. As an economic adjustment, funds for the Center for the Forensic Psychiatry are increased by \$19,400 Gross (\$18,200 GF/GP) for clients' food costs. As an economic adjustment, funds for the Center for Forensic Psychiatry are increased by \$36,600 Gross (\$34,200 GF/GP) for gas, fuel, and utility costs. The implementation of Executive Order 2007-30 which consolidated the

Human Resources Operations within the Department of Management and Budget resulted in a reduction of 4.0 FTE positions and \$363,500 Gross (\$341,000 GF/GP) for the Center for Forensic Psychiatry.

Interdepartmental grant funds of \$1,173,900 and 10.0 FTE positions have been added to the Forensic Mental Health Services Provided to the Department of Corrections line item for two additional mental health outpatient treatment programs as the average outpatient caseload has grown from 2,841 in FY 2005-06 to 3,250 in FY 2006-07, and the current caseload is over 3,600. Interdepartmental grant funds of \$1,181,400 and 12.0 FTE positions have been added to the Forensic Mental Health Services Provided to the Department of Corrections line item for one residential treatment program. Interdepartmental grant funds of \$171,000 have been added to the Forensic Mental Health Services Provided to the Department of Corrections line item to fully finance a FY 2007-08 outpatient team. Interdepartmental grant funds supporting the Forensic Mental Health Services Provided to the Department of Corrections line item have been reduced by \$1,242,800 to remove excess authorization from the appropriation. Interdepartmental grant funds supporting the Forensic Mental Health Services Provided to the Department of Corrections line item have been decreased by \$1,228,300 to reflect a base reduction. The FTE positions supporting the Forensic Mental Health Services Provided to the Department of Corrections line item are reduced by 22.1 to reflect FTEs supportable by the appropriation.

Funding for the Forensic Mental Health Services Provided to the Department of Corrections line item is increased by \$255,800 Gross (\$0 GF/GP) to annualize a 2.0% salary and wage increase for non-bargaining and unionized employees effective April 2008. Employees' defined benefit retirement costs supporting the Forensic Mental Health Services Provided to the Department of Corrections line item are increased by \$121,100 Gross (\$0 GF/GP). Employees' defined contribution retirement costs supporting the Forensic Mental Health Services Provided to the Department of Corrections line item are increased by \$73,900 Gross (\$0 GF/GP). Employees' supplemental retirement costs supporting the Forensic Mental Health Services Provided to the Department of Corrections line item are increased by \$908,600 Gross (\$0 GF/GP). Employees of the Department of Corrections are covered by a different retirement plan. Employees' insurance costs supporting the Forensic Mental Health Services Provided to the Department of Corrections line item are reduced by \$178,000 Gross (\$0 GF/GP).

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 and Equipment line item.

The enacted budget includes the transfer of \$250,000 Gross (all GF/GP) to Walter P. Reuther Psychiatric Hospital and \$750,000 Gross (all GF/GP) to Hawthorn Center from the Purchase of Medical Services for Residents of Hospitals and Centers appropriation to support base costs at these facilities.

The enacted budget includes no changes to the Closed Site, Transition, and Related Costs line item.

The enacted budget includes no changes for the Severance Pay appropriation.

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

	FY 2007-08	FY 2008-09	FY 2008-09	FY 2008-09	FY 2008-09	FY 2008-09	FY 2008-09
FY 2008-09	COMM. HEALTH	EXECUTIVE	REVISED EXEC.	SENATE	HOUSE	ENROLLED	FY 2008-09
P.A. 246 of 2008 (S.B. 1094)	YEAR-TO-DATE	7-Feb-08	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED
DEPARTMENT OF COMMUNITY HEALTH	7-Feb-08	(S. B. 1141)	19-Mar-08	25-Mar-08	5-Jun-08	28-Jun-08	18-Jul-08
Sec. 105. STATE PSYCHIATRIC HOSPITALS, CENTERS FOR PERSONS WITH DEVELOPMENTAL DISABILITIES, AND FORENSIC AND PRISON MENTAL HEALTH SERVICES							
Total average population	1,109.0	970.4	970.4	970.4	970.4	970.4	970.4
Full-time equated classified positions	2,957.3	2,818.7	2,818.7	2,818.7	2,818.7	2,818.7	2,818.7
Caro regional mental health center - psychiatric hospital	43,466,600	44,236,200	44,236,200	44,236,200	44,236,200	44,236,200	44,236,200
* positions in above line	481.3	404.0	404.0	404.0	404.0	404.0	404.0
Average population	179.0	158.0	158.0	158.0	158.0	158.0	158.0
Kalamazoo psychiatric hospital - adult--* FTE positions	43,120,900	42,646,000	42,646,000	42,646,000	42,646,000	42,646,000	42,646,000
* positions in above line	466.6	431.5	431.5	431.5	431.5	431.5	431.5
Average population	186.0	167.6	167.6	167.6	167.6	167.6	167.6
Walter P. Reuther psychiatric hospital - adult--* FTE pos	43,147,800	45,533,500	45,533,500	45,533,500	45,533,500	45,533,500	45,533,500
* positions in above line	437.3	444.2	444.2	444.2	444.2	444.2	444.2
Average population	236.0	238.8	238.8	238.8	238.8	238.8	238.8
Hawthorn center - psychiatric hospital - children and ad	21,497,600	22,749,700	22,749,700	22,749,700	22,749,700	22,749,700	22,749,700
* positions in above line	218.0	250.8	250.8	250.8	250.8	250.8	250.8
Average population	74.0	78.6	78.6	78.6	78.6	78.6	78.6
Mount Pleasant center - developmental disabilities--* FT	46,936,300	43,198,700	43,198,700	43,198,700	43,198,700	43,198,700	43,198,700
* positions in above line	472.7	393.3	393.3	393.3	393.3	393.3	393.3
Average population	209.0	117.4	117.4	117.4	117.4	117.4	117.4
Center for forensic psychiatry--* FTE positions	60,695,900	60,482,600	60,482,600	60,482,600	60,482,600	60,386,000	60,386,000
* positions in above line	565.0	578.6	578.6	578.6	578.6	578.6	578.6
Average population	225.0	210.0	210.0	210.0	210.0	210.0	210.0
Forensic mental health services provided to the departm	38,108,200	39,344,800	39,344,800	39,344,800	39,344,800	39,344,800	39,344,800
* positions in above line	316.4	316.3	316.3	316.3	316.3	316.3	316.3
Revenue recapture	750,000	750,000	750,000	750,000	750,000	750,000	750,000
IDEA, federal special education	120,000	120,000	120,000	120,000	120,000	120,000	120,000
Special maintenance and equipment	335,300	335,300	335,300	335,300	335,300	335,300	335,300
Purchase of medical services for residents of hospitals a	2,045,600	1,045,600	1,045,600	1,045,600	1,045,600	1,045,600	1,045,600
Closed site, transition, and related costs	100	100	100	100	100	100	100
Severance pay	216,900	216,900	216,900	216,900	216,900	216,900	216,900
Gifts and bequests for patient living and treatment enviro	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
GROSS APPROPRIATION	301,441,200	301,659,400	301,659,400	301,659,400	301,659,400	301,562,800	301,562,800
Appropriated from:							
Interdepartmental grant revenues:							
Interdepartmental grant from the department of correctio	38,108,200	39,344,800	39,344,800	39,344,800	39,344,800	39,344,800	39,344,800
Federal revenues:							
Total federal revenues	39,520,900	38,400,900	38,400,900	38,400,900	38,400,900	38,400,900	38,400,900
Special revenue funds:							
CMHSP, purchase of state services contracts	136,239,300	134,605,300	134,605,300	134,605,300	134,605,300	134,605,300	134,605,300
Other local revenues	17,094,400	16,811,700	16,811,700	16,811,700	16,811,700	16,811,700	16,811,700
Total private revenues	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Total other state restricted revenues	11,517,700	14,736,500	14,736,500	14,736,500	14,736,500	14,736,500	14,736,500
State general fund/general purpose	57,960,700	56,760,200	56,760,200	56,760,200	56,760,200	56,663,600	56,663,600

PUBLIC HEALTH

	FY 2007-08	FY 2008-09 EXECUTIVE	FY 2008-09 REVISED EXEC.	FY 2008-09 SENATE	FY 2008-09 HOUSE	FY 2008-09 ENROLLED	FY 2008-09 ENACTED
FY 2008-09 P.A. 246 of 2008 (S.B. 1094)	COMM. HEALTH YEAR-TO-DATE	RECOMMEND. 7-Feb-08	RECOMMEND. 19-Mar-08	RECOMMEND. 25-Mar-08	RECOMMEND. 5-Jun-08	BILL 28-Jun-08	ENACTED 18-Jul-08
DEPARTMENT OF COMMUNITY HEALTH	7-Feb-08	(S. B. 1141)	19-Mar-08	25-Mar-08	5-Jun-08	28-Jun-08	18-Jul-08
PUBLIC HEALTH APPROPRIATION SUMMARY:							
Full-time equated classified positions	987.4	973.0	973.0	971.0	973.0	973.0	973.0
GROSS APPROPRIATION	553,967,300	574,794,600	574,794,600	566,910,500	576,420,200	573,186,000	573,186,000
Interdepartmental grant revenues:							
Total interdepartmental grants and intradepartmental tra	1,302,000	1,539,100	1,539,100	1,539,100	1,539,100	1,539,100	1,539,100
ADJUSTED GROSS APPROPRIATION	552,665,300	573,255,500	573,255,500	565,371,400	574,881,100	571,646,900	571,646,900
Federal revenues:							
Total federal revenues	337,380,500	350,164,700	350,164,700	350,164,700	350,164,700	350,164,700	350,164,700
Special revenue funds:							
Total private revenues	62,701,800	63,868,800	63,868,800	63,868,800	63,868,800	63,868,800	63,868,800
Total local revenues	5,377,700	5,952,700	5,952,700	5,952,700	5,952,700	5,952,700	5,952,700
Total other state restricted revenues	81,502,900	83,954,200	83,954,200	75,243,500	83,454,300	83,096,200	83,096,200
State general fund/general purpose	65,702,400	69,315,100	69,315,100	70,141,700	71,440,600	68,564,500	68,564,500

PUBLIC HEALTH ADMINISTRATION

The Public Health Administration line item receives employee-related economic increases of \$8,700 Gross (\$7,300 GF/GP) related to salaries and wages, \$6,400 Gross (\$5,400 GF/GP) for defined benefit retirement costs, and \$500 Gross (\$400 GF/GP) for defined contribution retirement costs. The salary and wage adjustment provides funding for the remainder of the full year cost of the April 2008 2% wage increase. A decrease is made to the line of \$6,400 Gross (\$5,400 GF/GP) to reflect a reduction in employee-related insurance costs of 5.1%. The line is reduced by \$105,000 Gross (all GF/GP) and 1.0 FTE to transfer a health and safety officer position to the Departmental Administration and Management line item in the Departmentwide Administration appropriation unit. The line item is increased by \$600,000 Gross (\$300,000 GF/GP) for a new Public Health Physician Practice Project initiative with Michigan State University and the University of Michigan to recruit and train qualified physicians to practice in local public health to address a shortage of qualified medical officers. The universities will provide half of the funding. FTEs are reduced by 1.7 to reflect the current number of state positions being funded by this line item.

The Minority Health Grants and Contracts line item receives employee-related economic increases of \$1,900 Gross (\$0 GF/GP) related to salaries and wages, \$1,300 Gross (\$0 GF/GP) for defined benefit retirement costs, and \$100 Gross (\$0 GF/GP) for defined contribution retirement costs. The salary and wage adjustment provides funding for the remainder of the full year cost of the April 2008 2% wage increase. A decrease is made to the line of \$1,100 Gross (\$0 GF/GP) to reflect a reduction in employee-related insurance costs of 5.1%.

The Promotion of Healthy Behaviors line item private funds authorization is increased by \$700,000 Gross (\$0 GF/GP) for the "Generation with Promise" project which funds middle school student-led programs in underserved communities to improve health related behaviors and address health disparities. A grant from the W. K. Kellogg Foundation supports this project.

The Vital Records and Health Statistics line item receives employee-related economic increases of \$40,000 Gross (\$0 GF/GP) related to salaries and wages, \$23,400 Gross (\$0 GF/GP) for defined benefit retirement costs, and \$3,800 Gross (\$0 GF/GP) for defined contribution retirement costs. The salary and wage adjustment provides funding for the remainder of the full year cost of the April 2008 2% wage increase. A decrease is made to the line of \$50,400 Gross (\$0 GF/GP) to reflect a reduction in employee-related insurance costs of 5.1%. An increase of \$235,100 Gross (\$0 GF/GP) recognizes increased interdepartmental grant revenue from the Department of Human Services for vital records services received, related to DHS functions regarding Medicaid eligibility, and paternity and protective services issues. FTEs are increased by 3.0 to reflect the current number of state positions being funded by this line item. The line item is increased by 10.0

FTEs and \$1,000,000 Gross (\$0 GF/GP) of anticipated federal grant funds to assist the Department in conforming to new federal standards for birth certificates and in matching birth and death records, pursuant to the federal Intelligence Reform and Terrorism Prevention Act of 2004, and related regulations.

	FY 2007-08	FY 2008-09 EXECUTIVE	FY 2008-09 REVISED EXEC.	FY 2008-09 SENATE	FY 2008-09 HOUSE	FY 2008-09 ENROLLED	FY 2008-09
FY 2008-09 P.A. 246 of 2008 (S.B. 1094)	COMM. HEALTH YEAR-TO-DATE	RECOMMEND. 7-Feb-08	RECOMMEND. 19-Mar-08	RECOMMEND. 25-Mar-08	RECOMMEND. 5-Jun-08	BILL 28-Jun-08	ENACTED 18-Jul-08
DEPARTMENT OF COMMUNITY HEALTH	7-Feb-08	(S. B. 1141)	19-Mar-08	25-Mar-08	5-Jun-08	28-Jun-08	18-Jul-08
Sec. 106. PUBLIC HEALTH ADMINISTRATION							
Full-time equated classified positions	89.4	99.7	99.7	99.7	99.7	99.7	99.7
Public health administration--* FTE positions	1,708,100	2,212,300	2,212,300	2,212,300	2,212,300	2,212,300	2,212,300
* positions in above line	11.0	8.3	8.3	8.3	8.3	8.3	8.3
Healthy Michigan fund programs	0	0	0	15,190,400	0	0	0
Minority health grants and contracts--* FTE positions	1,491,000	1,493,200	1,493,200	593,200	1,493,200	1,493,200	1,493,200
* positions in above line	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Promotion of healthy behaviors	1,000,000	1,700,000	1,700,000	1,700,000	1,700,000	1,700,000	1,700,000
Vital records and health statistics--* FTE positions	9,947,900	11,199,800	11,199,800	11,199,800	11,199,800	11,199,800	11,199,800
* positions in above line	75.4	88.4	88.4	88.4	88.4	88.4	88.4
GROSS APPROPRIATION	14,147,000	16,605,300	16,605,300	30,895,700	16,605,300	16,605,300	16,605,300
Appropriated from:							
Interdepartmental grant revenues:							
Interdepartmental grant from the department of human s	745,300	981,600	981,600	981,600	981,600	981,600	981,600
Federal revenues:							
Total federal revenues	5,012,100	6,018,400	6,018,400	6,018,400	6,018,400	6,018,400	6,018,400
Special revenue funds:							
Total private revenues	1,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Total other state restricted revenues	5,988,100	6,001,100	6,001,100	20,291,500	6,001,100	6,001,100	6,001,100
State general fund/general purpose	1,401,500	1,604,200	1,604,200	1,604,200	1,604,200	1,604,200	1,604,200

HEALTH POLICY, REGULATION, AND PROFESSIONS

To address the backlog associated with investigating nursing home complaints, funding of \$376,600 Gross (\$82,900 GF/GP) for 4.0 FTE positions has been added to the Health Systems Administration line item. The average number of days in completing an investigation have increased by 74 since FY 2003-04. The number of complaints have increased by 25.0% from FY 2005-06 to FY 2006-07. The FTE positions supporting the Health Systems Administration line item have been reduced by 5.0 to reflect the FTEs supportable by the appropriation. Funds for the Health Systems Administration line item are increased by \$112,400 Gross (\$23,600 GF/GP) to annualize the cost of a 2.0% salary and wage increase for non-bargaining and unionized employees effective April 2008. Employees' defined benefit retirement costs supporting the Health Systems Administration line item are increased by \$49,900 Gross (\$10,500 GF/GP). Employees' defined contribution retirement costs supporting the Health Systems Administration line item are increased by \$15,100 Gross (\$3,200 GF/GP). Employees' insurance costs supporting the Health Systems Administration line item are reduced by \$109,000 Gross (\$22,900 GF/GP). Funds for the Health Systems Administration line item are reduced by \$10,100 Gross (all GF/GP) to reflect employee-related savings from actual HMO rates. Since GF/GP was not available from the Health Professions line item to finance other initiatives as agreed to during Conference deliberations, GF/GP supporting the Health Systems Administration line item was replaced with Health Professions Regulatory Fund revenue of \$600,000.

Funds for the Emergency Medical Services Program State Staff appropriation are increased by \$5,000 Gross (\$2,200 GF/GP) to annualize a 2.0% salary and wage increase for non-bargaining and unionized employees effective April 2008. Employees' defined benefit retirement costs supporting the Emergency Medical Services Program State Staff appropriation are increased by \$4,200 Gross (\$1,800 GF/GP). Employees' defined contribution retirement costs supporting the Emergency Medical Services Program State Staff appropriation are increased by \$100 Gross (\$0 GF/GP). Employees' insurance costs supporting the Emergency Medical Services Program State Staff appropriation are reduced by \$5,100 Gross (\$2,200 GF/GP).

An increase of \$67,800 in radiation safety fee revenue is recognized for the Radiological Health Administration line item. Funds for the Radiological Health Administration line item are increased by \$13,300 Gross (\$0 GF/GP) to annualize a 2.0% salary and wage increase for non-bargaining and unionized employees effective April 2008. Employees' defined benefit retirement costs supporting the Radiological Health Administration line item are increased by \$8,100 Gross (\$0 GF/GP). Employees' defined contribution retirement costs supporting the Radiological Health Administration line item are increased by \$1,100 Gross (\$0 GF/GP). Employees' insurance costs supporting the Radiological Health Administration line item are reduced by \$14,800 Gross (\$0 GF/GP).

The federal revenue supporting the Emergency Medical Services Grants and Services appropriation is increased by \$171,300 recognizing an increase in the Preventive Health and Health Services Block grant. The GF/GP supporting the Emergency Medical Services Grants and Services line item is reduced by \$67,900 in conjunction with a corresponding increase in the Preventive Health and Health Services Block grant funding. The GF/GP will be available as a match to the disproportionate share hospital (DSH) payment for primary care services. The FTE positions supporting the Emergency Medical Services Grants and Services line item are reduced by 7.0 to recognize the insourcing of EMS testing, inspections, and certifications as a means of performing within available resources was not implemented as proposed in the FY 2006-07 budget.

The FTE positions supporting the Health Professions line item are increased by 1.0 to recognize a staff person working on the Palliative Care Initiative in Michigan. The FTE positions supporting the Health Professions line item are reduced by 13.0 to reflect FTEs that are supportable by the appropriation. The state restricted revenue authorization for the Health Professions line item is increased by \$915,300 recognizing the availability of additional Health Professions Regulatory Fund revenue. These funds will support the Health Professions Recovery Program. Funding of \$204,100 Gross (all state restricted revenue) is added to the Health Professions line item to recognize increased Attorney General costs. The state restricted revenue authorization for the Health Professions line item is increased by \$1.4 million recognizing the availability of additional Health Professions Regulatory Fund revenue. These funds will be used to upgrade and replace the Bureau of Health Professions customer service phone system as the Bureau has experienced an increase in the volume of calls. The Bureau receives between 400-500 calls daily.

Funds for the Health Professions line item are increased by \$72,600 Gross (\$0 GF/GP) to annualize the cost of a 2.0% salary and wage increase for non-bargaining and unionized employees effective April 2008. Employees' defined benefit retirement costs supporting the Health Professions line item are increased by \$31,000 Gross (\$0 GF/GP). Employees' defined contribution retirement costs supporting the Health Professions line item are increased by \$10,200 Gross (\$0 GF/GP). Employees' insurance costs supporting the Health Professions line item are reduced by \$76,100 Gross (\$0 GF/GP).

The FTE positions supporting the Background Check Program line item are increased by 5.5 due to the transfer of these positions from the Health Policy, Regulation, and Professions Administration line item. Savings of \$519,600 Gross (\$0 GF/GP) are recognized for the Background Check Program line item. These savings are achieved if long-term care facilities assume the costs of background checks for employees. The use of state restricted funds for this program for employees of health facilities requires changes to the Public Health Code. Funding for the Background Check Program line item is increased by \$4,000 Gross (\$0 GF/GP) to annualize a 2.0% salary and wage increase for non-bargaining and

unionized employees effective April 2008. Employees' defined benefit retirement costs supported by the Background Check Program line item are increased by \$1,100 Gross (\$0 GF/GP). Employees' defined contribution retirement costs supported by the Background Check Program line item are increased by \$700 Gross (\$0 GF/GP). Employees' insurance costs supported the Background Check Program line item are reduced by \$4,200 Gross (\$0 GF/GP).

The FTE positions supporting the Health Policy, Regulation, and Professions Administration line item are reduced by 5.5 due to the transfer of these positions to the Background Check Program line item. The federal background check program pilot grant of \$2.6 million is eliminated from the Background Check Program line item as this grant has ended. Funds for the Health Policy, Regulation, and Professions Administration appropriation are increased by \$17,800 Gross (\$8,500 GF/GP) to annualize a 2.0% salary and wage increase for non-bargaining and unionized employees effective April 2008. Employees' defined benefits retirement costs supporting the Health Policy, Regulation, and Professions Administration line item are increased by \$7,500 Gross (\$3,600 GF/GP). Employees' defined contribution retirement costs supporting the Health Policy, Regulation, and Professions Administration line item are increased by \$2,500 Gross (\$1,200 GF/GP). Employees' insurance costs supporting the Health Policy, Regulation, and Professions Administration line item are reduced by \$17,100 Gross (\$8,200 GF/GP). Funds for the Health Policy, Regulation, and Professions Administration line item are reduced by \$4,600 Gross (all GF/GP) to reflect employee-related savings from actual HMO rates.

Funds for the Nurse Scholarship, Education, and Research Program line item are increased by \$2,400 Gross (\$0 GF/GP) to annualize a 2.0% salary and wage increase for non-bargaining and unionized employees effective April 2008. Employees' defined benefit retirement costs supporting the Nurse Scholarship, Education, and Research Program line item are increased by \$1,100 Gross (\$0 GF/GP). Employees' defined contribution retirement costs supporting the Nurse Scholarship, Education, and Research Program line item are increased by \$300 Gross (\$0 GF/GP). Employees' insurance costs supporting the Nurse Scholarship, Education, and Research Program line item are reduced by \$1,600 Gross (\$0 GF/GP).

Funds for the Certificate of Need (CON) Program Administration appropriation are increased by \$9,100 Gross (\$0 GF/GP) to annualize a 2.0% salary and wage increase for non-bargaining and unionized employees effective April 2008. Employees' defined benefit retirement costs supporting the CON Program Administration appropriation are increased by \$4,300 Gross (\$0 GF/GP). Employees' defined contribution retirement costs supporting the CON Program Administration appropriation are increased by 1,100 Gross (\$0 GF/GP). Employees' insurance costs supporting the CON Program Administration appropriation are reduced by \$8,700 Gross (\$0 GF/GP).

Funds for the Rural Health Services line item are increased by \$500 Gross (\$0 GF/GP) to annualize a 2.0% salary and wage increase for non-bargaining and unionized employees effective April 2008. Employees' defined benefit retirement costs supporting the Rural Health Services line item are increased by \$200 Gross (\$0 GF/GP). Employees' defined contribution retirement costs supporting the Rural Health Services line item are increased by \$100 Gross (\$0 GF/GP). Employees' insurance costs supporting the Rural Health Services line item are reduced by \$200 Gross (\$0 GF/GP).

An increase of \$105,000 in the private hospital match for the Michigan Essential Health Provider appropriation is recognized.

Excess authorizations of \$252,300 from the Preventive Health and Health Services Block grant and \$25,000 from the Maternal and Child Health Block grant are eliminated from the Primary Care Services appropriation. The GF/GP support for the Primary Care Services line item is increased by \$254,500 with a corresponding reduction in the federal Preventive Health and Health Services Block grant. The GF/GP will support the disproportionate share hospital (DSH) payment for primary care services. Funding for the Primary Care Services line item is increased to recognize federal Medicaid match dollars of \$1,220,500. Funds for the Primary Care Services line item are increased by \$900 Gross (\$0 GF/GP) to annualize a 2.0% salary and wage increase for non-bargaining and unionized employees effective April 2008. Employees' defined benefit retirement costs supported by the Primary Care Services line item are increased by \$200 Gross (\$0 GF/GP). Employees' defined contribution retirement costs supported by the Primary Care Services line item are increased by \$200 Gross (\$0 GF/GP). Employees' insurance costs supported by the Primary Care Services line item are reduced by \$500 Gross (\$0 GF/GP). Indian Tribal Elders funding of \$60,000 Gross (all GF/GP) is transferred from the Primary Care Services line item to the Community Services line item within the Office of Services to the Aging appropriation unit. Funding for the Primary Care Services line item is increased by \$900,000 to recognize a federal Alternate Emergency Room Services grant. The grant will be used to establish primary care services targeted at Medicaid and other uninsured individuals who visit the emergency room. Funding of \$75,000 Gross (all GF/GP) is added to the Primary Care Services line item for Helen M. Nickless Volunteer Clinic in Bay City.

	FY 2007-08	FY 2008-09 EXECUTIVE	FY 2008-09 REVISED EXEC.	FY 2008-09 SENATE	FY 2008-09 HOUSE	FY 2008-09 ENROLLED	FY 2008-09 ENACTED
	COMM. HEALTH	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED
	YEAR-TO-DATE	7-Feb-08	19-Mar-08	25-Mar-08	5-Jun-08	28-Jun-08	18-Jul-08
	DEPARTMENT OF COMMUNITY HEALTH	(S. B. 1141)					
Sec. 107. HEALTH POLICY, REGULATION, AND PROFESSIONS							
Full-time equated classified positions	423.6	403.6	403.6	403.6	403.6	403.6	403.6
Health systems administration--* FTE positions	22,514,800	22,959,800	22,959,800	22,959,800	22,959,800	22,949,700	22,949,700
* positions in above line	194.6	193.6	193.6	193.6	193.6	193.6	193.6
Emergency medical services program state staff--* FTE	1,471,900	1,476,100	1,476,100	1,476,100	1,476,200	1,476,100	1,476,100
* positions in above line	8.5	8.5	8.5	8.5	8.5	8.5	8.5
Radiological health administration--* FTE positions	2,671,600	2,747,100	2,747,100	2,747,100	2,747,100	2,747,100	2,747,100
* positions in above line	21.4	21.4	21.4	21.4	21.4	21.4	21.4
Emergency medical services grants and services--* FTE	488,700	660,000	660,000	660,000	660,000	660,000	660,000
* positions in above line	7.0	0.0	0.0	0.0	0.0	0.0	0.0
Health professions--* FTE positions	20,950,600	24,107,700	24,107,700	22,607,700	23,607,700	23,507,700	23,507,700
* positions in above line	142.0	130.0	130.0	130.0	130.0	130.0	130.0
Background check program--* FTE positions	4,474,400	3,956,400	3,956,400	4,956,400	3,956,400	3,956,400	3,956,400
* positions in above line	0.0	5.5	5.5	5.5	5.5	5.5	5.5
Health policy, regulation, and professions administration	5,538,300	2,949,000	2,949,000	2,949,000	2,949,000	2,944,400	2,944,400
* positions in above line	30.7	25.2	25.2	25.2	25.2	25.2	25.2
Nurse scholarship, education, and research program--*	988,700	990,900	990,900	990,900	991,000	990,900	990,900
* positions in above line	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Certificate of need program administration--* FTE positio	1,769,300	1,775,100	1,775,100	1,775,100	1,775,100	1,775,100	1,775,100
* positions in above line	14.0	14.0	14.0	14.0	14.0	14.0	14.0
Rural health services--* FTE positions	1,403,800	1,404,400	1,404,400	1,404,400	1,404,500	1,404,400	1,404,400
* positions in above line	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Michigan essential health provider	1,847,100	1,952,100	1,952,100	1,952,100	1,952,100	1,952,100	1,952,100
Primary care services--* FTE positions	2,382,700	4,166,700	4,166,700	4,366,800	4,216,700	4,241,700	4,241,700
* positions in above line	1.4	1.4	1.4	1.4	1.4	1.4	1.4
GROSS APPROPRIATION	66,501,900	69,145,300	69,145,300	68,845,400	68,695,600	68,605,600	68,605,600
Appropriated from:							
Interdepartmental grant revenues:							
Interdepartmental grant from the department of treasury	116,300	116,300	116,300	116,300	116,300	116,300	116,300
Federal revenues:							
Total federal revenues	26,742,100	26,015,300	26,015,300	26,015,300	26,015,300	26,015,300	26,015,300
Special revenue funds:							
Total local revenues	227,700	227,700	227,700	227,700	227,700	227,700	227,700
Total private revenues	350,000	455,000	455,000	455,000	455,000	455,000	455,000
Total other state restricted revenues	30,728,400	33,762,800	33,762,800	33,762,800	33,262,900	33,762,800	33,762,800
State general fund/general purpose	8,337,400	8,568,200	8,568,200	8,268,300	8,618,400	8,028,500	8,028,500

INFECTIOUS DISEASE CONTROL

The AIDS Prevention, Testing, and Care Programs line item receives employee-related economic increases of \$8,000 Gross (\$0 GF/GP) related to salaries and wages, \$2,700 Gross (\$0 GF/GP) for defined benefit retirement costs, and \$1,300 Gross (\$0 GF/GP) for defined contribution retirement costs. The salary and wage adjustment provides funding for the remainder of the full year cost of the April 2008 2% wage increase. A decrease is made to the line of \$7,700 Gross (\$0 GF/GP) to reflect a reduction in employee-related insurance costs of 5.1%. The line item has a net \$0 Gross (\$0 GF/GP) change in federal grant authorization, recognizing federal separation of Minority AIDS Initiative Program funding of \$141,900 as a standalone grant from the Ryan White Part B (formerly Title II) HIV Care grant. The line item is increased by \$1,000,000 Gross (\$0 GF/GP) to recognize a new 3-year federal Expanded and Integrated HIV Testing grant for populations disproportionately affected by HIV, primarily African Americans, who are unaware of their HIV status. FTEs are increased by 0.7 to reflect the current number of state positions being funded by this line item.

There are no changes to the Immunization Local Agreements line item.

The Immunization Program Management and Field Support line item receives employee-related economic increases of \$9,600 Gross (\$600 GF/GP) related to salaries and wages, \$3,800 Gross (\$400 GF/GP) for defined benefit retirement costs, and \$1,300 Gross (\$0 GF/GP) for defined contribution retirement costs. The salary and wage adjustment provides funding for the remainder of the full year cost of the April 2008 2% wage increase. A decrease is made to the line of \$10,000 Gross (\$500 GF/GP) to reflect a reduction in employee-related insurance costs of 5.1%.

The Pediatric AIDS Prevention and Control line item receives employee-related economic increases of \$700 Gross (\$0 GF/GP) related to salaries and wages, and \$200 Gross (\$0 GF/GP) for defined contribution retirement costs. The salary and wage adjustment provides funding for the remainder of the full year cost of the April 2008 2% wage increase. A decrease is made to the line of \$500 Gross (\$0 GF/GP) to reflect a reduction in employee-related insurance costs of 5.1%.

The Sexually Transmitted Disease Control Local Agreements line item is increased by \$550,000 Gross (all GF/GP) for expanded testing and treatment to address high rates of gonorrhea and chlamydia diseases in targeted high-prevalence counties. The initiative targets adolescents and young adults, and totals \$750,000 across 2 line items. A net \$0 Gross (reduction of \$186,600 GF/GP) change is made to the line item, in a fund shift with the Primary Care Services line item in the Health Policy, Regulation, and Professions appropriation unit: \$186,600 of GF/GP funds are transferred out from this line item and \$186,600 of federal Preventive Health and Health Services Block Grant funds are transferred into this line

item. The purpose is to collect sufficient state-source GF/GP funds in the Primary Care Services line item for a disproportionate share hospital (DSH) payment pool for primary care services.

The Sexually Transmitted Disease Control Management and Field Support line item receives employee-related economic increases of \$13,900 Gross (\$5,300 GF/GP) related to salaries and wages, \$8,200 Gross (\$2,800 GF/GP) for defined benefit retirement costs, and \$1,300 Gross (\$500 GF/GP) for defined contribution retirement costs. The salary and wage adjustment provides funding for the remainder of the full year cost of the April 2008 2% wage increase. A decrease is made to the line of \$13,800 Gross (\$5,300 GF/GP) to reflect a reduction in employee-related insurance costs of 5.1%. A net \$0 Gross (\$866,700 GF/GP) change is made to the line item, replacing \$866,700 of Michigan Health Initiative state restricted funding with GF/GP funding, as one of a group of adjustments across the budget to reflect a reduction of available Michigan Health Initiative Fund revenue. The line item is increased by \$200,000 Gross (all GF/GP) for expanded testing and treatment to address high rates of gonorrhea and chlamydia diseases in targeted high-prevalence counties. The initiative targets adolescents and young adults, and totals \$750,000 across 2 line items.

	FY 2007-08	FY 2008-09 EXECUTIVE	FY 2008-09 REVISED EXEC.	FY 2008-09 SENATE	FY 2008-09 HOUSE	FY 2008-09 ENROLLED	FY 2008-09 ENACTED
	COMM. HEALTH	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED
	YEAR-TO-DATE	7-Feb-08	19-Mar-08	25-Mar-08	5-Jun-08	28-Jun-08	18-Jul-08
	P.A. 246 of 2008 (S.B. 1094)	(S. B. 1141)					
	DEPARTMENT OF COMMUNITY HEALTH	(S. B. 1141)	19-Mar-08	25-Mar-08	5-Jun-08	28-Jun-08	18-Jul-08
Sec. 108. INFECTIOUS DISEASE CONTROL							
Full-time equated classified positions	51.0	51.7	51.7	51.7	51.7	51.7	51.7
AIDS prevention, testing, and care programs--* FTE positions	37,463,900	38,468,200	38,468,200	38,468,200	38,468,200	38,468,200	38,468,200
* positions in above line	12.0	12.7	12.7	12.7	12.7	12.7	12.7
Immunization local agreements	13,990,300	13,990,300	13,990,300	12,340,300	13,990,300	13,990,300	13,990,300
Immunization program management and field support--*	2,003,500	2,008,200	2,008,200	1,653,300	2,008,200	2,008,200	2,008,200
* positions in above line	15.0	15.0	15.0	15.0	15.0	15.0	15.0
Pediatric AIDS prevention and control--* FTE positions	1,224,800	1,225,200	1,225,200	1,225,200	1,225,200	1,225,200	1,225,200
* positions in above line	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Sexually transmitted disease control local agreements	3,360,700	4,093,700	4,093,700	3,360,700	4,093,700	3,910,700	3,910,700
Sexually transmitted disease control management and field support--*	3,676,600	3,953,200	3,953,200	3,686,200	3,953,200	3,886,200	3,886,200
* positions in above line	23.0	23.0	23.0	23.0	23.0	23.0	23.0
GROSS APPROPRIATION	61,719,800	63,738,800	63,738,800	60,733,900	63,738,800	63,488,800	63,488,800
Appropriated from:							
Federal revenues:							
Total federal revenues	40,885,600	42,077,900	42,077,900	42,077,900	42,077,900	42,077,900	42,077,900
Special revenue funds:							
Total private revenues	7,997,900	7,997,900	7,997,900	7,997,900	7,997,900	7,997,900	7,997,900
Total other state restricted revenues	8,691,400	7,834,200	7,834,200	5,729,300	7,834,200	7,834,200	7,834,200
State general fund/general purpose	4,144,900	5,828,800	5,828,800	4,928,800	5,828,800	5,578,800	5,578,800

LABORATORY SERVICES

The Bovine Tuberculosis line item receives employee-related economic increases of \$1,100 Gross (\$0 GF/GP) related to salaries and wages, and \$1,000 Gross (\$0 GF/GP) for defined benefit retirement costs. The salary and wage adjustment provides funding for the remainder of the full year cost of the April 2008 2% wage increase. A decrease is made to the line of \$1,700 Gross (\$0 GF/GP) to reflect a reduction in employee-related insurance costs of 5.1%. The line item is reduced significantly by \$300,000 Gross (\$0 GF/GP) of Michigan Health Initiative state restricted funding, as one of a group of adjustments across the budget to reflect a reduction of available Michigan Health Initiative Fund revenue; the new funding level reflects recent actual spending for this line item. FTEs are reduced by 1.0 to reflect the current number of state positions being funded by this line item.

The Laboratory Services line item receives employee-related economic increases of \$54,600 Gross (\$27,800 GF/GP) related to salaries and wages, \$35,700 Gross (\$19,100 GF/GP) for defined benefit retirement costs, and \$3,900 Gross (\$2,400 GF/GP) for defined contribution retirement costs. The salary and wage adjustment provides funding for the remainder of the full year cost of the April 2008 2% wage increase. A decrease is made to the line of \$106,300 Gross (\$76,000 GF/GP) to reflect a reduction in employee-related insurance costs of 5.1%. The line item is increased by \$174,400 Gross (\$0 GF/GP) to reflect additional laboratory services revenue from the annual inflationary fee increase for newborn screening, and a further increase in the fee for the addition of new screening tests for cystic fibrosis and hearing. The line item is increased by \$475,000 Gross (\$0 GF/GP) to recognize an increase in fee revenue for laboratory blood lead testing related to screening initiatives for children enrolled in Medicaid and in the WIC program, and parent requests for screening related to recalls of toy products containing lead; additionally the state laboratory is now recognized as a provider for the testing done under Medicaid, and the revenue is recorded as fees. An increase of 1.0 FTE and \$189,000 Gross (all GF/GP) is made to the line item to address the increasing occurrence of highly contagious and highly antibiotic-resistant staphylococcus aureus ("staph") infections in health care facilities and in community settings in Michigan (the two types are MRSA and VRSA). This initiative totals \$300,000 in two line items. FTEs are reduced by 3.0 to reflect the current number of state positions being funded by this line item. Four FTEs are added for laboratory services for the new newborn screening testing for cystic fibrosis and also for expanded service to include Saturdays for testing and specimen pickup.

	FY 2007-08	FY 2008-09 EXECUTIVE	FY 2008-09 REVISED EXEC.	FY 2008-09 SENATE	FY 2008-09 HOUSE	FY 2008-09 ENROLLED	FY 2008-09
	COMM. HEALTH	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED
	YEAR-TO-DATE	7-Feb-08	19-Mar-08	25-Mar-08	5-Jun-08	28-Jun-08	18-Jul-08
	DEPARTMENT OF COMMUNITY HEALTH	(S. B. 1141)					
Sec. 109. LABORATORY SERVICES							
Full-time equated classified positions	122.0	123.0	123.0	122.0	123.0	123.0	123.0
Bovine tuberculosis--* FTE positions	500,000	200,400	200,400	500,400	250,400	200,400	200,400
* positions in above line	2.0	1.0	1.0	1.0	1.0	1.0	1.0
Laboratory services--* FTE positions	18,359,100	19,212,000	19,212,000	19,023,000	19,212,000	19,185,400	19,185,400
* positions in above line	120.0	122.0	122.0	121.0	122.0	122.0	122.0
GROSS APPROPRIATION	18,859,100	19,412,400	19,412,400	19,523,400	19,462,400	19,385,800	19,385,800
Appropriated from:							
Interdepartmental grant revenues:							
Interdepartmental grant from the department of environr	440,400	441,200	441,200	441,200	441,200	441,200	441,200
Federal revenues:							
Total federal revenues	2,794,600	2,799,400	2,799,400	2,799,400	2,799,400	2,799,400	2,799,400
Special revenue funds:							
Total other state restricted revenues	7,984,400	8,343,200	8,343,200	8,343,200	8,343,200	8,343,200	8,343,200
State general fund/general purpose	7,639,700	7,828,600	7,828,600	7,939,600	7,878,600	7,802,000	7,802,000

EPIDEMIOLOGY

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

The Asthma Prevention and Control line item receives employee-related economic increases of \$1,800 Gross (\$1,700 GF/GP) related to salaries and wages, and \$400 Gross (all GF/GP) for defined contribution retirement costs. The salary and wage adjustment provides funding for the remainder of the full year cost of the April 2008 2% wage increase. A decrease is made to the line of \$2,100 Gross (all GF/GP) to reflect a reduction in employee-related insurance costs of 5.1%. FTEs are increased by 0.3 to reflect the current number of state positions being funded by this line item.

The Bioterrorism Preparedness line item receives employee-related economic increases of \$44,700 Gross (\$0 GF/GP) related to salaries and wages, \$8,100 Gross (\$0 GF/GP) for defined benefit retirement costs, and \$9,400 Gross (\$0 GF/GP) for defined contribution retirement costs. The salary and wage adjustment provides funding for the remainder of the full year cost of the April 2008 2% wage increase. A decrease is made to the line of \$46,100 Gross (\$0 GF/GP) to reflect a reduction in employee-related insurance costs of 5.1%. A funding reduction of \$2,177,300 Gross (\$0 GF/GP) is made to the line item to reflect decreases in the federal grants for hospital and public health system preparedness for a bioterrorism event. Local funding authorization of \$500,000 Gross (\$0 GF/GP) is included in the budget in anticipation of new state and local match requirements of the federal bioterrorism preparedness grants which may be effective late in the fiscal year; the local authorization was meant to be removed from the conference bill along with state match funding but was unintentionally left in. FTEs are reduced by 7.5 to reflect the current number of state positions being funded by this line item.

The Epidemiology Administration line item receives employee-related economic increases of \$27,300 Gross (\$11,600 GF/GP) related to salaries and wages, \$9,000 Gross (\$4,000 GF/GP) for defined benefit retirement costs, and \$4,600 Gross (\$1,900 GF/GP) for defined contribution retirement costs. The salary and wage adjustment provides funding for the remainder of the full year cost of the April 2008 2% wage increase. A decrease is made to the line of \$35,500 Gross (\$19,300 GF/GP) to reflect a reduction in employee-related insurance costs of 5.1%. Federal funding is reduced by \$65,000 Gross (\$0 GF/GP) to recognize completion of the 2-year federal grant "Impact of Exposure to Urban Air Toxics on Asthma in the Pediatric Medicaid Population in Dearborn, Michigan". An increase of \$103,300 Gross (\$0 GF/GP) is made to the line item to recognize a new 5-year federal Adult Viral Hepatitis Prevention Coordinator Grant through 2012 to reduce new cases of infection and decrease secondary disease risk for persons with chronic hepatitis infections. Also an increase of \$166,700 Gross (\$0 GF/GP) is made to recognize a new 3-year federal grant "Detroit Asthma Morbidity, Air Quality and Traffic (DAMAT) Study" to evaluate an epidemiological model for assessing the effect of traffic and industrial

emissions on a child's risk for severe asthma events. The Pregnancy Risk Assessment Monitoring System (PRAMS) program is transferred to this line item, including 1.0 FTE and \$150,000 (\$0 GF/GP) of federal grant funds, from the Special Projects line item in the Family, Maternal, and Children's Health Services appropriation unit, in order to house the project with other epidemiology and surveillance functions. An increase of 1.0 FTE and \$111,000 Gross (all GF/GP) is made to the line item to address the increasing occurrence of highly contagious and highly antibiotic-resistant staphylococcus aureus ("staph") infections in health care facilities and in community settings in Michigan (the two types are MRSA and VRSA). This initiative totals \$300,000 in two line items. FTEs are reduced by 1.4 to reflect the current number of state positions being funded by this line item.

The Lead Abatement Program line item receives employee-related economic increases of \$4,200 Gross (\$0 GF/GP) related to salaries and wages, \$1,400 Gross (\$0 GF/GP) for defined benefit retirement costs, and \$700 Gross (\$0 GF/GP) for defined contribution retirement costs. The salary and wage adjustment provides funding for the remainder of the full year cost of the April 2008 2% wage increase. A decrease is made to the line of \$6,200 Gross (\$0 GF/GP) to reflect a reduction in employee-related insurance costs of 5.1%.

A new line item, Methamphetamine Cleanup Fund, is created with the transfer of \$100,000 Gross (all GF/GP) from a line item of the same name in the Mental Health/Substance Abuse Services Administration and Special Projects appropriation unit. The funding, granted to local health departments for property cleanup and public health concerns, will now be administered under the public health portion of the budget.

The Newborn Screening Follow-Up and Treatment Services line item receives employee-related economic increases of \$5,900 Gross (\$0 GF/GP) related to salaries and wages, and \$1,600 Gross (\$0 GF/GP) for defined contribution retirement costs. The salary and wage adjustment provides funding for the remainder of the full year cost of the April 2008 2% wage increase. A decrease is made to the line of \$6,000 Gross (\$0 GF/GP) to reflect a reduction in employee-related insurance costs of 5.1%. The line item is increased by \$123,500 Gross (\$0 GF/GP) to reflect additional revenue for program service costs from newborn screening test fees due to the annual inflationary increase in the fee, and a further increase in the fee for the addition of new screening tests for cystic fibrosis and hearing. 1.5 FTEs are added for program services related to the new newborn screening testing for hearing.

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

	FY 2007-08	FY 2008-09 EXECUTIVE	FY 2008-09 REVISED EXEC.	FY 2008-09 SENATE	FY 2008-09 HOUSE	FY 2008-09 ENROLLED	FY 2008-09 ENACTED
FY 2008-09 P.A. 246 of 2008 (S.B. 1094)	COMM. HEALTH YEAR-TO-DATE	RECOMMEND. 7-Feb-08	RECOMMEND. 19-Mar-08	RECOMMEND. 25-Mar-08	RECOMMEND. 5-Jun-08	BILL 28-Jun-08	ENACTED 18-Jul-08
DEPARTMENT OF COMMUNITY HEALTH	7-Feb-08	(S. B. 1141)	19-Mar-08	25-Mar-08	5-Jun-08	28-Jun-08	18-Jul-08
Sec. 110. EPIDEMIOLOGY							
Full-time equated classified positions	134.5	129.4	129.4	128.4	129.4	129.4	129.4
AIDS surveillance and prevention program	2,254,100	2,254,100	2,254,100	2,254,100	2,254,100	2,254,100	2,254,100
Asthma prevention and control--* FTE positions	1,065,000	1,065,100	1,065,100	1,065,100	1,065,100	1,065,100	1,065,100
* positions in above line	2.3	2.6	2.6	2.6	2.6	2.6	2.6
Bioterrorism preparedness--* FTE positions	50,953,300	50,369,400	50,369,400	50,369,400	50,369,300	49,292,100	49,292,100
* positions in above line	76.1	68.6	68.6	68.6	68.6	68.6	68.6
Epidemiology administration--* FTE positions	6,632,100	7,111,000	7,111,000	7,000,000	7,111,000	7,103,500	7,103,500
* positions in above line	41.1	41.7	41.7	40.7	41.7	41.7	41.7
Lead abatement program--* FTE positions	2,177,700	2,177,800	2,177,800	2,177,800	2,177,800	2,177,800	2,177,800
* positions in above line	7.0	7.0	7.0	7.0	7.0	7.0	7.0
Methamphetamine cleanup fund	0	100,000	100,000	100,000	100,000	100,000	100,000
Newborn screening follow-up and treatment services--*	4,409,500	4,534,500	4,534,500	4,534,500	4,534,500	4,534,500	4,534,500
* positions in above line	8.0	9.5	9.5	9.5	9.5	9.5	9.5
Tuberculosis control and prevention	867,000	867,000	867,000	867,000	867,000	867,000	867,000
GROSS APPROPRIATION	68,358,700	68,478,900	68,478,900	68,367,900	68,478,800	67,394,100	67,394,100
Appropriated from:							
Federal revenues:							
Total federal revenues	61,210,800	59,411,300	59,411,300	59,411,300	59,411,300	59,411,300	59,411,300
Special revenue funds:							
Total local revenues	0	500,000	500,000	500,000	500,000	500,000	500,000
Total private revenues	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Total other state restricted revenues	4,871,200	4,996,900	4,996,900	4,996,900	4,996,900	4,996,900	4,996,900
State general fund/general purpose	2,251,700	3,545,700	3,545,700	3,434,700	3,545,600	2,460,900	2,460,900

LOCAL HEALTH ADMINISTRATION AND GRANTS

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

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

There are no changes to the Local Public Health Operations line item.

The Medical Services Cost Reimbursement to Local Health Departments line item is increased significantly by \$5,000,000 Gross (\$0 GF/GP) to recognize additional federal Medicaid revenue for local public health departments for qualified local Medicaid outreach expenditures. Reimbursements have grown from \$1.8 million in FY 2002-03 to \$5.9 million in FY 2006-07 as a result of concerted efforts to identify eligible costs and seek federal matching funds. The line item is renamed to "Medicaid Outreach Cost Reimbursement to Local Health Departments" to more accurately reflect what is funded by this appropriation.

	FY 2007-08	FY 2008-09 EXECUTIVE	FY 2008-09 REVISED EXEC.	FY 2008-09 SENATE	FY 2008-09 HOUSE	FY 2008-09 ENROLLED	FY 2008-09 ENACTED
FY 2008-09 P.A. 246 of 2008 (S.B. 1094)	COMM. HEALTH YEAR-TO-DATE	RECOMMEND. 7-Feb-08	RECOMMEND. 19-Mar-08	RECOMMEND. 25-Mar-08	RECOMMEND. 5-Jun-08	BILL 28-Jun-08	FY 2008-09 ENACTED 18-Jul-08
DEPARTMENT OF COMMUNITY HEALTH	7-Feb-08	(S. B. 1141)	19-Mar-08	25-Mar-08	5-Jun-08	28-Jun-08	18-Jul-08
Sec. 111. LOCAL HEALTH ADMINISTRATION AND GRANTS							
Implementation of 1993 PA 133, MCL 333.17015	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Local health services	220,000	220,000	220,000	0	220,000	220,000	220,000
Local public health operations	40,618,400	40,618,400	40,618,400	41,618,400	42,618,400	40,618,400	40,618,400
Medical services cost reimbursement to local health dep	4,000,000	0	0	0	0	0	0
Medicaid outreach cost reimbursement to local health de	0	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000
GROSS APPROPRIATION	44,888,400	49,888,400	49,888,400	50,668,400	51,888,400	49,888,400	49,888,400
Appropriated from:							
Federal revenues:							
Total federal revenues	4,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000
Special revenue funds:							
Total local revenues	5,150,000	5,150,000	5,150,000	5,150,000	5,150,000	5,150,000	5,150,000
Total other state restricted revenues	220,000	220,000	220,000	0	220,000	220,000	220,000
State general fund/general purpose	35,518,400	35,518,400	35,518,400	36,518,400	37,518,400	35,518,400	35,518,400

CHRONIC DISEASE AND INJURY PREVENTION AND HEALTH PROMOTION

There are no changes to the African-American Male Health Initiative line item.

The AIDS and Risk Reduction Clearinghouse and Media Campaign line item is reduced by \$225,000 Gross (\$0 GF/GP) of Michigan Health Initiative state restricted funding, as one of a group of adjustments across the budget to reflect a reduction of available Michigan Health Initiative Fund revenue. This will reduce funds available for media campaign health promotion efforts.

There are no changes to the Alzheimer's Information Network line item.

The Cancer Prevention and Control Program line item receives employee-related economic increases of \$12,400 Gross (\$0 GF/GP) related to salaries and wages, \$2,400 Gross (\$0 GF/GP) for defined benefit retirement costs, and \$2,500 Gross (\$0 GF/GP) for defined contribution retirement costs. The salary and wage adjustment provides funding for the remainder of the full year cost of the April 2008 2% wage increase. A decrease is made to the line of \$12,300 Gross (\$0 GF/GP) to reflect a reduction in employee-related insurance costs of 5.1%. A net \$0 Gross (\$858,000 GF/GP) fund shift is made to the line item, reducing state restricted Healthy Michigan Funds to the line and replacing the funds with GF/GP in the same amount of \$858,000; the adjustment is made to recognize a projected Healthy Michigan Fund revenue shortfall of \$0.9 million in FY 2008-09 and is part of the Leadership Target Agreement. FTEs are reduced by 6.3 to reflect the current number of state positions being funded by this line item.

The Chronic Disease Prevention line item receives employee-related economic increases of \$12,700 Gross (\$0 GF/GP) related to salaries and wages, and \$2,400 Gross (\$0 GF/GP) for defined benefit retirement costs. The salary and wage adjustment provides funding for the remainder of the full year cost of the April 2008 2% wage increase. Employee-related decreases are made to the line of \$11,700 Gross (\$0 GF/GP) for defined contribution retirement costs, and \$13,600 Gross (\$0 GF/GP) to reflect a reduction in insurance costs of 5.1%. The following increases are made to the line item for 3 new federal grants: \$183,800 Gross (\$0 GF/GP) and 1.5 FTEs for a new 5-year Health Promotion for Persons with Disabilities Grant through 2012 to build capacity and core competency in this program area; \$590,400 Gross (\$0 GF/GP) and 2.0 FTEs for a new 5-year federal Stroke Registry and Quality Improvement Program - Paul Coverdell National Acute Stroke Registry Grant through 2012 to establish a statewide stroke registry for acute care hospitals, assess stroke care data, and pursue quality improvement interventions; and \$580,000 Gross (\$0 GF/GP) for a new 5-year Heart Disease and Stroke Prevention Program Grant through 2012 to build state capacity, develop a state plan and increase public awareness. An increase of \$61,600 Gross (\$0 GF/GP) and 0.5 FTEs is made to the line item to recognize new funding

for 2 years under a Building Evidence to Prevent Childhood Obesity Grant, awarded to Michigan State University by the Robert Wood Johnson Foundation; DCH is a contractor for part of the project, which will study student-led dietary interventions and promotion of healthy food and beverages in low-income middle schools. FTEs are increased by 8.7 to reflect the current number of state positions being funded by this line item.

The Diabetes and Kidney Program line item receives employee-related economic increases of \$8,300 Gross (\$0 GF/GP) related to salaries and wages, \$1,400 Gross (\$0 GF/GP) for defined benefit retirement costs, and \$1,800 Gross (\$0 GF/GP) for defined contribution retirement costs. The salary and wage adjustment provides funding for the remainder of the full year cost of the April 2008 2% wage increase. A decrease is made to the line of \$8,800 Gross (\$0 GF/GP) to reflect a reduction in employee-related insurance costs of 5.1%. FTEs are reduced by 0.9 to reflect the current number of state positions being funded by this line item.

The Health Education, Promotion, and Research Programs line item receives employee-related economic increases of \$4,400 Gross (\$1,300 GF/GP) related to salaries and wages, \$2,800 Gross (\$1,200 GF/GP) for defined benefit retirement costs, and \$300 Gross (\$400 GF/GP) for defined contribution retirement costs. The salary and wage adjustment provides funding for the remainder of the full year cost of the April 2008 2% wage increase. A decrease is made to the line of \$4,000 Gross (\$1,000 GF/GP) to reflect a reduction in employee-related insurance costs of 5.1%. FTEs are reduced by 2.8 to reflect the current number of state positions being funded by this line item.

The Injury Control Intervention Project line item is increased by \$300,000 Gross (all GF/GP) to establish two incentive-based pilot programs for level I and level II trauma hospitals to encourage state utilization of an interactive, evidence-based treatment model for traumatic brain injury. FTEs are reduced by 1.0 to reflect the current number of state positions being funded by this line item.

There are no changes to the Michigan Parkinson's Foundation line item.

There are no changes to the Morris Hood Wayne State University Diabetes Outreach line item.

There are no changes to the Physical Fitness, Nutrition, and Health line item.

The Public Health Traffic Safety Coordination line item receives employee-related economic increases of \$600 Gross (\$0 GF/GP) related to salaries and wages, and \$100 Gross (\$0 GF/GP) for defined contribution retirement costs. The salary and wage adjustment provides funding for the remainder of the full year cost of the April 2008 2% wage increase. A

decrease is made to the line of \$700 Gross (\$0 GF/GP) to reflect a reduction in employee-related insurance costs of 5.1%. FTEs are reduced by 0.7 to reflect the current number of state positions being funded by this line item.

The Smoking Prevention Program line item receives employee-related economic increases of \$9,300 Gross (\$0 GF/GP) related to salaries and wages, \$3,000 Gross (\$0 GF/GP) for defined benefit retirement costs, and \$1,600 Gross (\$0 GF/GP) for defined contribution retirement costs. The salary and wage adjustment provides funding for the remainder of the full year cost of the April 2008 2% wage increase. A decrease is made to the line of \$9,800 Gross (\$0 GF/GP) to reflect a reduction in employee-related insurance costs of 5.1%. FTEs are reduced by 1.1 to reflect the current number of state positions being funded by this line item.

There are no changes to the Tobacco Tax Collection and Enforcement line item.

The Violence Prevention line item receives employee-related economic increases of \$1,400 Gross (\$0 GF/GP) related to salaries and wages, \$100 Gross (\$0 GF/GP) for defined benefit retirement costs, and \$300 Gross (\$0 GF/GP) for defined contribution retirement costs. The salary and wage adjustment provides funding for the remainder of the full year cost of the April 2008 2% wage increase. A decrease is made to the line of \$1,500 Gross (\$0 GF/GP) to reflect a reduction in employee-related insurance costs of 5.1%. FTEs are reduced by 0.1 to reflect the current number of state positions being funded by this line item.

	FY 2007-08	FY 2008-09 EXECUTIVE	FY 2008-09 REVISED EXEC.	FY 2008-09 SENATE	FY 2008-09 HOUSE	FY 2008-09 ENROLLED	FY 2008-09 ENACTED
	COMM. HEALTH	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED
	YEAR-TO-DATE	7-Feb-08	19-Mar-08	25-Mar-08	5-Jun-08	28-Jun-08	18-Jul-08
	DEPARTMENT OF COMMUNITY HEALTH	(S. B. 1141)					
Sec. 112. CHRONIC DISEASE AND INJURY PREVENTION AND HEALTH PROMOTION							
Full-time equated classified positions	70.5	70.3	70.3	70.3	70.3	70.3	70.3
African-American male health initiative	106,700	106,700	106,700	106,700	106,700	106,700	106,700
AIDS and risk reduction clearinghouse and media camp	1,576,000	1,351,000	1,351,000	1,351,000	1,351,000	1,351,000	1,351,000
Alzheimer's information network	389,500	389,500	389,500	99,500	389,500	389,500	389,500
Cancer prevention and control program--* FTE positions	15,183,500	15,188,500	15,188,500	12,601,800	15,188,500	15,188,500	15,188,500
* positions in above line	18.3	12.0	12.0	12.0	12.0	12.0	12.0
Chronic disease prevention--* FTE positions	4,277,600	5,683,200	5,683,200	3,735,000	5,683,200	5,683,200	5,683,200
* positions in above line	10.0	22.7	22.7	22.7	22.7	22.7	22.7
Diabetes and kidney program--* FTE positions	3,999,500	4,002,200	4,002,200	1,687,000	4,002,200	4,002,200	4,002,200
* positions in above line	13.1	12.2	12.2	12.2	12.2	12.2	12.2
Health education, promotion, and research programs--*	809,000	812,500	812,500	812,500	812,500	812,500	812,500
* positions in above line	9.3	6.5	6.5	6.5	6.5	6.5	6.5
Injury control intervention project--* FTE positions	104,500	104,500	104,500	404,500	104,500	404,500	404,500
* positions in above line	1.0	0.0	0.0	0.0	0.0	0.0	0.0
Michigan Parkinson's foundation	50,000	50,000	50,000	0	50,000	50,000	50,000
Morris Hood Wayne State University diabetes outreach	400,000	400,000	400,000	0	400,000	400,000	400,000
Physical fitness, nutrition, and health	700,000	700,000	700,000	0	700,100	700,000	700,000
Public health traffic safety coordination--* FTE positions	356,400	356,400	356,400	356,400	356,400	356,400	356,400
* positions in above line	1.7	1.0	1.0	1.0	1.0	1.0	1.0
Smoking prevention program--* FTE positions	5,720,400	5,724,500	5,724,500	2,036,100	5,724,500	5,724,500	5,724,500
* positions in above line	15.1	14.0	14.0	14.0	14.0	14.0	14.0
Tobacco tax collection and enforcement	610,000	610,000	610,000	0	610,000	610,000	610,000
Violence prevention--* FTE positions	1,889,500	1,889,800	1,889,800	1,889,800	1,889,800	1,889,800	1,889,800
* positions in above line	2.0	1.9	1.9	1.9	1.9	1.9	1.9
GROSS APPROPRIATION	36,172,600	37,368,800	37,368,800	25,080,300	37,368,900	37,668,800	37,668,800
Appropriated from:							
Federal revenues:							
Total federal revenues	19,953,400	21,309,500	21,309,500	21,309,500	21,309,500	21,309,500	21,309,500
Special revenue funds:							
Total private revenues	85,000	146,600	146,600	146,600	146,600	146,600	146,600
Total other state restricted revenues	14,981,900	14,758,500	14,758,500	2,119,800	14,758,500	13,900,500	13,900,500
State general fund/general purpose	1,152,300	1,154,200	1,154,200	1,504,400	1,154,300	2,312,200	2,312,200

FAMILY, MATERNAL, AND CHILDREN'S HEALTH SERVICES

The Childhood Lead Program line item receives employee-related economic increases of \$3,700 Gross (a reduction of \$100 GF/GP) related to salaries and wages, \$400 Gross (\$0 GF/GP) for defined benefit retirement costs, and \$900 Gross (\$0 GF/GP) for defined contribution retirement costs. The salary and wage adjustment provides funding for the remainder of the full year cost of the April 2008 2% wage increase. A decrease is made to the line of \$5,000 Gross (\$0 GF/GP) to reflect a reduction in employee-related insurance costs of 5.1%. FTEs are reduced by 0.8 to reflect the current number of state positions being funded by this line item.

There are no changes to the Dental Programs line item.

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

There are no changes to the Early Childhood Collaborative Secondary Prevention line item.

The Family, Maternal, and Children's Health Services Administration line item receives employee-related economic increases of \$28,300 Gross (\$15,800 GF/GP) related to salaries and wages, \$16,200 Gross (\$8,800 GF/GP) for defined benefit retirement costs, and \$2,800 Gross (\$1,600 GF/GP) for defined contribution retirement costs. The salary and wage adjustment provides funding for the remainder of the full year cost of the April 2008 2% wage increase. A decrease is made to the line of \$35,200 Gross (\$23,100 GF/GP) to reflect a reduction in employee-related insurance costs of 5.1%. An increase is made to the line item of \$75,000 Gross (\$0 GF/GP) to recognize local funding related to the Child and Adolescent/Teen Health Centers program funded in the Health Plan Services line item in the Medical Services appropriation unit; the funds are from school districts, but originate from the State School Aid Fund. This adjustment recognizes funding to Baldwin Schools under an administrative agreement for processing the School Aid funds related to the program's clinical sites. FTEs are reduced by 1.0 to reflect the current number of state positions being funded by this line item.

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

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

There are no changes to the Migrant Health Care line item.

There are no changes to the Pregnancy Prevention Program line item.

There are no changes to the Prenatal Care Outreach and Service Delivery Support line item.

There are no changes to the School Health and Education Programs line item.

The Special Projects line item receives employee-related economic increases of \$3,900 Gross (\$0 GF/GP) related to salaries and wages, and \$1,100 Gross (\$0 GF/GP) for defined contribution retirement costs. The salary and wage adjustment provides funding for the remainder of the full year cost of the April 2008 2% wage increase. A decrease is made to the line of \$4,700 Gross (\$0 GF/GP) to reflect a reduction in employee-related insurance costs of 5.1%. FTEs are increased by 0.7 to reflect the current number of state positions being funded by this line item. The line item is increased by \$160,000 Gross (\$0 GF/GP) to recognize a new 4-year federal Children's Oral Healthcare Access Grant through 2011, at \$160,000 per year, to increase age 1 infant dental visits, improve access for children with special health care needs, and increase the number of vulnerable children who have a "dental home" and receive dental sealant prevention. The line item is reduced by \$562,500 Gross (\$0 GF/GP) to recognize completion of the 3-year Healthy Start Initiative federal grant for "Closing the Health Gap on Infant Mortality: African American-Focused Risk Reduction" received 2004-2007. The line item is reduced by \$1,780,400 Gross (\$0 GF/GP) to recognize completion of the federal Michigan Abstinence Partnership (MAP) grant for community-based abstinence education, received since FY 2000-01. The Pregnancy Risk Assessment Monitoring System (PRAMS) program is transferred from this line item, including 1.0 FTE and \$150,000 (\$0 GF/GP) of federal grant funds, to the Epidemiology Administration line item in the Epidemiology appropriation unit, in order to house the project with other epidemiology and surveillance functions.

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

	FY 2007-08	FY 2008-09 EXECUTIVE	FY 2008-09 REVISED EXEC.	FY 2008-09 SENATE	FY 2008-09 HOUSE	FY 2008-09 ENROLLED	FY 2008-09 ENACTED
	COMM. HEALTH	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED
	YEAR-TO-DATE	7-Feb-08	19-Mar-08	25-Mar-08	5-Jun-08	28-Jun-08	18-Jul-08
DEPARTMENT OF COMMUNITY HEALTH	7-Feb-08	(S. B. 1141)	19-Mar-08	25-Mar-08	5-Jun-08	28-Jun-08	18-Jul-08
Sec. 113. FAMILY, MATERNAL, AND CHILDREN'S HEALTH SERVICES							
Full-time equated classified positions	54.4	52.3	52.3	52.3	52.3	52.3	52.3
Adolescent and child health care centers	0	0	0	200	100	0	0
Childhood lead program--* FTE positions	2,557,500	2,557,500	2,557,500	1,557,500	2,557,500	2,557,500	2,557,500
* positions in above line	6.8	6.0	6.0	6.0	6.0	6.0	6.0
Dental programs	485,400	485,400	485,400	335,400	485,400	485,400	485,400
Dental program for persons with developmental disabilities	151,000	151,000	151,000	151,000	151,000	151,000	151,000
Early childhood collaborative secondary prevention	524,000	524,000	524,000	1,000,000	524,000	524,000	524,000
Family, maternal, and children's health services administration	5,090,300	5,184,900	5,184,900	5,184,900	5,184,900	5,177,400	5,177,400
* positions in above line	41.6	40.6	40.6	40.6	40.6	40.6	40.6
Family planning local agreements	9,793,800	9,793,800	9,793,800	9,385,700	9,793,800	9,793,800	9,793,800
Local MCH services	7,264,200	7,264,200	7,264,200	7,018,100	7,264,200	7,264,200	7,264,200
Migrant health care	272,200	272,200	272,200	272,200	272,200	272,200	272,200
Pregnancy prevention program	5,235,400	5,235,400	5,235,400	602,100	5,235,400	5,235,400	5,235,400
Prenatal care outreach and service delivery support	3,049,300	3,049,300	3,049,300	3,049,300	3,049,300	3,049,300	3,049,300
School health and education programs	500,000	500,000	500,000	0	500,000	500,000	500,000
Special projects--* FTE positions	6,349,700	4,017,100	4,017,100	3,117,200	4,042,300	4,017,100	4,017,100
* positions in above line	6.0	5.7	5.7	5.7	5.7	5.7	5.7
Sudden infant death syndrome program	321,300	321,300	321,300	321,300	321,300	321,300	321,300
GROSS APPROPRIATION	41,594,100	39,356,100	39,356,100	31,994,900	39,381,400	39,348,600	39,348,600
Appropriated from:							
Federal revenues:							
Total federal revenues	28,300,100	25,976,600	25,976,600	25,976,600	25,976,600	25,976,600	25,976,600
Special revenue funds:							
Total local revenues	0	75,000	75,000	75,000	75,000	75,000	75,000
Total other state restricted revenues	8,037,500	8,037,500	8,037,500	0	8,037,500	8,037,500	8,037,500
State general fund/general purpose	5,256,500	5,267,000	5,267,000	5,943,300	5,292,300	5,259,500	5,259,500

WOMEN, INFANTS, AND CHILDREN FOOD AND NUTRITION PROGRAM

The Women, Infants, and Children Program Administration and Special Projects line item receives employee-related economic increases of \$27,600 Gross (\$0 GF/GP) related to salaries and wages, \$15,300 Gross (\$0 GF/GP) for defined benefit retirement costs, and \$2,900 Gross (\$0 GF/GP) for defined contribution retirement costs. The salary and wage adjustment provides funding for the remainder of the full year cost of the April 2008 2% wage increase. A decrease is made to the line of \$26,700 Gross (\$0 GF/GP) to reflect a reduction in employee-related insurance costs of 5.1%. The line item is increased by \$363,900 Gross (\$0 GF/GP) to recognize an increase in the federal WIC Food Program Grant award for state administration costs. The federal funds authorization for the line item is increased by \$120,000 Gross (\$0 GF/GP) to recognize 3 federal WIC infrastructure awards, initially granted in FY 2006-07: \$20,000 for breastfeeding support services in Genesee County, \$50,000 for independent validation and verification consulting for WIC, and \$50,000 for local agency infrastructure support. FTEs are increased by 1.0 to reflect the current number of state positions being funded by this line item.

The Women, Infants, and Children Program Local Agreements and Food Costs line item is increased by \$8,571,900 Gross (\$0 GF/GP) to recognize an increase in the federal WIC Food Program Grant award for food and services through the local programs, to respond to rising food costs and caseloads.

	FY 2007-08	EXECUTIVE	FY 2008-09	FY 2008-09	FY 2008-09	FY 2008-09	FY 2008-09
FY 2008-09	COMM. HEALTH	RECOMMEND.	REVISED EXEC.	SENATE	HOUSE	ENROLLED	FY 2008-09
P.A. 246 of 2008 (S.B. 1094)	YEAR-TO-DATE	7-Feb-08	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED
DEPARTMENT OF COMMUNITY HEALTH	7-Feb-08	(S. B. 1141)	19-Mar-08	25-Mar-08	5-Jun-08	28-Jun-08	18-Jul-08
Sec. 114. WOMEN, INFANTS, AND CHILDREN FOOD AND NUTRITION PROGRAM							
Full-time equated classified positions	42.0	43.0	43.0	43.0	43.0	43.0	43.0
Women, infants, and children program administration and	8,452,100	8,955,100	8,955,100	8,955,100	8,955,100	8,955,100	8,955,100
* positions in above line	42.0	43.0	43.0	43.0	43.0	43.0	43.0
Women, infants, and children program local agreements	193,273,600	201,845,500	201,845,500	201,845,500	201,845,500	201,845,500	201,845,500
GROSS APPROPRIATION	201,725,700	210,800,600	210,800,600	210,800,600	210,800,600	210,800,600	210,800,600
Appropriated from:							
Federal revenues:							
Total federal revenues	148,481,800	157,556,300	157,556,300	157,556,300	157,556,300	157,556,300	157,556,300
Special revenue funds:							
Total private revenues	53,243,900	53,244,300	53,244,300	53,244,300	53,244,300	53,244,300	53,244,300
State general fund/general purpose	0	0	0	0	0	0	0

CHILDREN'S SPECIAL HEALTH CARE SERVICES

The Children's Special Health Care Services (CSHCS) Administration line item receives employee-related economic increases of \$25,600 Gross (\$13,800 GF/GP) for a salary and wage increase, \$17,200 Gross (\$9,300 GF/GP) for defined benefit retirement costs, and \$1,800 Gross (\$1,000 GF/GP) for increased defined contribution retirement costs. A decrease of \$27,600 Gross (\$14,900 GF/GP) is made to reflect a reduction in insurance costs. The salary and wage adjustment is an annualization of a 2% increase effective April 2008. Transferred-in from the Medical Care and Treatment line is \$300,000 GF/GP and excess federal authorization of the same amount is transferred-out to the Medical Care and Treatment line. The GF/GP will be used for identified matchable services and the federal authorization is excess within this line.

There are no appropriation changes to the Amputee Program line item.

The Bequests for Care and Services line appropriated positions are increased 2.8 ftes to reflect actual funded positions.

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

The Non-emergency Medical Transportation line item is increased \$91,100 Gross (\$50,300 GF/GP) providing an increase for FY 2008-09 estimated utilization, inflation and caseload growth for CSHCS non-emergency medical transportation.

The Medical Care and Treatment line is increased by \$4,730,800 Gross (\$5,853,800 GF/GP) for Medicaid inflation, caseload and utilization adjustments. Federal funds within the line item are increased by \$3,714,200 while GF/GP revenues are decreased an identical amount to reflect a change in the federal Medicaid matching rate (FMAP) from 58.10% to 60.27%. Federal funds are increased by \$300,000 offsetting a like reduction of GF/GP which was transferred-out of this line to the Children's Special Health Care Services Administration line to be used for identified matchable services.

FY 2007-08 SUPPLEMENTAL ACTIONS

PUBLIC ACT 279 OF 2008 SUPPLEMENTAL APPROPRIATIONS

Public Act 279 reduces the Medical Care and Treatment line item by \$6,458,400 Gross (\$3,643,100 GF/GP) for FY 2007-08 anticipated inflation, caseload, and utilization expenditures agreed to by the House and Senate Fiscal Agencies, and State Budget Office.

	FY 2007-08	FY 2008-09 EXECUTIVE	FY 2008-09 RECOMMEND.	FY 2008-09 RECOMMEND.	FY 2008-09 RECOMMEND.	FY 2008-09 RECOMMEND.	FY 2008-09 RECOMMEND.	FY 2008-09 RECOMMEND.
	COMMM. HEALTH	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.
	YEAR-TO-DATE	7-Feb-08	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.
	DEPARTMENT OF COMMUNITY HEALTH	(S. B. 1141)	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.
	7-Feb-08	(S. B. 1141)	19-Mar-08	25-Mar-08	5-Jun-08	28-Jun-08	18-Jul-08	18-Jul-08
Sec. 115. CHILDREN'S SPECIAL HEALTH CARE SERVICES								
Full-time equated classified positions	45.0	47.8	47.8	47.8	47.8	47.8	47.8	47.8
Children's special health care services administration--*	4,523,100	4,540,100	4,540,100	4,540,100	4,540,100	4,540,100	4,540,100	4,540,100
* positions in above line	45.0	47.8	47.8	47.8	47.8	47.8	47.8	47.8
Amputee program	184,600	184,600	184,600	184,600	184,600	184,600	184,600	184,600
Bequests for care and services	1,514,600	1,514,600	1,514,600	1,514,600	1,514,600	1,514,600	1,514,600	1,514,600
Outreach and advocacy	3,773,500	3,773,500	3,773,500	3,773,500	3,773,500	3,773,500	3,773,500	3,773,500
Non-emergency medical transportation	1,401,100	1,492,200	1,492,200	1,492,200	1,492,200	1,492,200	1,492,200	1,492,200
Medical care and treatment	189,023,400	200,288,000	200,288,000	200,288,000	193,754,200	193,754,200	193,754,200	193,754,200
GROSS APPROPRIATION	200,420,300	211,793,000	211,793,000	211,793,000	205,259,200	205,259,200	205,259,200	205,259,200
Appropriated from:								
Federal revenues:								
Total federal revenues	99,445,900	108,246,600	108,246,600	108,246,600	102,085,400	102,085,400	102,085,400	102,085,400
Special revenue funds:								
Total private revenues	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Total other state restricted revenues	2,295,000	2,295,300	2,295,300	2,295,300	2,295,300	2,295,300	2,295,300	2,295,300
State general fund/general purpose	97,679,400	100,251,100	100,251,100	100,251,100	99,878,500	99,878,500	99,878,500	99,878,500

OFFICE OF DRUG CONTROL POLICY

OFFICE OF DRUG CONTROL POLICY

The Drug Control Policy line item receives employee-related economic increases of \$10,700 Gross (\$2,500 GF/GP) related to salaries and wages, \$3,800 Gross (\$900 GF/GP) for defined benefit retirement costs, and \$1,700 Gross (\$400 GF/GP) for defined contribution retirement costs. The salary and wage adjustment provides funding for the remainder of the full year cost of the April 2008 2% wage increase. A decrease is made to the line of \$8,900 Gross (\$2,100 GF/GP) to reflect a reduction in employee-related insurance costs of 5.1%. FTEs are reduced by 1.0 to reflect the current number of state positions being funded by this line item.

There are no changes to the Anti-Drug Abuse Grants line item.

There are no changes to the Interdepartmental Grant to Judiciary for Drug Treatment Courts line item.

	FY 2007-08	FY 2008-09 EXECUTIVE	FY 2008-09 REVISED EXEC.	FY 2008-09 SENATE	FY 2008-09 HOUSE	FY 2008-09 ENROLLED	FY 2008-09 ENACTED
FY 2008-09 P.A. 246 of 2008 (S.B. 1094) DEPARTMENT OF COMMUNITY HEALTH	COMM. HEALTH YEAR-TO-DATE	RECOMMEND. 7-Feb-08 (S. B. 1141)	RECOMMEND. 19-Mar-08	RECOMMEND. 25-Mar-08	RECOMMEND. 5-Jun-08	BILL 28-Jun-08	ENACTED 18-Jul-08
Sec. 116. OFFICE OF DRUG CONTROL POLICY							
Full-time equated classified positions	16.0	15.0	15.0	15.0	15.0	15.0	15.0
Drug control policy--* FTE positions	1,747,000	1,754,300	1,754,300	1,754,300	1,754,300	1,754,300	1,754,300
* positions in above line	16.0	15.0	15.0	15.0	15.0	15.0	15.0
Anti-drug abuse grants	8,575,000	8,575,000	8,575,000	8,575,000	8,575,000	8,575,000	8,575,000
Interdepartmental grant to judiciary for drug treatment courts	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000
GROSS APPROPRIATION	12,122,000	12,129,300	12,129,300	12,129,300	12,129,300	12,129,300	12,129,300
Appropriated from:							
Federal revenues:							
Total federal revenues	11,741,400	11,747,000	11,747,000	11,747,000	11,747,000	11,747,000	11,747,000
State general fund/general purpose	380,600	382,300	382,300	382,300	382,300	382,300	382,300

**CRIME VICTIM
SERVICES COMMISSION**

CRIME VICTIM SERVICES COMMISSION

The Grants Administration Services line item receives employee-related economic increases of \$5,900 Gross (\$0 GF/GP) related to salaries and wages, \$3,600 Gross (\$0 GF/GP) for defined benefit retirement costs, and \$500 Gross (\$0 GF/GP) for defined contribution retirement costs. The salary and wage adjustment provides funding for the remainder of the full year cost of the April 2008 2% wage increase. A decrease is made to the line of \$7,400 Gross (\$0 GF/GP) to reflect a reduction in employee-related insurance costs of 5.1%. An increase is made to the line item of \$115,300 Gross (\$0 GF/GP) of state and federal funds to support ongoing FTE-related costs that have been insufficiently funded in recent budgets and previously corrected with mid-year transfers.

There are no changes to the Justice Assistance Grants line item.

There are no changes to the Crime Victim Rights Services Grants line item.

The Crime Victim's Rights Fund Revenue to Michigan State Police line item is increased by \$3,100 Gross (\$0 GF/GP) of state restricted Crime Victim's Rights Fund monies as an adjustment for costs related to Michigan Department of State Police programs supported by this line item: sex offender registry, amber alert missing child notification system, and forensic science expert witness testimony. The funds appropriated in this line item cannot be expended until statutory revisions are enacted to allow Crime Victim's Rights Fund monies to be used for these programs, as offered in House Bill 5355.

There are no changes to the Crime Victim's Rights Fund Revenue to Department of Human Services line item. The funds appropriated in this line item cannot be expended until statutory revisions are enacted to allow Crime Victim's Rights Fund monies to be used for these programs, as offered in House Bill 5355.

	FY 2007-08	FY 2008-09 EXECUTIVE	FY 2008-09 REVISED EXEC.	FY 2008-09 SENATE	FY 2008-09 HOUSE	FY 2008-09 ENROLLED	FY 2008-09 ENACTED
	COMM. HEALTH	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED
	YEAR-TO-DATE	7-Feb-08	19-Mar-08	25-Mar-08	5-Jun-08	28-Jun-08	18-Jul-08
		(S. B. 1141)					
Sec. 117. CRIME VICTIM SERVICES COMMISSION							
Full-time equated classified positions	10.0	10.0	10.0	10.0	10.0	10.0	10.0
Grants administration services--* FTE positions	1,277,100	1,395,000	1,395,000	1,395,000	1,395,000	1,395,000	1,395,000
* positions in above line	10.0	10.0	10.0	10.0	10.0	10.0	10.0
Justice assistance grants	13,000,000	13,000,000	13,000,000	13,000,000	13,000,000	13,000,000	13,000,000
Crime victim rights services grants	11,000,000	11,000,000	11,000,000	11,000,000	11,000,000	11,000,000	11,000,000
Crime victim's rights fund revenue to Michigan state poli	1,027,300	1,030,400	1,030,400	1,030,400	1,030,400	1,030,400	1,030,400
Crime victim's rights fund revenue to department of hum	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000
GROSS APPROPRIATION	27,604,400	27,725,400	27,725,400	27,725,400	27,725,400	27,725,400	27,725,400
Appropriated from:							
Federal revenues:							
Total federal revenues	14,998,600	15,050,500	15,050,500	15,050,500	15,050,500	15,050,500	15,050,500
Special revenue funds:							
Total other state restricted revenues	12,605,800	12,674,900	12,674,900	12,674,900	12,674,900	12,674,900	12,674,900
State general fund/general purpose	0	0	0	0	0	0	0

**OFFICE OF SERVICES
TO THE AGING**

OFFICE OF SERVICES TO THE AGING

There are no changes to the Commission (Per Diem \$50.00) line item.

The Office of Services to Aging Administration line item receives employee-related economic increases of \$26,900 Gross (\$12,900 GF/GP) related to salaries and wages, \$13,800 Gross (\$6,600 GF/GP) for defined benefit retirement costs, and \$3,100 Gross (\$1,500 GF/GP) for defined contribution retirement costs. The salary and wage adjustment provides funding for the remainder of the full year cost of the April 2008 2% wage increase. A decrease is made to the line of \$27,900 Gross (\$14,900 GF/GP) to reflect a reduction in employee-related insurance costs of 5.1%.

The Community Services line item is increased by \$180,000 Gross (\$0 GF/GP) to recognize a new 3-year federal Model Approaches to Statewide Legal Assistance Systems for Seniors Grant through 2010 to increase access to low-cost legal services for at-risk needy seniors who wish to remain independent; this program is called CLAIMS for Coordinated Legal Assistance in Michigan for Seniors. The line item is increased by \$120,000 Gross (all GF/GP) for Tribal Elders' services programs with a transfer of \$60,000 GF/GP for this program from the Primary Care Services line item in the Health Policy, Regulation, and Professions appropriation unit, and increased funding for the program of \$60,000; these funds will now be administered by the Office of Services to the Aging. The line item is increased by \$600,000 Gross (all GF/GP) for care management services for frail seniors in need of nursing home services who wish to remain at home; this increases care management funding from \$6,825,500 to \$7,425,500.

There are no changes to the Nutrition Services line item.

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.

The Employment Assistance line item is increased by \$395,000 Gross (\$0 GF/GP) to recognize increased funding from the federal Senior Employment Assistance grant to adjust for the recent minimum wage increase; the funding formula basis for the grant is a cost per position supported.

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

A new line item is created, Senior Olympics, with a new appropriation of \$100,000 Gross (all GF/GP). State funding of \$100,000 was appropriated for this program in Fiscal Year 1999-2000 through Fiscal Year 2001-02 in the Department of Community Health budget (FY 2001-02 vetoed by Governor).

	FY 2007-08	FY 2008-09 EXECUTIVE	FY 2008-09 REVISED EXEC.	FY 2008-09 SENATE	FY 2008-09 HOUSE	FY 2008-09 ENROLLED	FY 2008-09
FY 2008-09	COMM. HEALTH	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED
P.A. 246 of 2008 (S.B. 1094)	YEAR-TO-DATE	7-Feb-08	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED
DEPARTMENT OF COMMUNITY HEALTH	7-Feb-08	(S. B. 1141)	19-Mar-08	25-Mar-08	5-Jun-08	28-Jun-08	18-Jul-08
Sec. 118. OFFICE OF SERVICES TO THE AGING							
Full-time equated classified positions	36.5	36.5	36.5	36.5	36.5	36.5	36.5
Commission (per diem \$50.00)	10,500	10,500	10,500	10,500	10,500	10,500	10,500
Office of services to aging administration--* FTE position	5,347,500	5,366,400	5,366,400	5,366,400	5,366,400	5,363,400	5,363,400
* positions in above line	36.5	36.5	36.5	36.5	36.5	36.5	36.5
Community services	35,204,200	35,444,200	35,444,200	36,134,200	35,504,200	36,104,200	36,104,200
Nutrition services	37,922,500	37,922,500	37,922,500	37,755,500	37,922,500	37,922,500	37,922,500
Foster grandparent volunteer program	2,813,500	2,813,500	2,813,500	2,813,500	2,813,500	2,813,500	2,813,500
Retired and senior volunteer program	790,200	790,200	790,200	790,200	790,200	790,200	790,200
Senior companion volunteer program	2,021,200	2,021,200	2,021,200	2,021,200	2,021,200	2,021,200	2,021,200
Employment assistance	2,818,300	3,213,300	3,213,300	3,213,300	3,213,300	3,213,300	3,213,300
Senior olympics	0	0	0	100,000	0	100,000	100,000
Respite care program	6,800,000	6,800,000	6,800,000	6,800,000	6,800,000	6,800,000	6,800,000
GROSS APPROPRIATION	93,727,900	94,381,800	94,381,800	95,004,800	94,441,800	95,138,800	95,138,800
Appropriated from:							
Federal revenues:							
Total federal revenues	52,830,000	53,414,800	53,414,800	53,414,800	53,414,800	53,414,800	53,414,800
Special revenue funds:							
Total private revenues	152,000	152,000	152,000	152,000	152,000	152,000	152,000
Merit award trust fund	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Total other state restricted revenues	1,967,000	1,967,000	1,967,000	1,800,000	1,967,000	1,967,000	1,967,000
State general fund/general purpose	33,778,900	33,848,000	33,848,000	34,638,000	33,908,000	34,605,000	34,605,000

MEDICAL SERVICES

MICHIGAN FIRST HEALTHCARE PLAN

There are no appropriation changes to the Michigan First Healthcare Plan line item.

	FY 2007-08	FY 2008-09 EXECUTIVE	FY 2008-09	FY 2008-09	FY 2008-09	FY 2008-09	
FY 2008-09	COMM. HEALTH	RECOMMEND.	REVISED EXEC.	SENATE	HOUSE	ENROLLED	FY 2008-09
P.A. 246 of 2008 (S.B. 1094)	YEAR-TO-DATE	7-Feb-08	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED
DEPARTMENT OF COMMUNITY HEALTH	7-Feb-08	(S. B. 1141)	19-Mar-08	25-Mar-08	5-Jun-08	28-Jun-08	18-Jul-08
Sec. 119. MICHIGAN FIRST HEALTHCARE PLAN							
Michigan first healthcare plan	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000
GROSS APPROPRIATION	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000
Appropriated from:							
Federal revenues:							
Total federal revenues	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000
State general fund/general purpose	0	0	0	0	0	0	0

MEDICAL SERVICES ADMINISTRATION

The Medical Services Administration (MSA) line is increased by 2.0 FTEs recognizing the need for additional staff to implement the physician adjustor payment program expansion to managed care. Sufficient expenditure authorization exists within the line to support these positions. The line item is reduced by \$145,600 Gross (\$72,800 GF/GP) due to the transfer of 1.0 FTE to the Office of Long-Term Care Supports and Services (OLTCSS). This position had been included in MSA and is included now within the Office of Long-Term Care Supports and Services line item. The line is increased by 7.6 FTEs to reflect actual funded positions within the Medical Services Administration line. The line is decreased \$7.0 million of federal Title XIX authorization recognizing the decline of university and college Medicaid program evaluation and outreach efforts where the institutions provide the state match.

The line item receives employee-related economic increases of \$223,900 Gross (\$86,800 GF/GP) reflecting an annualized 2% salary and wage increase that became effective April 2008, \$121,100 Gross (\$47,100 GF/GP) for defined benefit retirement costs, and \$23,900 Gross (\$9,200 GF/GP) for increased defined contribution retirement costs. A decrease of \$302,300 Gross (\$151,600 GF/GP) is made to reflect a reduction in insurance costs. The line is increased \$110,000 Gross (\$55,000 GF/GP) to support an additional staff person for the administration of an ambulance quality assurance assessment program. The line is also increased by \$510,000 Gross (\$255,000 GF/GP) and 6.0 FTEs to support the programmatic change of enrollment of fee-for-service pregnant women into HMOs.

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

For the MIChild Administration line no changes were adopted.

There are no appropriation changes to the Health Information Technology Initiatives line item.

	FY 2007-08	FY 2008-09 EXECUTIVE	FY 2008-09 REVISED EXEC.	FY 2008-09 SENATE	FY 2008-09 HOUSE	FY 2008-09 ENROLLED	FY 2008-09
	COMM. HEALTH	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED
P.A. 246 of 2008 (S.B. 1094)	YEAR-TO-DATE	7-Feb-08	19-Mar-08	25-Mar-08	5-Jun-08	28-Jun-08	18-Jul-08
DEPARTMENT OF COMMUNITY HEALTH	7-Feb-08	(S. B. 1141)					
Sec. 120. MEDICAL SERVICES ADMINISTRATION							
Full-time equated classified positions	362.4	371.0	371.0	371.0	371.0	377.0	377.0
Medical services administration--* FTE positions	68,728,900	61,706,300	61,706,300	61,806,300	61,706,300	62,269,900	62,269,900
* positions in above line	362.4	371.0	371.0	371.0	371.0	377.0	377.0
Facility inspection contract	132,800	132,800	132,800	132,800	132,800	132,800	132,800
MICchild administration	4,327,800	4,327,800	4,327,800	4,327,800	4,327,800	4,327,800	4,327,800
Health information technology initiatives	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
GROSS APPROPRIATION	78,189,500	71,166,900	71,166,900	71,266,900	71,166,900	71,730,500	71,730,500
Appropriated from:							
Federal revenues:							
Total federal revenues	53,017,900	46,020,200	46,020,200	46,020,200	46,020,200	46,330,200	46,330,200
Special revenue funds:							
Total local revenues	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Total other state restricted revenues	95,000	95,000	95,000	95,000	95,000	95,000	95,000
State general fund/general purpose	25,071,600	25,046,700	25,046,700	25,146,700	25,046,700	25,300,300	25,300,300

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	\$22,014,900	(\$5,096,000)
Physician Services	\$2,887,600	(\$9,196,000)
Medicare Premium Payments	\$735,600	(\$5,389,100)
Pharmaceutical Services	(\$7,982,900)	(\$13,203,500)
Home Health Services	\$628,800	\$158,200
Hospice Services	\$15,741,100	\$14,139,400
Transportation	\$545,000	(\$483,900)
Auxiliary Medical Services	\$530,000	(\$199,700)
Dental Services	\$4,702,600	(\$3,424,400)
Ambulance Services	\$491,100	(\$215,700)
Long Term Care Services	\$54,232,900	\$31,162,100
Medicaid Home- and Community-Based Services Waiver	\$2,847,400	\$2,847,400
Adult Home Help	(\$17,947,500)	(\$12,193,000)
Personal Care Services	\$2,492,300	\$1,514,500
Health Plan Services	\$43,496,900	\$119,137,500
Federal Medicare Pharmaceutical Program	(\$7,945,800)	(\$7,945,800)
Total	\$117,470,000	\$111,612,000

The Hospital Services and Therapy line is reduced by \$5,096,000 Gross (\$1,858,400 GF/GP) for Medicaid inflation, caseload and utilization adjustments. Within the line federal funding is increased by \$30,279,100 and GF/GP decreased by the same amount to reflect a change in the federal Medicaid matching rate (FMAP) from 58.10% to 60.27%. The FMAP rate varies from year to year based on a formula related to state per capita income levels. Federal funding is increased by \$79,800 and GF/GP decreased by the same amount to reflect a change in the federal SCHIP matching rate from 70.67% to 72.19%. The line includes an FMAP rate change adjustment for the hospital quality assurance assessment program (QAAP) DSH pool portion of the line, replacing \$941,700 of QAAP authorization with a like amount of federal authorization, and a MACI payment FMAP adjustment correction decreasing QAAP authorization by \$10,274,500, with an offsetting increase of federal authorization.

The line is increased \$28,362,600 Gross (\$12,101,600 GF/GP) reversing a portion of the FY 2007-08 budgeted savings for the Plan First! family planning waiver program. The FY 2007-08 budget was built upon an average enrollment of 158,000 women and currently enrollment is less than 30,000. Competing federal programs, citizenship verification requirements and recent federal program eligibility changes account for the lower program participation. The FY 2008-09 savings estimates are based on an enrollment of 46,000 women. This line reduction allocates \$3,726,000 Gross (\$1,480,300 GF/GP) of savings generated from enrolling foster care children into HMOs. These savings were recognized in the FY 2007-08 Health Plan Services line and are now allocated to appropriate fee-for-service program lines. This line is reduced \$5,336,100 Gross (\$2,120,000 GF/GP) allocating citizenship documentation savings, recognized in the FY 2007-08 Health Plan Services line, to appropriate fee-for-service program lines.

Increases the line item by \$91,521,000 Gross (\$36,361,300 state restricted hospital QAAP) to increase Medicaid Access to Care Initiative (MACI) payments to hospitals up to the Medicare upper payment limit. Of this amount, \$60,821,000 is attributable to FY 2007-08 and \$30.7 million to FY 2008-09. The payments are funded through hospital provider taxes and federal matching funds. The line is reduced by the transfer of \$230,400,000 Gross (\$91,537,900 GF/GP) to the Health Plan Services line resulting from the FY 2007-08 requirement that Medicaid eligible pregnant women shall be provided health services through a Medicaid HMO. This base adjustment reflects the hospital costs associated with this group of women.

Transfers-out \$41,551,300 Gross (\$16,508,300 hospital QAAP) to the Health Plan Services line due to the conversion of the FY 2007-08 hospital QAAP funded DSH allocation to a hospital rate adjustment (HRA) payment through the health plans. There is insufficient DSH authorization to continue the hospital QAAP funded DSH distribution. The line includes an additional GF/GP savings of \$6.0 million offsetting federal Medicaid revenue generated through certified public expenditure (CPE). Assumed increases in hospital uncompensated care result in a higher CPE. The line is increased by

the State's share, \$3,848,800, of the federal School-Based Services match. This transfer-in of federal authorization from the School-Based Service line offsets a like amount of GF/GP. Within the Hospital Services and Therapy line \$1,262,000 of hospital QAAP revenue is replaced with the same amount of federal Medicaid revenue. This is a DSH schedule adjustment recognizing the increase in the regular FMAP rate for Michigan from 58.10% to 60.27%. These state restricted funds must be lowered to stay within the gross amount of the DSH cap. The line is increased \$18,650,000 of state retained hospital QAAP offsetting a like amount of GF/GP. The total state retained hospital QAAP in FY 2008-09 would be \$117,500,000.

The Hospital Disproportionate Share Payments line federal funding is increased by \$1,085,000 and GF/GP decreased by the same amount to reflect a change in the federal Medicaid matching rate (FMAP) from 58.10% to 60.27%.

The Physician Services line is reduced by \$9,196,000 Gross (\$3,653,600 GF/GP) for Medicaid inflation, caseload and utilization adjustments. Within the line federal funding is increased by \$6,752,200 and GF/GP decreased by the same amount to reflect a change in the federal Medicaid matching rate (FMAP) from 58.10% to 60.27%. The line is reduced by \$2,405,500 Gross (\$955,700 GF/GP) transferring out citizenship documentation savings, recognized in the FY 2007-08 Health Plan Services line, to appropriate fee-for-service program lines. The line is reduced by \$1,679,600 Gross (\$667,300 GF/GP) due to savings generated from enrolling foster care children into HMOs. These savings were recognized in the FY 2007-08 Health Plan Services line and are now allocated to appropriate fee-for-service program lines.

The Physician Services line is increased by \$1.8 million Gross (\$715,100 GF/GP), an increase in Medicaid reimbursement rates for physician well child and primary care procedure codes. The line is reduced by the transfer of \$43,200,000 Gross (\$17,163,400 GF/GP) to the Health Plan Services line resulting from the FY 2007-08 requirement that Medicaid eligible pregnant women shall be provided health services through a Medicaid HMO. This base adjustment reflects the physician costs associated with this group of women.

In the Medicare Premium Payments line item a Medicaid inflation, caseload and utilization reduction totaling \$5,389,100 Gross (\$2,141,000 GF/GP) was adopted. Within the line federal funding is increased by \$7,519,300 and GF/GP increased by the same amount to reflect a change in the federal Medicaid matching rate (FMAP) from 58.10% to 60.27%.

For the Pharmaceutical Services line Medicaid inflation, caseload and utilization adjustments reduces the line \$13,203,500 Gross (\$5,231,000 GF/GP). Within the line federal funding is increased by \$6,189,600 and GF/GP decreased by the same amount to reflect a change in the federal Medicaid matching rate (FMAP) from 58.10% to 60.27%.

The line is reduced by \$2,204,900 Gross (\$876,000 GF/GP) transferring out citizenship documentation savings, recognized in the FY 2007-08 Health Plan Services line, to appropriate fee-for-service program lines. The line is reduced by \$1,539,600 Gross (\$611,700 GF/GP) due to savings generated from enrolling foster care children into HMOs. These savings were recognized in the FY 2007-08 Health Plan Services line and are now allocated to appropriate fee-for-service program lines. The line is reduced, recognizing savings of \$8,154,000 Gross (\$3,239,600 GF/GP), based on changes included in the federal Deficit Reduction Act that requires calculating pharmacy rebates using the average manufacturer price rather than the average wholesale price.

The line is increased by \$1,000,000 state restricted, with GF/GP reduced by a like amount, recognizing increased collections of Medicaid false claims act recoveries if the state statute sufficiently resembles federal law. Includes an additional \$629,200 Gross (\$250,000 GF/GP) to provide a \$0.25 per script increase in the Medicaid pharmacy dispensing fee beginning April 1, 2009. Savings of \$2.7 million Gross (\$1,072,700 GF/GP) are anticipated from changes in the incontinent supply contract. The line is reduced by the transfer of \$14,400,000 Gross (\$5,721,100 GF/GP) to the Health Plan Services line resulting from the FY 2007-08 requirement that Medicaid eligible pregnant women shall be provided health services through a Medicaid HMO. This base adjustment reflects the pharmacy costs associated with this group of women. The line is reduced by \$1,979,000 Gross (\$785,800 GF/GP) from decreased drug utilization due to the continuation of the PQIP program, a program which evaluates doctor's prescribing practices for mental health medications.

In the Home Health Services line item Medicaid inflation, caseload and utilization adjustments increased the line \$158,200 Gross (\$1,208,000 GF/GP). Within the line, federal funding is increased by \$162,800 and GF/GP decreased by the same amount to reflect a change in the federal Medicaid matching rate (FMAP) from 58.10% to 60.27%.

In the Hospice Services line item, Medicaid inflation, caseload and utilization increases totaling \$14,139,400 Gross (\$4,472,500 GF/GP) were adopted. Within the line, federal funding is increased by \$1,808,900 and GF/GP decreased by the same amount to reflect a change in the federal Medicaid matching rate (FMAP) from 58.10% to 60.27%.

In the Transportation line item Medicaid inflation, caseload and utilization adjustments reduced the line \$483,900 Gross (\$241,900 GF/GP).

In the Auxiliary Medical Services line item, a Medicaid inflation, caseload and utilization reduction totaling \$199,700 Gross (\$2,532,500 GF/GP) was adopted. Within the line federal funding is increased by \$128,700 and GF/GP decreased by the same amount to reflect a change in the federal Medicaid matching rate (FMAP) from 58.10% to 60.27%. The FMAP rate

varies from year to year based on a formula related to state per capita income levels. The line is reduced by \$77,300 Gross (\$30,700 GF/GP) transferring out citizenship documentation savings recognized in the FY 2007-08 Health Plan Services line to appropriate fee-for-service program lines. The line is reduced by \$54,400 Gross (\$21,600 GF/GP) due to savings generated from enrolling foster care children into HMOs. These savings were recognized in the FY 2007-08 Health Plan Services line and are now allocated to appropriate fee-for-service program lines.

In the Dental Services line item, Medicaid inflation, caseload and utilization decreases totaling \$3,424,400 Gross (\$2,540,300 GF/GP) were adopted. Within the line federal funding is increased by \$2,484,500 and GF/GP decreased by the same amount to reflect a change in the federal Medicaid matching rate (FMAP) from 58.10% to 60.27%. The line is increased by \$7,875,900 Gross (\$3,129,100 GF/GP) to fund a full year expansion of the Healthy Kids Dental program to Genesee and Saginaw counties. The expansion date in FY2007-08 for these two counties was July 1, 2008. A contribution from the University of Michigan to the Healthy Kids Dental program increases the line by \$1.6 million Gross (\$635,700 state restricted).

The Ambulance Services line item is decreased by \$215,700 Gross (\$85,700 GF/GP) for Medicaid inflation, caseload and utilization adjustments. Within the line federal funding is increased by \$274,600 and GF/GP decreased by the same amount to reflect a change in the federal Medicaid matching rate (FMAP) from 58.10% to 60.27%. The line includes a Gross increase of \$10,319,700 with a GF/GP savings (state retainer) of \$700,000 from the implementation of an ambulance QAAP. An assessment would be levied on ambulance services providers generating \$4.8 million state restricted with the state retaining \$700,000 to offset GF/GP. The balance of the state restricted revenue would match federal Medicaid funds, and when combined, be returned to Medicaid ambulance services providers as increased provider rates.

The Long-Term Care Services line Medicaid inflation, caseload and utilization adjustments totaling \$31,162,100 Gross (\$8,554,400 GF/GP) were adopted. Within the line federal funding is increased by \$33,394,200 and GF/GP decreased by the same amount to reflect a change in the federal Medicaid matching rate (FMAP) from 58.10% to 60.27%. The FMAP rate varies from year to year based on a formula related to state per capita income levels. Within this line, \$9,047,200 of state restricted nursing home quality assurance assessment (QAAP) revenue is replaced with a like amount of federal Medicaid revenue reflecting an increase in the regular FMAP rate for Michigan from 58.10% to 60.27%. A transfer-out of \$2,005,700 GF/GP to the Home- and Community-Based Services Waiver line item makes a correction to more accurately reflect the fund sourcing within both lines. The rolling-up and unrolling of lines during FY 2007-08 budget development resulted in a miscalculation of the fund sourcing.

The Money Follows the Person grant funding of \$7,491,800 Gross (\$2,976,500 GF/GP) is transferred-out to the Home- and Community-Based Services Waiver line based on the premise that the grant funding should be located in a community-based long-term care appropriation line rather than the nursing home appropriation line. A reduced amount of Merit Award Trust Fund revenue is made up by \$83,143,800 GF/GP. The line is increased \$13,993,800 of state retained long-term care QAAP offsetting a like amount of GF/GP. The total state retained long-term care QAAP in FY 2008-09 would be \$117,500,000. The line is reduced by \$32,429,200 Gross (\$12,916,300 GF/GP) due to savings from reduced nursing home admissions resulting from expanded community-based long-term care services. The line is reduced \$19,316,000 Gross (\$8,093,400 state restricted) adjusting the nursing home quality assurance assessment program (QAAP) revenue to anticipated levels.

The Medicaid Home- and Community-Based Services Waiver line item is increased by \$2,847,400 Gross (\$1,909,100 GF/GP) for Medicaid inflation, caseload and utilization adjustments. Within the line federal funding is increased by \$2,686,500 and GF/GP decreased by the same amount to reflect a change in the federal Medicaid matching rate (FMAP) from 58.10% to 60.27%. Transfers-in from the Long-Term Care Services line item \$2,005,700 GF/GP to more accurately reflect the fund sourcing within both lines. The rolling-up and unrolling of lines during FY 2007-08 budget development resulted in a miscalculation of the fund sourcing. The Money Follows the Person grant funding of \$7,491,800 Gross (\$2,976,500 GF/GP) is transferred from the Long-Term care Services line based on the premise that the grant funding should be located in a community-based long-term care appropriation line rather than the nursing home appropriation line. Additionally, federal authorization is increased by \$4,333,300 reflecting the use of an enhanced FMAP as opposed to the service rate use in the Long-Term Care services line.

An authorization increase of \$667,000 Gross (\$265,000 local) is included to recognize funds that Wayne County contributes to support it's local MIChoice program. Prior year transfers have included similar actions. This action aligns the base budget to the anticipated revenue. The line is increased \$1,277,500 Gross (\$507,500 GF/GP) to expand Michigan State Housing Development Authority (MSHDA) affordable assisted living program through the MIChoice program for ½ year beginning April 1, 2009. The line is increased \$0 Gross (\$2,802,700 GF/GP) to support the addition of specialized residential care to the current Home and Community-Based Services Waiver beginning April 1, 2009. The federal portion was intended to be funded at half-year as well, \$2,802,700, but was inadvertently reduced by the same amount as the GF/GP was increased, netting to zero. A transfer may occur in FY 2008-09, if necessary, increasing the federal authorization to \$4,251,800. The line is increased \$10,001,900 Gross (\$3,973,800 GF/GP) providing funds to expand the MIChoice program to reduce the number of those eligible but are on a waiting list.

The Adult Home Help Services line item is decreased by \$12,193,000 Gross (\$4,844,300 GF/GP) for Medicaid inflation, caseload and utilization adjustments. Within the line federal funding is increased by \$5,333,100 and GF/GP decreased by the same amount to reflect a change in the federal Medicaid matching rate (FMAP) from 58.10% to 60.27%. A transfer-in of \$14,327,100 Gross (\$5,692,200 GF/GP) from the Personal Care Services line represents services to high cost adult home help eligibles that historically have been supported in the Personal Care Services line. This transfer will consolidate adult home help service costs into one line. The Adult Home Help Services line is increased by \$10,892,400 Gross (\$4,327,600 GF/GP) to fund full year costs of the minimum wage for adult home help workers at \$7.50 per hour.

The Personal Care Services line item is increased by \$1,514,500 Gross (\$601,800 GF/GP) for Medicaid inflation, caseload and utilization adjustments. Within the line, federal funding is increased by \$666,500 and GF/GP decreased by the same amount to reflect a change in the federal Medicaid matching rate (FMAP) from 58.10% to 60.27%. A transfer-out of \$14,327,100 Gross (\$5,692,200 GF/GP) to the Adult Home Help Services line represent services to high cost adult home help eligibles that historically have been supported in the Personal Care Services line. This transfer will consolidate adult home help service costs into one line. An additional \$1,344,000 Gross (\$534,000 GF/GP) is provided to increase the monthly personal care supplement available to Medicaid eligible residents in adult foster care homes and homes for the aged by \$8.

Within the Program of All-Inclusive Care for the Elderly line, federal funding is increased by \$243,000 and GF/GP decreased by the same amount to reflect a change in the federal Medicaid matching rate (FMAP) from 58.10% to 60.27%. The line is increased \$4,050,000 Gross (\$1,609,000 GF/GP) to expand the PACE program to both Muskegon County and Calhoun County beginning January 1, 2009.

There are no appropriation changes to the Single Point of Entry line item.

The Health Plan Services line is increased \$119,137,500 Gross (\$43,797,500 GF/GP) for Medicaid inflation, caseload and utilization adjustments. Within the line federal funding is increased by \$31,086,500 and GF/GP decreased by the same amount to reflect a change in the federal Medicaid matching rate (FMAP) from 58.10% to 60.27%. The FMAP rate varies from year to year based on a formula related to state per capita income levels. The line includes an FMAP rate change adjustment for the hospital rate adjustment (HRA) payment increasing the federal authorization by \$9,114,000 and reducing the state restricted QAAP revenue by a like amount. The line is increased by \$93,353,400 Gross (\$38,372,900 GF/GP), representing a 4% increase to the capitation rates to ensure that rates are actuarially sound in FY 2008-09.

Unrealized savings for the Plan First! family planning waiver program reduces the authorization in this line \$2,008,400 Gross (\$7,619,200 GF/GP). The FY 2007-08 budget was built upon an average enrollment of 158,000 women and enrollment at the end of FY 2007-08 is less than 27,000. Competing federal programs, citizenship verification requirements and recent federal program eligibility changes account for lower program participation. The FY 2008-09 savings estimates are based on an enrollment of 46,000 women. The line is increased by \$40,383,900 Gross (\$14,908,200 state restricted, \$1,136,300 local) for new specialty network access fee (SNAF) physician adjustor payments made through HMOs to contracted practitioner groups using local funds to match federal Medicaid funds. The approved Medicaid state plan amendment allows an enhanced payment to four public entities: University of Michigan Health System, Wayne State University, Hurley Hospital and Michigan State University. This expands what is currently being done in fee-for-service.

The line is increased \$2,350,400 Gross (\$1,365,600 GF/GP reduced) recognizing additional health plan QAAP, and resulting GF/GP savings, due to the \$40,383,900 of physician adjustor payments distributed through the health plans. State restricted authorization within this line is increased by \$12.0 million and federal authorization is decreased by the same amount to correct a FY 2007-08 budget decision to show certified public expenditure (CPE) savings as state restricted revenue rather than federal. Those savings should have been reflected as federal revenue. Transfers-in to this line include \$931,500 Gross (\$370,100 GF/GP) from the Hospital Services and Therapy line, \$419,900 Gross (\$166,800 GF/GP) from the Physician Services line, \$384,900 Gross (\$152,900 GF/GP) from the Pharmaceutical Services line and \$13,600 Gross (\$5,400 GF/GP) from the Auxiliary Medical Services line. These adjustments reallocate fee-for-service foster children enrollment into managed care, the savings recognized in the FY2007-08 appropriation that were entirely taken within the Health Plan Services line.

Transfers-in to this line include \$5,336,100 Gross (\$2,120,000 GF/GP) from the Hospital Services and Therapy line, \$2,405,500 Gross (\$955,700 GF/GP) from the Physician Services line, \$2,204,900 Gross (\$876,000) from the Pharmaceutical Services line and \$77,300 Gross (\$30,700 GF/GP) from the Auxiliary Medical Services line. These adjustments reallocate fee-for-service citizenship documentation savings recognized in the FY2007-08 appropriation that were entirely taken within the Health Plan Services line. There is a transfer-in of \$41,551,300 Gross (\$16,508,300 state restricted hospital QAAP) from the Hospital Services and Therapy line due to the conversion of the FY 2007-08 hospital QAAP funded DSH allocation to a hospital rate adjustment (HRA) payment made through the health plans. There is insufficient DSH authorization to continue the hospital QAAP funded DSH distribution. The line is increased \$2,418,300 Gross (\$1,457,500 GF/GP reduced) recognizing additional health plan quality assurance assessment program (QAAP) revenue and resulting GF/GP savings due to increased hospital rate adjustment (HRA) payments distributed through the health plans.

The line is reduced \$1,218,300 GF/GP and offset with an equal increase in state restricted health plan QAAP. Various FY 2008-09 base adjustments to the Health Plan Services line result in a net funding increase to HMOs, therefore an increase of health plan QAAP revenue from the 5.5% assessment, then creating a GF/GP savings. An increase of \$5.0 million GF/GP offsets a like amount of federal certified public expenditure (CPE) revenue, a result of increased hospital QAAP revenue and resulting increased medical access to care initiative (MACI) payments. Increased payments to hospitals reduces uncompensated care which in turn reduces revenue from CPE and the GF savings CPEs produce. An increase of \$3,013,500 million GF/GP offsets a like amount of federal certified public expenditure (CPE) revenue, a result of increased hospital QAAP revenue and resulting increased medical access to care initiative (MACI) payments. Increased payments to hospitals reduces uncompensated care which in turn reduces revenue from CPE and the GF savings CPEs produce.

Within the line, a shortfall of state restricted Medicaid Benefits Trust Fund revenue is made up by \$18.6 million GF/GP. Tobacco sales tax revenue is expected to decline from FY 2007-08 to FY 2008-09. This line is increased \$3,788,700 GF/GP and represents the loss of state psychiatric hospital GF/GP savings from the Special Medicaid reimbursement line. This increased need for GF/GP is due to a reduction in payment level to the state psychiatric hospital and an FMAP adjustment. The GF/GP increase of \$3,788,700 is offset by the decrease of a like amount of state restricted revenue. The line is reduced \$10,262,500 Gross (\$4.3 million hospital QAAP) to adjust for the anticipated hospital rate adjustment (HRA) payment level in FY 2008-09.

The line authorization is increased by \$94.0 million Gross (\$37,346,200 state restricted hospital QAAP) of hospital rate adjustment (HRA) payments that will be provided to hospitals based on a larger QAAP assessment. The line is increased \$5,470,900 Gross (\$3,297,300 GF/GP reduced) due to the increased health plan QAAP revenue generated by the additional \$94.0 million of hospital rate adjustment payments distributed by the Medicaid HMOs. An increase to this line of \$19,989,600 Gross (\$7,941,900 GF/GP) provides for an increased hospital rate adjustment payment (HRA) to Hutzell Hospital which replaces the special payment made to Hutzell Hospital that was removed from the disproportionate share hospital schedule. The line is increased \$1,163,400 Gross (\$701,200 GF/GP reduced) due to the increased health plan QAAP revenue generated by the additional \$19,989,600 hospital rate adjustment payment to Hutzell Hospital distributed by the Medicaid HMOs.

The transfer-in of \$288.0 million Gross (\$114,422,400 GF/GP) to the Health Plan Services line results from the FY 2007-08 requirement that Medicaid eligible pregnant women shall be provided health services through a Medicaid HMO. This base adjustment reflects the gross transfers-in from the Hospital Services and Therapy line of \$230.4 million Gross (\$91,537,900 GF/GP), the Physician line of \$43.2 million Gross (\$17,163,400 GF/GP) and the Pharmaceutical Services

line of \$14.4 million Gross (\$5,721,100 GF/GP). The line is increased \$16,761,900 Gross (\$10,102,400 GF/GP reduced) due to the increased health plan QAAP revenue generated by the additional \$288.0 million transfer in of costs related to pregnant women. An increase of \$572,400 Gross (\$227,400 GF/GP) to the line supports adolescent health centers in Arthur Hill High School, City of Saginaw and Samuel C. Mumford High School, City of Detroit.

The MIChild Program line is reduced \$6,118,900 Gross (\$1,701,700 GF/GP) for Medicaid inflation, caseload and utilization adjustments. The MIChild Program line item includes a federal funding increase of \$587,500 and GF/GP decreased by the same amount to reflect a change in the federal State Children's Health Insurance Program (SCHIP) matching rate from 70.67% to 72.19%.

The Plan First Family Planning Waiver line is reduced \$21,323,500 Gross (\$2,224,400 GF/GP) due to lower than anticipated enrollment in the Plan First! family planning waiver program. The FY 2007-08 budget was built upon an average enrollment of 158,000 women and enrollment as of September 2008 is 30,419 women. Competing federal programs, citizenship verification requirements and federal program eligibility changes account for lower program participation. The FY 2008-09 savings estimates are based on an enrollment of 46,000 women.

The Medicaid Adult Benefits Waiver line is increased \$5,553,000 Gross (\$1,544,200 GF/GP) for Medicaid inflation, caseload and utilization adjustments. The Medicaid Adult Benefits Waiver program line item includes a replacement of \$1,965,100 of GF/GP with the same amount of federal State Children's Health Insurance Program (SCHIP) revenue to reflect an increase in the federal SCHIP matching (FMAP) rate for Michigan from 70.67% to 72.19.

The County Indigent Care and Third Share Plans line received an increase of \$3,443,300 of federal authorization with a like reduction of local authorization adjusting the fund sourcing of the line to anticipated expenditures.

The Federal Medicare Pharmaceutical Program is decreased \$7,945,800 GF/GP for the estimated utilization and inflation growth of the federal Medicare pharmaceutical program.

There are no appropriation changes to the Promotion of Healthy Behavior Waiver line item.

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

There are no appropriation changes to the Social Services to the Physically Disabled line item.

The School-Based Services line item is increased by \$9,622,100 federal to reflect current projected school reimbursements for Medicaid services to students. A transfer out of \$3,848,800 federal funds to the Hospital Services and Therapy line item will offset a like amount of GF/GP within that line.

The Special Medicaid Reimbursement line is reduced by \$16,162,000 Gross (\$0 GF/GP) resulting from the following allocations being eliminated from the disproportionate share hospital schedule: 1) Accelerated Health Care Training DSH (\$10,000,000), 2) Detroit City Health Department DSH (\$5,000,000), and, 3) Primary Care DSH (\$1,162,200). The line is reduced \$6,286,300 Gross (\$3,788,700 GF/GP increase) representing a reduction of allowed special financing for the State Psychiatric DSH. An increased authorization of \$3,788,700 GF/GP is made to the line to offset the loss of special financing savings. Within this line, the DSH allocation for the University of Detroit Dental Clinic DSH is reduced \$520,500 Gross and the Wayne State University Psychiatric Residency DSH is reduced \$641,800 Gross. The fund sourcing for the Public Hospital Physician Adjustor is reduced \$554,600 state restricted and offset by the same amount of local authorization anticipating actual expenditure.

The line is reduced \$3,788,700 of state psychiatric hospital GF/GP savings and an offsetting GF/GP increase occurs in the Health Plan Services line. This action was brought about due to a reduction in the state psychiatric hospital payment level and the FMAP adjustment. The reduction is offset by an increase of a like amount of state restricted revenue. The line is reduced by \$33,166,700 Gross (\$13,177,100 state restricted) due to removal of Hutzel Hospital from the disproportionate share hospital (DSH) payment schedule. The Special Medicaid Reimbursement line is changed a net of \$0 Gross due to a \$19,989,600 GF/GP reduction due to additional certified public expenditures (CPEs), \$19,989,600 federal, earned with the removal of the Hutzel Hospital payment from the DSH schedule.

FY 2007-08 SUPPLEMENTAL ACTIONS

PUBLIC ACT 113 OF 2008 SUPPLEMENTAL APPROPRIATIONS

Public Act 113 increased authorization within the Hospital Services and Therapy line item by \$60,821,000 Gross (\$25,484,000 state restricted) to increase Medicaid Access to Care Initiative (MACI) payments to hospitals up to the upper payment limit. The increase is funded with \$25,484,000 of state restricted hospital Quality Assurance Assessment Program (QAAP) revenue and federal Medicaid matching funds of \$35,337,000. The Long-Term Care Services line item is increased by \$360,000 Gross (\$150,800 GF/GP) providing level funding from FY 2006-07 for specialized Alzheimer's disease or dementia care. The Health Plan Services line item is increased by \$40,383,900 Gross (\$15,722,400 state

restricted, \$1,198,400 local) for new physician adjustor payments made through HMOs to contracted practitioner groups using local funds to match federal Medicaid funds. An approved Medicaid state plan amendment allows enhanced payments to four public entities. They entities are: University of Michigan Health System, Wayne State University, Hurley Hospital and Michigan State University. These payments are referred to as specialty network access fee (SNAF) payments.

PUBLIC ACT 279 OF 2008 SUPPLEMENTAL APPROPRIATIONS

Public Act 279 adjusts the following line items by \$67,395,400 Gross (\$23,112,400 GF/GP, \$9,213,600 state restricted), for anticipated inflation, caseload, and utilization agreed to by the House and Senate Fiscal Agencies, and State Budget Office. The reduced lines are; Hospital Services and Therapy \$11,959,600 Gross (\$4,601,500 GF/GP), Physician Services \$1,842,300 Gross (\$696,200 GF/GP), Home Health Services \$297,100 Gross (\$979,400 GF/GP increased), Transportation \$909,400 Gross (\$454,700 GF/GP), Auxiliary Medical Services \$665,000 Gross (\$2,643,400 GF/GP), Dental Services \$8,380,300 Gross (\$5,261,400 GF/GP), Ambulance Services \$701,300 Gross (\$293,800 GF/GP), Long-Term Care Services \$23,004,400 Gross (\$1,552,000 GF/GP), Adult Home Help Services \$20,016,300 Gross (\$8,386,800 GF/GP), Personal Care Services \$821,700 Gross (\$344,200 GF/GP), Program of All-Inclusive Care for the Elderly \$1,093,600 Gross (\$458,200 GF/GP), MIChild program \$5,906,900 Gross (\$1,732,500 GF/GP). The Hospice Services line was increased by \$8,202,500 Gross (\$2,332,900 GF/GP). The decreases and increase just described do not represent the complete May 2008 Medicaid consensus adjustments for this unit. Authorization transfers were requested by the Executive in July 2008 to adjust for those accounts that were in critical need of additional spending authority.

Also included in Public Act 279 were a \$74.1 million reduction in Merit Award Trust Fund authorization and a reduction of \$9.2 million of Medicaid Benefits Trust fund state restricted authorization. Both were offset with like amounts of GF/GP, and were the result of shortfalls in expected revenue.

	FY 2007-08	FY 2008-09	FY 2008-09	FY 2008-09	FY 2008-09	FY 2008-09	FY 2008-09
	COMM. HEALTH	EXECUTIVE	RECOMMEND.	REVISY 2008-09	SENATE	HOUSE	ENROLLED
P.A. 246 of 2008 (S.B. 1094)	YEAR-TO-DATE	7-Feb-08	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL
DEPARTMENT OF COMMUNITY HEALTH	7-Feb-08	(S. B. 1141)	19-Mar-08	25-Mar-08	5-Jun-08	28-Jun-08	18-Jul-08
Sec. 121. MEDICAL SERVICES							
Hospital services and therapy	1,316,434,600	1,410,514,200	1,410,514,200	1,408,938,900	1,380,608,800	1,150,208,700	1,150,208,700
Hospital disproportionate share payments	50,000,000	45,000,000	45,000,000	50,000,000	50,000,000	50,000,000	50,000,000
Physician services	311,159,900	311,222,100	311,222,100	317,222,000	297,878,900	256,478,900	256,478,900
Medicare premium payments	346,510,800	347,246,400	347,246,400	347,246,500	341,121,700	341,121,700	341,121,700
Pharmaceutical services	285,210,900	266,484,200	266,484,200	270,259,700	260,109,000	241,659,100	241,659,100
Home health services	5,600,000	6,228,800	6,228,800	6,228,800	5,758,200	5,758,200	5,758,200
Hospice services	85,258,700	100,999,800	100,999,800	100,999,800	99,398,100	99,398,100	99,398,100
Transportation	10,653,200	11,198,200	11,198,200	11,198,200	10,169,300	10,169,300	10,169,300
Auxiliary medical services	10,000,000	10,439,100	10,439,100	10,439,100	9,668,600	9,668,600	9,668,600
Dental services	117,506,500	131,685,000	131,685,000	132,062,500	124,140,900	123,558,000	123,558,000
Ambulance services	12,656,100	13,147,200	13,147,200	13,147,200	12,440,500	22,760,100	22,760,100
Long-term care services	1,554,146,800	1,991,518,700	1,972,202,700	1,566,813,200	1,492,804,300	1,524,066,200	1,524,066,200
Medicaid home- and community-based services waiver	123,800,300	0	0	139,776,600	167,811,500	152,424,900	152,424,900
Adult home help services	245,762,800	0	0	255,551,800	261,558,000	258,789,300	258,789,300
Personal care services	30,716,100	0	0	18,881,300	19,247,500	19,247,500	19,247,500
Program of all-inclusive care for the elderly	11,200,000	0	0	11,200,000	16,600,000	15,250,000	15,250,000
Single point of entry	14,724,200	14,724,200	14,724,200	14,724,200	14,724,200	14,724,200	14,724,200
Health plan services	2,762,069,600	3,018,727,400	3,008,464,900	2,993,973,900	3,084,105,500	3,490,211,100	3,490,211,100
MICChild program	38,654,300	38,654,300	38,654,300	38,654,300	32,535,400	32,535,400	32,535,400
Plan first family planning waiver	27,109,000	5,785,500	5,785,500	5,785,500	5,785,500	5,785,500	5,785,500
Medicaid adult benefits waiver	129,284,900	137,057,900	137,057,900	137,057,900	134,837,900	134,837,900	134,837,900
County indigent care and third share plans	88,518,500	88,518,500	88,518,500	88,518,500	88,518,600	88,518,500	88,518,500
Federal Medicare pharmaceutical program	186,001,600	178,055,800	178,055,800	178,055,800	178,055,800	178,055,800	178,055,800
Promotion of healthy behavior waiver	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Maternal and child health	20,279,500	20,279,500	20,279,500	20,279,500	20,279,500	20,279,500	20,279,500
Social services to the physically disabled	1,344,900	1,344,900	1,344,900	1,344,900	1,344,900	1,344,900	1,344,900
Subtotal basic medical services program	7,794,603,200	8,158,831,700	8,129,253,200	8,148,360,100	8,119,502,600	8,256,851,400	8,256,851,400
School-based services	83,427,700	89,201,000	89,201,000	89,201,000	89,201,000	89,201,000	89,201,000
Special Medicaid reimbursement	253,816,800	230,206,200	230,206,200	229,906,200	230,206,200	197,039,500	197,039,500
Subtotal special medical services payments	337,244,500	319,407,200	319,407,200	319,107,200	319,407,200	286,240,500	286,240,500
GROSS APPROPRIATION	8,131,847,700	8,478,238,900	8,448,660,400	8,467,467,300	8,438,909,800	8,543,091,900	8,543,091,900
Appropriated from:							
Federal revenues:							
Total federal revenues	4,763,333,500	5,117,682,300	5,118,280,300	5,112,320,800	5,114,900,500	5,200,877,700	5,200,877,700
Special revenue funds:							
Total local revenues	62,448,900	59,377,000	59,377,000	59,377,000	58,975,000	58,975,000	58,975,000
Total private revenues	400,000	400,000	400,000	400,000	400,000	400,000	400,000
Merit award trust fund	139,000,000	93,700,000	93,700,000	93,700,000	93,700,000	55,856,200	55,856,200
Total other state restricted revenues	1,491,484,400	1,563,906,700	1,533,730,200	1,573,684,400	1,516,200,700	1,576,062,300	1,576,062,300
State general fund/general purpose	1,675,180,900	1,643,172,900	1,643,172,900	1,627,985,100	1,654,733,600	1,650,920,700	1,650,920,700

INFORMATION TECHNOLOGY

INFORMATION TECHNOLOGY

Funds for the Information Technology Services and Projects line item are increased \$25,000 Gross (all CON fee revenue) to recognize CON information technology (IT) system maintenance costs for tracking CON applications and approvals. Vital record fee costs of \$145,100 are recognized for the Information Technology Services and Projects line item. Funds for the Information Technology Services and Projects line item are increased by \$7,600 Gross (all GF/GP) to finance an economic increase for workers' compensation costs related to the Department of Community Health's IT staff. An administrative reduction of \$8,500 Gross (\$2,000 GF/GP) is included in the budget for the Information Technology Services and Projects line item. The implementation of Executive Order 2007-30 which consolidated the Department's Human Resources Operations within the Department of Management and Budget resulted in a reduction of \$45,500 Gross (\$31,800 GF/GP) for the Information Technology Services and Projects line item. Recognizing disaster recovery costs, \$327,600 Gross (\$0 GF/GP) is added to the Information Technology Services and Projects line item. The funds will be used to support additional computer hardware and software in case of emergencies so that critical data system information is not lost or damaged.

Funds for the Information Technology Services and Projects line item are increased by \$80,600 Gross (\$18,500 GF/GP) to annualize a 2.0% salary and wage increase for non-bargaining and unionized employees effective April 2008. Employees' defined benefit retirement costs supporting the Information Technology Services and Projects line item are increased by \$43,800 Gross (\$10,100 GF/GP). Employees' defined contribution retirement costs supporting the Information Technology Services and Projects line item are increased by \$21,200 Gross (\$4,900 GF/GP). Employees' insurance costs supporting the Information Technology Services and Projects line item are reduced by \$78,700 Gross (\$18,100 GF/GP).

The enacted budget includes no changes to Medicaid Michigan Information System line item.

	FY 2007-08	FY 2008-09 EXECUTIVE	FY 2008-09 REVISED EXEC.	FY 2008-09 SENATE	FY 2008-09 HOUSE	FY 2008-09 ENROLLED	FY 2008-09 ENACTED
	COMM. HEALTH	RECOMMEND.	RECOMMEND.	RECOMMEND.	RECOMMEND.	BILL	ENACTED
	YEAR-TO-DATE	7-Feb-08	19-Mar-08	25-Mar-08	5-Jun-08	28-Jun-08	18-Jul-08
	DEPARTMENT OF COMMUNITY HEALTH	(S. B. 1141)					
Sec. 122. INFORMATION TECHNOLOGY							
Information technology services and projects	35,075,500	35,593,700	35,593,700	35,593,700	35,593,700	35,593,700	35,593,700
Michigan Medicaid information system	16,801,100	16,801,100	16,801,100	16,801,100	16,801,100	16,801,100	16,801,100
GROSS APPROPRIATION	51,876,600	52,394,800	52,394,800	52,394,800	52,394,800	52,394,800	52,394,800
Appropriated from:							
Federal revenues:							
Total federal revenues	36,769,300	36,798,400	36,798,400	36,798,400	36,798,400	36,798,400	36,798,400
Special revenue funds:							
Total other state restricted revenues	3,102,200	3,602,100	3,602,100	3,602,100	3,602,100	3,602,100	3,602,100
State general fund/general purpose	12,005,100	11,994,300	11,994,300	11,994,300	11,994,300	11,994,300	11,994,300

BOILERPLATE

GENERAL SECTIONS BOILERPLATE

Sec. 201. State Spending

Total FY 2008-09 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 act are subject to the Management and Budget Act. Provides that funds in which the state acts as a custodian or agent are not subject to an annual appropriation.

Sec. 203. Terms and Acronyms

Provides definitions for terms and acronyms used in this act.

Sec. 204. Civil Service Charges

Requires Civil Service Commission to bill DCH at the end of the first fiscal quarter for the 1% charge authorized by the State Constitution of 1963. Requires DCH to pay the total billing by end of the second fiscal quarter.

Sec. 205. Hiring Freeze

Imposes hiring freeze on full-time state classified civil service employees, except internal transfers of classified employees from one position to another within a department or when freeze will render the Department unable to deliver basic services, cause loss of revenue to the state, result in inability of the state to receive federal funds, and necessitate additional expenditures that exceed vacancy savings. Requires quarterly report to Chairpersons of House and Senate Appropriations Committees on number of exceptions to hiring freeze.

Sec. 206. Contingency Funds

Appropriates up to \$100.0 million federal contingency funds, up to \$20.0 million state restricted contingency funds, up to \$20.0 million local contingency funds, and up to \$10.0 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.

Sec. 208. Internet Reporting Requirements

Requires Department to use the Internet to fulfill the reporting requirements of this act.

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 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 fee revenue to be carried forward, with approval of State Budget Director, into the next fiscal year and to be used as the first source of funding in that fiscal year; requires report on balances of restricted funds administered by the department.

Sec. 212. Caps on Funds Expended

Caps funds expended from federal maternal and child health block grant, federal preventive health and health services block grant, federal substance abuse block grant, healthy Michigan fund, and Michigan health initiative fund. Requires report by February 1, 2009, on FY 2008-09 appropriation fund sources by line item; requires report on amount and source of funds to support FY 2009-10 Executive Budget Recommendation upon budget release. Requires all revenue source detail for consolidated revenue line item detail to be provided upon request to DCH.

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, 2009, to House and Senate Appropriations Committees, House and Senate Fiscal Agencies, and State Budget Director.

Sec. 214. Use of Tobacco Tax Revenue

Prohibits using tobacco tax revenue deposited in healthy Michigan fund for lobbying as defined in 1978 PA 472.

Sec. 215. Policy Changes Implementing Public Acts

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

Sec. 216. Use of Prior-Year Revenue

Allows use of prior-year revenue for write-offs of accounts receivables, deferrals, and prior-year obligations. Does not limit Department's ability to satisfy appropriation deductions in Part 1 to collections and accruals provided in the current fiscal year. Requires Department to report by March 15, 2009, on all reimbursements, refunds, adjustments, and settlements from prior years to House and Senate Appropriations Subcommittees on Community Health.

Sec. 218. Basic Health Services

Lists basic health services embodied in Part 23 of the Public Health Code that are to be available and accessible throughout the state.

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

Allows Department to contract with Michigan Public Health Institute for design and implementation of projects and other public health related activities. Requires Department to report on each funded project by November 1, 2008, and May 1, 2009, to House and Senate Appropriations Subcommittees on Community Health, House and Senate Fiscal Agencies, and State Budget Director. Requires Department to provide copies of all reports, studies, and publications produced by the Institute by September 30, 2009.

Sec. 220. Audits of Michigan Public Health Institute Contracts

Requires all contracts with Michigan Public Health Institute that are funded with Part 1 appropriations to include a provision requiring financial and performance audits by the State Auditor General of funded projects with state appropriations.

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

Allows Department 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. 248. Ambulatory Surgery Centers

Requires Department to continue to allow ambulatory surgery centers in the state to fully participate in the Medicaid program when hospitals are reimbursed for Medicaid services through the Michigan Medicaid information system. Requires the reimbursement schedule for ambulatory surgery centers that was developed and implemented continue to be used in FY 2008-09.

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

Requires the department to pay user fees to Department of Information Technology (DIT) for technology-related services and projects from Part 1 appropriated funds for IT. Subjects user fees to provisions of an interagency agreement between the department and DIT.

Sec. 260. Information Technology (IT) Work Projects

Allows designation of Part 1 appropriated funds for IT as work projects and carried forward. Provides that funds designated for work projects are not available for expenditure until approved as work projects under Section 451a of the Management and Budget Act.

Sec. 261. Medicaid Management Information System Upgrade

Provides that Part 1 appropriated funds for Medicaid management information system upgrade are contingent upon approval of an advanced planning document from Centers for Medicare and Medicaid Services. Permits the appropriation to be designated as work project and carried forward to support completion of the project.

Sec. 264. Submission and Applications for Medicaid Waivers

Requires Department to notify 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 quarterly reports on status of discussions with federal agencies on potential or future Medicaid waiver applications.

Sec. 265. Retention of Reports

Requires departments and agencies receiving Part 1 appropriations to receive and retain copies of all reports funded from Part 1 appropriations.

Sec. 266. *Out-of-State Travel*

Limits out-of-state travel to when it is required by legal mandate, necessary to protect the health or safety of Michigan citizens, necessary to produce budgetary savings or increase state revenue, necessary to comply with federal requirements, necessary to secure specialized training for staff, or financed entirely by federal or nonstate funds, except if travel is granted an exception by the State Budget Director. Requires Department to prepare an out-of-state travel report for the preceding fiscal year by January 1, 2009.

Sec. 267. *Disciplinary Action Against State Employee*

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

Sec. 269. *Reimbursement of Mental Health Medications*

Specifies that the funds appropriated for pharmaceutical services include funds for the reimbursement of mental health medications under the Medicaid program.

Sec. 270. *Notification from Attorney General on Legal Actions*

Requires Department to provide written report on total amounts recovered from legal actions, programs or services for which monies were originally expended, details on the disposition of funds recovered from legal actions, and descriptions of facts involved in legal actions within 30 days after receipt of notice from the Attorney General of legal actions in which expenses have been recovered.

Sec. 271. *Mental Health Services Intervention Pilot Project*

Allows a PIHP, Medicaid HMO, and federally qualified health center to establish and implement a mental health services intervention pilot project. Requires the project to provide care coordination, disease management, and pharmacy management to eligible recipients suffering from chronic disease including, but not limited to, diabetes, asthma, substance addiction, or stroke. Requires DCH to encourage each CMHSP and Medicaid health plan act in a coordinated manner in the establishment of their respective electronic medical record systems.

Sec. 272. *Study on Administrative Efficiencies, Shared Services, and Consolidations*

Requires Department to make efforts to implement the results of the study on administrative efficiencies, shared services, and consolidations for local health departments, CMHSPs, coordinating agencies on substance abuse, and area agencies on aging.

Sec. 276. Legal Services of Attorney General

Prohibits the use of appropriated funds by the department 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 their subcontractors; and area agencies on aging and local providers, and their subcontractors. Requires DCH to provide a written draft of its proposed definitions, standards, and instructions by May 15, 2009.

Sec. 284. Travel for Professional Development Conference

Prohibits DCH from approving the travel of more than 1 departmental employee to a professional development conference or training seminar outside of this state unless funded by federal or private funding sources.

Sec. 285. Prescription Drug Website

Requires DCH to determine the cost of expanding its prescription drug website that provides the 150 most commonly prescribed brand name drug products under the Medicaid program, links to other websites that would be of assistance to consumers, and toll-free numbers that residents may call to determine eligibility for prescription drug programs including free and discounted prescription drug programs.

DEPARTMENTWIDE ADMINISTRATION BOILERPLATE

Sec. 301. Worker's Compensation Funds

Allows Department to make payment from funds appropriated for worker's compensation for wage and salary and related fringe benefits for employees who return to work under limited duty assignments.

Sec. 303. First-Party Payments for Mental Health Services

Prohibits DCH from requiring first-party payments from individuals or families with taxable income of \$10,000 or less for mental health services for determinations made in accordance with Section 818 of Mental Health Code.

MENTAL HEALTH AND SUBSTANCE ABUSE SERVICES BOILERPLATE

MENTAL HEALTH/SUBSTANCE ABUSE SERVICES ADMINISTRATION AND SPECIAL PROJECTS

Sec. 350. Michigan Protection and Advocacy Agency

Allows Department to enter into contract with Michigan Protection and Advocacy Agency or similar organization to provide legal services for gaining and maintaining occupancy in a community living arrangement under lease or contract with DCH or CMHSPs to provide services to persons with mental illness or developmental disability.

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 full authority and responsibility of local CMHSPs or prepaid inpatient health plans (PIHPs). Requires Department to ensure that 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.

Sec. 402. Contracts Between the Department and CMHSPs

Requires final authorizations to CMHSPs or PIHPs be made upon execution of contracts between DCH and CMHSPs or PIHPs. Requires each contract with a CMHSP or PIHP to include provision that it is not valid unless total dollar obligation of all contracts entered into between DCH and CMHSPs or PIHPs for FY 2008-09 does not exceed Part 1 appropriations. Requires DCH to report immediately to 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. Multicultural Service Providers

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 multicultural services from being utilized for services to illegal immigrants and people who are not residents of the state. Requires annual report from independent organizations receiving multicultural services funding.

Sec. 404. Report on CMHSPs

Requires Department to provide a report by May 31, 2009, on the following for CMHSPs or PIHPs: expenditures and services data; information about access to CMHSPs; lapses and carry-forwards during FY 2007-08; 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. 405. Wage Increase to Direct Care Workers

States legislative intent that the wage increase funded in previous years, including the 1% wage increase effective February 1, 2009, for direct care workers in local residential settings, and settings where skill building, community living supports and training, and personal care services are provided be paid.

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

Requires funds appropriated for 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 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 services provided to individuals with both mental illness and substance abuse diagnoses. Requires Department to approve a fee schedule for providing substance abuse services and charge participants in accordance with their ability to pay. Requires DCH to develop a feasibility study on a payment methodology that increases allotments to coordinating agencies that are CMH providers.

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

Requires Department to report by April 15, 2009, on expenditures and services data on substance abuse prevention, education, and treatment programs for FY 2007-08.

Sec. 409. Substance Abuse Services to Clients with Children

Requires funds for substance abuse services to be distributed in a manner to provide priority to service providers that furnish child care services to clients with children.

Sec. 410. Substance Abuse Treatment for Department of Human Services (DHS) Recipients

Requires Department to assure that substance abuse treatment is provided to applicants and recipients of public assistance through 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

Requires Department to ensure that each contract with a CMHSP or PIHP require the CMHSP or PIHP to implement programs to encourage diversions for persons 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 Department to contract with the Salvation Army Harbor Light Program for providing non-Medicaid substance abuse services at not less than the amount contracted for in FY 2007-08.

Sec. 414. Medicaid Substance Abuse Services

Requires Medicaid substance abuse services to be managed by selected PIHPs pursuant to Centers for Medicare and Medicaid Services' approval of Michigan's 1915(b) waiver request to implement a managed care plan for specialized substance abuse services. Authorizes selected PIHPs to receive a capitated payment on a per eligible per month basis to assure the provision of medically necessary substance abuse services. Requires selected PIHPs to be responsible for reimbursement of claims for specialized substance abuse services. Allows PIHPs that are not coordinating agencies to continue to contract with a coordinating agency provided that the alternative arrangement is based on client service needs and has prior approval from DCH.

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

Requires Department to report on the amount of funding paid to PIHPs to support the Medicaid managed mental health program in the preceding month.

Sec. 423. Delivery of Substance Abuse Prevention, Education, and Treatment Programs

Requires Department to work cooperatively with the Departments of Human Services, Corrections, Education, State Police, and Military and Veterans Affairs, within existing appropriations, to coordinate and improve the delivery of substance abuse prevention, education, and treatment programs. Requires Department to establish a Work Group examining and reviewing the source and expenditure of public and private funds for substance abuse programs and

services. Requires Work Group to develop and recommend cost-effective measures for expenditure of funds and delivery of substance abuse programs and services.

Sec. 424. Timely Claims Process for PIHPs

Requires PIHPs that contract with DCH to provide services to the Medicaid population to adhere to the timely claims processing and payments procedure to claims submitted by health professionals and facilities as described in 2000 PA 187.

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. 442. Medicaid Adult Benefits Waiver Program

Expresses legislative intent that the \$40 million transferred from CMH Non-Medicaid Services to support Medicaid Adult Benefits Waiver program be used to provide state match for increases in federal funding for primary care and specialty services provided to Medicaid Adult Benefits waiver enrollees and economic increases for Medicaid Specialty Services and Supports program. Requires general fund match be transferred back to CMH Non-Medicaid Services if enrollment in Medicaid Adult Benefits Waiver program does not achieve expectations and funding for the program is not expended. Requires Department to report quarterly on a summary of eligible expenditures for the Medicaid Adult Benefits Waiver program to House and Senate Appropriations Subcommittees on Community Health.

Sec. 452. Financial Impact on CMHSPs

Prohibits retroactive implementation of any policy that results in negative financial impact on CMHSPs or PIHPs.

Sec. 456. Consumer Choices for Mental Health Services

Requires CMHSPs and PIHPs to honor consumer choices for skill-building assistance, rehabilitative and habilitative services, supported and integrated employment services program services, and work preparatory services provided in the community or by accredited community-based rehabilitation organizations. Requires CMHSPs and PIHPs take all

necessary steps to ensure that individuals with mental illness, developmental disabilities, or substance abuse issues are placed in the least restrictive settings if that is their choice.

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

Requires Department to report by April 15, 2009, on the following: an updated plan for implementing each of the recommendations 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. 459. Pilot Mental Health Courts

Requires DCH to work with Judiciary to develop guidelines for the operation and evaluation of pilot mental health courts. Requires CMHSPs and trial courts interested in becoming mental health court pilot sites to submit a joint application for funding in accordance with established guidelines.

Sec. 460. Uniform Standards for Reporting of Administrative Costs by Subcontractors of CMHSPs

Requires DCH to fully implement the uniform definitions, standards, and reporting of administrative costs by subcontractors of PIHPs, CMHSPs, and contracted organized provider systems that receive payment or reimbursements from PIHPs and CMHSPs in FY 2008-09.

Sec. 462. Funding Equity Plan for CMH Non-Medicaid Services

Requires DCH to develop a funding equity plan for all CMHSPs receiving funds appropriated under CMH Non-Medicaid Services line. Requires the funding plan to reflect a more equitable distribution methodology based on proxy measures of need and recognition of varying expenditure needs of CMHSPs. Requires report regarding implementation feasibility of the funding equity plan.

Sec. 463. Program Evaluation Measures for Substance Abuse Services

Directs Department to establish standard program evaluation measures to assess effectiveness of programs provided through coordinating agencies and service providers in reducing and preventing incidence of substance abuse.

Sec. 464. Liquor License Fees

Expresses legislative intent that revenue received by DCH from liquor license fees is to be expended at not less than the amount provided in FY 2006-07 for prevention, rehabilitation, care, and treatment of alcoholics pursuant to Liquor Control Code provisions.

Sec. 465. Respite Services

Requires that funds appropriated for respite services be used for direct respite care services for children with serious emotional disturbances and their families. Specifies that no more than 1% of the funds allocated for respite services be expended by CMHSPs for administration and administrative purposes.

Sec. 467. Funding for Community Substance Abuse Prevention, Education, and Treatment Programs

Requires DCH to increase funding paid from the Community Substance Abuse Prevention, Education, and Treatment Programs line item to coordinating agencies to the level provided in FY 2002-03, if funds become available.

Sec. 468. Incorporation of Coordinating Agencies into CMH Authorities

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

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

Specifies that DCH establish written expectations, such as 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.

Sec. 474. Guardianship of Recipients

Requires Department to ensure that 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 causes.

Sec. 480. Atypical Antipsychotic Prescriptions

Requires a report on the number and reimbursement cost of atypical antipsychotic prescriptions by each PIHP for Medicaid beneficiaries by March 30, 2009.

Sec. 482. Odyssey House

Requires DCH to continue funding for Odyssey House at the FY 2007-08 level.

Sec. 483. Medicaid Status

Requires a Medicaid recipient to remain eligible for medical assistance during a period of incarceration or detention and limits the Medicaid coverage to off-site inpatient hospitalization.

Sec. 486. Mental Health Prevention Initiatives

Permits an allocation up to \$100 for mental health prevention initiatives.

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

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

Requires that priority be given to obtaining third-party payments for services in the funding of staff in the financial support division, reimbursement, billing, and collection services. Requires the collections from individual recipients of services to be handled in a sensitive and nonharassing manner. Requires Department to continue a revenue recapture project to generate additional third party revenue from cases that are closed or inactive.

Sec. 602. Gifts and Bequests

Authorizes carry forward of unexpended and unencumbered funds up to \$1,000,000 from gifts and bequests for patient living and treatment environments for one fiscal year.

Sec. 603. Forensic Mental Health Services Provided to the Department of Corrections (DOC)

Specifies that funds appropriated in Part 1 for Forensic Mental Health Services provided to DOC are in accordance with the interdepartmental plan developed in cooperation with DOC. Authorizes Department to receive and expend funds from DOC to fulfill obligations outlined in the interdepartmental agreement.

Sec. 604. Annual Reports for CMHSPs

Requires CMHSPs or PIHPs to provide annual reports to DCH on the following: the number of days of care purchased from state hospitals, state centers, and private hospitals; the number and type of alternative placements to state hospitals and centers other than private hospitals; and waiting lists for placements in state hospitals and centers. Requires DCH to annually report the information to House and Senate Appropriations Subcommittees on Community Health, House and Senate Fiscal Agencies, and State Budget Director.

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

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

Sec. 606. Patient Reimbursement

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

Sec. 607. Mandated Changes in the Operation of State Hospitals and Centers

Requires the Department to ensure that mandated changes in the operation of state hospitals and centers are completed in a timely and efficient manner if Senate Bill 369 of the 94th Legislature, a bill amending the Mental Health Code as it relates to an individual's incompetence to stand trial and disposition of persons found not guilty by reason of insanity, is enacted into law.

Sec. 608. Privatization of Food and Custodial Services

Requires the Department to evaluate the privatization of food and custodial services at state hospitals and centers and submit a copy of the evaluation by May 1, 2009 to the House and Senate Appropriations Subcommittees on Community Health, and House and Senate Fiscal Agencies.

Sec. 609. Tobacco Use in State Psychiatric Facilities

Prohibits the use of all tobacco products in and on the grounds of state psychiatric facilities.

PUBLIC HEALTH BOILERPLATE

PUBLIC HEALTH ADMINISTRATION

Sec. 650. Fish Consumption Advisory

Requires the Department to communicate the annual public health consumption advisory for sport fish, at minimum to post the advisory on the Internet and provide it to participants of the Women, Infants, and Children special supplemental nutrition program.

Sec. 651. Activities Pursuant to Healthy Michigan 2010 Report

Requires a report by April 30, 2009 on activities and efforts of the Department to improve the health status of the citizens of the state pursuant to the goals and objectives stated in the "Healthy Michigan 2010" report, and to indicate measurable progress made.

HEALTH POLICY, REGULATION, AND PROFESSIONS

Sec. 704. Emergency Medical Services (EMS) Grantees

Requires Department to continue to contract 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. 706. Nursing Home Inspectors

Requires DCH make every effort to hire qualified nursing home inspectors with past experience in long-term care industry.

Sec. 707. Nursing Scholarship Program

Require funds appropriated for Nursing Scholarship Program be used to increase nurses practicing in Michigan. Requires Department and Board of Nursing work cooperatively with Michigan Higher Education Assistance Authority to coordinate scholarship assistance. Encourages Board of Nursing to structure scholarships in which recipients who intend to practice nursing in this state are rewarded.

Sec. 708. Quarterly Staff Reports from Nursing Facilities

Requires nursing facilities in their quarterly reports to DCH to report on the total patient care hours provided each month and the percentage of pool staff used each month during the preceding quarter. Requires DCH to make the quarterly staff report available to the public.

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. 710. Primary Care Services Funding for Health Centers

Allocates up to \$2,172,700 to enhance the service capacity of federally qualified health centers and similar health clinics providing primary care services.

Sec. 711. Customized Listings of Nonconfidential Information

Allows Department to make customized listings of nonconfidential information in its possession, such as names and addresses of licensees, available to interested entities. Allows Department to establish and collect a reasonable charge for providing this service. Requires revenue received from this service be used to offset expenses for providing the service. Requires unexpended revenue balances to revert to the appropriate restricted fund.

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 funds appropriated for primary care services. Requires DCH to distribute funds equally to each free health clinic.

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

Directs Department to continue to fund multicultural agencies that provide primary care services.

Sec. 714. Nursing Facility Complaint Investigations

Requires DCH to report to the Legislature on the timeliness of nursing facility complaint investigations and the number of allegations that are substantiated on an annual basis. Requires DCH to make every effort to contact complainants during investigations.

Sec. 715. Nonurgent Medical Response Service

Permits an appropriation up to \$100 for the establishment of a pilot program in Detroit for a nonurgent medical response service.

Sec. 716. Investigations of Health Care Professionals

Requires DCH to give priority in investigations of alleged wrongdoing by licensed health care professionals that are alleged to have occurred within 2 years of the initial complaint.

Sec. 717. HealthKey Program

Permits an allocation up to \$100 for the HealthKey Program for the uninsured.

Sec. 718. Nursing Home Complaint Deficiencies

Requires study on frequently cited complaint deficiencies for nursing homes during the prior 3 fiscal years.

Sec. 720. Helen M. Nickless Volunteer Clinic

Allocates \$75,000 for the Helen M. Nickless Volunteer Clinic in Bay City.

Sec. 722. Medical Professional

Specifies that a newly accepted professional into the Michigan Essential Health Provider Program is eligible up to 4 years of loan repayments.

Sec. 724. Coordinated Statewide Trauma Care System

Permits allocation up to \$100 for the development of a coordinated statewide trauma care system.

Sec. 725. Rural Health Improvements

Permits allocation up to \$100 to support improvements as identified in "Michigan Strategic Opportunities for Rural Health Improvement, A State Rural Health Plan 2008-2012".

INFECTIOUS DISEASE CONTROL

Sec. 801. Priority for Adolescents for AIDS Prevention Services

Requires Department and its subcontractors to ensure that high-risk children ages 9 through 18 receive priority for AIDS prevention, education, and outreach services.

Sec. 803. AIDS Drug Assistance Program

Directs Department to continue AIDS Drug Assistance Program maintaining prior year eligibility criteria and drug formulary, without prohibiting Department from providing assistance for improved AIDS treatment medications. Allows Department to revise criteria and formulary, consistent with federal program guidelines, if appropriation is insufficient to maintain the prior year criteria and formulary.

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

Directs Department to cooperate with Department of Corrections to share data and information regarding prisoners being released who have HIV or Hepatitis C, related to the Michigan prisoner reentry initiative; and requires a report by April 1, 2009.

EPIDEMIOLOGY

Sec. 851. Lead Abatement Program Report

Directs Department to report annually on the expenditures and activities of the lead abatement program.

Sec. 852. Methamphetamine Cleanup Fund

Requires Department to allow local governments to apply for reimbursement of administrative costs associated with methamphetamine cleanup efforts, at a maximum of \$800 per property. Requires Department to work with the Michigan Association of Counties to ensure counties are aware of availability of these funds.

LOCAL HEALTH ADMINISTRATION AND GRANTS

Sec. 901. Informed Consent Law Reimbursement of Local Costs

Directs DCH to reimburse local health departments for costs incurred for services provided in accordance with the Informed Consent Law.

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

Provides authority for Department to assess a penalty on a county of up to 6.25% of the county health department's local public health operations funding if that county ceases to be part of a district health department or an associated arrangement with other local health departments.

Sec. 904. Local Public Health Operations

Directs that local public health operations line item funds shall be prospectively allocated to local public health departments to support costs for nine state and local cost-shared services. Certain of these services shall be provided in consultation with Michigan Departments of Agriculture, and 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. Requires that a report on planned allocations be made available by April 1, 2009.

CHRONIC DISEASE AND INJURY PREVENTION AND HEALTH PROMOTION

Sec. 1003. Alzheimer's Disease Information and Referral Services

Allocates funds to regional networks to provide information and referral services for persons with Alzheimer's disease or related disorders, their families, and health care providers.

Sec. 1006. Priority for Smoking Prevention Funding and Allocation for Quit Kits

Requires Department to give priority to prevention and smoking cessation programs for pregnant women, women with young children, and adolescents in spending smoking prevention program line item funds. Allocates \$900,000 of smoking prevention funds for the Quit Kit program that includes the nicotine patch or nicotine gum, for purposes of complying with Act 164 of 2004.

Sec. 1007. Violence Prevention Program

Directs that violence prevention line item funds be used for, but not limited to, programs aimed at preventing spouse, partner or child abuse and rape, and workplace violence; directs DCH to give equal consideration to public and private nonprofit grant applicants; allows DCH to provide funds to local school districts.

Sec. 1008. Diabetes Management Pilot Project in Muskegon County

Permits allocation of up to \$25,000 for a diabetes management pilot project in Muskegon County from the diabetes and kidney program appropriation line item.

Sec. 1009. National Kidney Foundation of Michigan Funding

Permits allocation of funds from the diabetes and kidney program line item to the National Kidney Foundation of Michigan for kidney disease prevention programs.

Sec. 1010. Osteoporosis Prevention and Education Funding

Allocates \$200,000 of chronic disease prevention line item funds for osteoporosis prevention and treatment education programming.

Sec. 1019. Stroke Prevention Funding

Allows Department to allocate \$50,000 of chronic disease prevention line item funds for stroke prevention, education, and outreach. Program education objectives are outlined.

Sec. 1028. African-American Male Health Initiative Funding

Allows Department to appropriate funds for the African-American Male Health Initiative if Healthy Michigan Funds or federal Preventive Health and Health Services Block Grant funds are available.

Sec. 1031. Pilots for Traumatic Brain Injury Treatment Guideline Model

Appropriates \$300,000 of injury control intervention project line item funds to establish 2 incentive-based pilot programs for level I and level II trauma hospitals to encourage utilization of an interactive, evidence-based treatment guideline model for traumatic brain injury, one in a county with a population of less than 225,000 persons and one in a county with a population over 1,000,000.

Sec. 1032. Van Andel Institute Program Funding

Allows Department to allocate up to \$100 of cancer prevention and control program line item funds to the Van Andel Institute for late stage cancer therapeutics program of treatment for eligible Medicaid patients.

Sec. 1033. Kids Kicking Cancer Program Funding

Allows Department to allocate up to \$100 of cancer prevention and control program line item funds for Kids Kicking Cancer program.

Sec. 1034. Cold is Cool Program Funding

Allows Department to allocate up to \$100 of physical fitness, nutrition, and health line item funds for Cold is Cool program to expose schoolchildren to outdoor winter activities and downhill skiing.

FAMILY, MATERNAL, AND CHILDREN'S HEALTH SERVICES

Sec. 1101. Reallocation of Funds for Certain Programs in Cases of Underexpenditures

Requires Department to review the basis for the distribution of funds to local health departments and other agencies from the family planning, prenatal care, and WIC programs, and to indicate the basis on which any projected underexpended funds are to be reallocated to other local agencies that demonstrate need.

Sec. 1104. Department Report Regarding Certain Pregnancy Planning and Prenatal Programs

Requires Department to: report by April 1, 2009 on funding allocations, breakdown of expenditures by urban and rural, and prior fiscal year service and expenditure data for the local maternal and child health, prenatal care, family planning, and pregnancy prevention programs; and ensure that needs of rural communities are considered in distribution of funds for these programs. Defines "rural" as having a population of 30,000 or less.

Sec. 1105. Contract with Local Agencies Best Able to Serve Clients

Requires Department to contract for services to be provided through the Family, Maternal, and Children's Health Services appropriation unit with local agencies best able to serve clients. Factors upon which to evaluate an agency's ability to serve clients are described.

Sec. 1106. Family Planning Title X Funding Compliance

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

Sec. 1107. Prenatal Care Outreach Administrative Cost Limit

Expenditures for local administration, data processing, and evaluation cannot exceed 9% of the amount appropriated for prenatal care outreach and service delivery support.

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 DCH to be made available upon request not later than December 1, 2008.

Sec. 1110. Designation of Delegate Agencies for Family Planning and Pregnancy Prevention Funds

Provides that agencies currently receiving pregnancy prevention and family planning line item funds shall have the option of receiving those funds directly from DCH and be designated as delegate agencies.

Sec. 1111. Allocation of Funds for Direct Services for Family Planning and Pregnancy Prevention

Directs Department to allocate no less than 88% of family planning and pregnancy prevention line item funds for the direct provision of services.

Sec. 1112. Allocation for Communities with High Infant Mortality Rates

Requires the Department to allocate at least \$1,000,000 to communities with high infant mortality rates from the prenatal care outreach and service delivery support line item funds.

Sec. 1116. Coordinated Regional Perinatal System Development

Requires Department to convene a discussion regarding a statewide coordinated regional perinatal system. A report of policy and funding recommendations including best practices and expected potential impact on infant mortality is required by April 1, 2009.

Sec. 1129. Report of Elevated Blood Lead Levels in Children

Requires Department to annually report to the Legislature on the number of children with elevated blood lead levels by county, including blood lead level and source of reported information.

Sec. 1132. Nurse Family Partnership Program Allocation

Allocates \$400,000 to the Nurse Family Partnership Program from the special projects appropriation line item.

Sec. 1133. Infant Mortality Data Release

Requires Department 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 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.

Sec. 1137. Alzheimer's Disease Patient Care Training Funding

Allows Department to allocate up to \$100 of special projects appropriation line item funds for an Alzheimer's disease patient care training program involving a community college and a retirement community.

WOMEN, INFANTS, AND CHILDREN FOOD AND NUTRITION PROGRAM

Sec. 1151. Farmer's Market Nutrition Program Local Contributions

Allows Department to work with local participating agencies to define local annual contributions for the Farmer's Market Nutrition Program, to enable DCH to determine local commitment of funds for federal match request.

Sec. 1153. WIC Program Access in Rural Communities

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

CHILDREN'S SPECIAL HEALTH CARE SERVICES

Sec. 1201. Medical Care and Treatment Reimbursement Policies

Requires payments for medical care and treatment be made consistent with reimbursement policies of Michigan medical services program and that the Department will produce an exception report to these policies.

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, genetic diagnostic and counseling services, and services to persons age 21 or older with hemophilia.

Sec. 1203. Referrals to Locally-Based Services Programs

Requires that Department refer clients of the program to the locally-based services program in their community.

OFFICE OF DRUG CONTROL POLICY BOILERPLATE

Sec. 1250. Interdepartmental Grant to Judiciary for Drug Treatment Courts

Requires the Department to provide up to \$1.8 million of federal Byrne justice assistance grant funds to the Judicial Branch as an interdepartmental grant, for local drug treatment courts.

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. Unexpended funds shall be carried forward.

Sec. 1304. Sexual Assault Evidence Collection Procedures

Requires Department to work with Department of State Police and certain statewide organizations to ensure that recommended standard procedures for emergency treatment of sexual assault victims are followed in the collection of evidence in cases of sexual assault.

OFFICE OF SERVICES TO THE AGING BOILERPLATE

Sec. 1401. Eligibility for Certain Senior Program Funding

Provides that funding for community, nutrition, and home services be restricted to eligible 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 establishes standard criteria for persons to be included on the waiting list including an initial determination of likely eligibility.

Sec. 1404. Authorization for Fees for Senior Care and Certain Services

Allows area agencies on aging and local providers to receive and expend fees for the provision of day care, care management, respite care, and certain eligible home- and community-based services. Fees shall be based on a sliding scale, taking client income into consideration, and shall be used to expand services.

Sec. 1406. Use of Respite Care Tobacco Settlement Funds for Direct Care

Requires that the \$5.0 million respite care appropriation of Merit Award Trust Fund monies be used only for direct respite care or adult respite care center services, and be allocated according to a long-term care plan. Not more than 9% of the allocation shall be expended for administrative purposes.

Sec. 1413. Support of Locally-Based Community Senior Services and Area Agency Member Change

Establishes legislative support of locally-based services, support of local counties in their approval of area agency on aging plans, notice and conditions for local change of membership of area agencies on aging in a region, and legislative intent to prohibit area agencies on aging from providing direct services, other than access services, unless a waiver has been received from Office of Services to the Aging.

Sec. 1416. Support for In-Home Services for Non-Medicaid Seniors

Establishes legislative commitment to provide in-home services, resources, and assistance for the frail elderly who are not being served by the Medicaid home- and community-based services waiver program.

Sec. 1417. Area Agency on Aging Reporting of Expenditures

Requires the Department to report by March 30, 2009 on allocations of state resources by administration and program to each area agency on aging, and detail of expenditures by each area agency on aging of all state and local funds by program and administration.

MEDICAL SERVICES BOILERPLATE

MICHIGAN FIRST HEALTHCARE PLAN

Sec. 1501. Michigan First Healthcare Plan Funding Contingency

Requires that funding for the Michigan First Healthcare Plan is contingent on approval of a waiver from the federal government and in addition to those funds appropriated in part 1 up to \$300.0 million of additional federal authorization shall be appropriated contingent upon approval of a waiver from the federal government.

Sec. 1502. Michigan First Healthcare Plan Provider Determination

Requires the Department to provide a report detailing the process used to determine which insurance entities will be selected for participation in the Michigan First Healthcare Plan and that a single source contract shall not be awarded to a health plan through the Michigan First Healthcare Plan.

Sec. 1503. Provide Copy of Federal Approval of Plan/Proposal Prior to Implementation

Requires the Department to provide a copy of the federally approved Michigan First Healthcare Plan or similar proposal at least 60 days before implementing any portion of the plan, or proposal.

MEDICAL SERVICES

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. 1602. Medicaid Eligibility for the Elderly and Disabled

Provides Medicaid eligibility to low income elderly and disabled persons up to 100% of the poverty level.

Sec. 1603. Medical Services Buy-In Program

Allows Department 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 and requires 90-day notice prior to implementation of changes in the protected income level.

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 the Department to encourage physicians to provide these women a referral to a Medicaid participating dentist at the first pregnancy-related appointment.

Sec. 1610. Provider Cost Report Grievance Procedure

Requires Department to provide a cost report grievance process for medical providers and payment within nine months following submission of cost reports.

Sec. 1611. Medicaid Payment in Full Provisions

Requires Medicaid payment rate to be accepted as payment in full, including payments from other third-party sources. Hospital services 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 \$2.50 (\$2.75 for nursing home pharmacies) increasing to \$2.75 (\$3.00 for nursing homes) effective April 1, 2009, or the pharmacy's usual and customary charge, whichever is less. Specifies prescription copayments for Medicaid recipients of \$1.00 for a generic drug and \$3.00 for a brand-name drug except as prohibited by federal or state law or regulation. Includes intent language that if the department realizes savings resulting from the way in which the Medicaid program 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. The fee increase can be no greater than \$2.

Sec. 1621. Drug Utilization Review and Disease Management

Authorizes drug utilization review and disease management systems with physician oversight and consultation with various medical provider groups.

Sec. 1623. Dispensing of Maintenance Drugs

Continues current Medicaid policy that allows for the dispensing of a 100-day supply for maintenance drugs and notice to medical providers regarding this policy. Requires dispensing medication in the quantity prescribed unless subsequent consultation with the physician indicates otherwise.

Sec. 1625. Atypical Antipsychotic Medications

Directs Department to continue placing all atypical antipsychotic medications on the Medicaid preferred drug list.

Sec. 1627. Drug Rebates for the State Medical Program and CSHCS Program

Authorizes Department to secure manufacturer drug rebates for participants in MICHild, MOMS, State Medical, Children's Special Health Care Services, and Adult Benefit Waiver 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, Dental and Chiropractic Services

Continues podiatric, adult dental and chiropractic services at not less than the level in effect on October 1, 2002. Prohibits restrictions on chiropractic services unless the recipient exceeds 18 visits within a year. Authorizes Department to implement bulk order purchasing of hearing aids, imposes limits on binaural hearing aid benefits and limits replacement of hearing aids to once every three years.

Sec. 1631. Medical Services Copayments

Requires copayments on dental, podiatric, chiropractic, vision, and hearing aid 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. 1634. Continuation of Ambulance Services Rate Increases

Requires continuation of FY 2000-01 5% increase in ambulance service payment rates and continuation of the FY 2005-06 ambulance mileage reimbursement rate increase of \$4.25 per mile.

Sec. 1635. Continuation of Medicaid Obstetrical Rate Increase

Requires continuation of FY 2005-06 allocation of \$6,910,800 between Physician Services and Health Plan Services appropriation lines for the increase of Medicaid reimbursement rates for obstetrical services.

Sec. 1636. Continuation of Medicaid Physician Well Child and Primary Care Procedures Rate Increase

Requires continuation of FY 2006-07 allocation of \$23,874,800 between Physician Services and Health Plan Services appropriation lines for an increase in Medicaid reimbursement rates for physician well child procedure codes and primary care procedure codes.

Sec. 1637. Personal Health Responsibility Agreement

Requires that all Medicaid recipients be offered the opportunity to sign a Medicaid personal responsibility agreement which contains various provisions regarding healthy behaviors.

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. 1643. Psychiatric Residency Training Program

Allocates \$10,359,600 from Graduate Medical Education funds for a psychiatric residency training program if the universities involved provide the necessary allowable Medicaid matching funds.

Sec. 1647. Continuation of Graduate Medical Education Payments

Requires graduate medical education payments to hospitals at no less than the level of rates and payments in effect on April 1, 2005.

Sec. 1648. Automated Toll-Free Phone Line and Online Eligibility Verification

Requires Department to maintain automated toll-free phone line and make available an online resource for medical providers to obtain enrollment and benefit information of Medicaid recipients.

Sec. 1649. Breast and Cervical Cancer Treatment Coverage

Directs Department to establish breast and cervical cancer treatment coverage for uninsured women under age 65 and with incomes below 250% of the poverty level, pursuant to federal legislation.

Sec. 1650. Mandatory Managed Care Enrollment Requirement

Authorizes continuation of Medicaid managed care and assignment of recipients who do not select a provider. Requires notice of exception criteria to enrollment, the right to change plans, and complaint/grievance procedures. Specifies criteria for medical exceptions to mandatory managed care enrollment.

Sec. 1651. Hospice Services Under Medicaid Managed Care

Allows access to hospice services for Medicaid patients enrolled in health maintenance organizations.

Sec. 1652. Health Plan Service Area Expansion

Any new or renegotiated Medicaid health plan contracts shall include the following conditions regarding service area expansion: (1) not sell or transfer any portion of the HMO's assets or business for a period of three years, and (2) the HMO that expands into a county with a population of at least 1,500,000 shall also expand its coverage to a county with a population of less than 100,000 which has one or fewer HMOs participating in the Medicaid program.

Sec. 1653. Conditions for Implementation of Medicaid Managed Care Plans

Establishes conditions for implementing Medicaid managed care plans related to continuity of care, submitting HMO data for evaluation, health plan advisory council, and choice of plans and prohibits mandatory enrollment in non-metropolitan areas with only one HMO unless there is a choice of two or more physicians. Maintains voluntary enrollment in Children's Special Health Care Plan, being informed of the opportunity for HMO enrollment, and requires a budget neutral case rate adjustment for persons with AIDS and other high-cost conditions. Requires DCH to receive assurances from Office of Financial and Insurance Services that new Medicaid HMOS meet net worth and solvency standards prior to contracting with them.

Sec. 1654. Reimbursement for HMO Covered Services

Requires Medicaid HMOs to pay for services by non-HMO providers if medically necessary, approved by the HMO, immediately required, and cannot be obtained through HMO providers on a timely basis. Services are considered approved if the authorization request is not responded to within 24 hours.

Sec. 1655. Twelve-Month Lock-In for HMO Enrollment

Allows for a 12-month lock-in to HMOs with good cause exceptions and allows recipients to change plans for any reason within the first 90 days.

Sec. 1656. HMO Expedited Complaint Review Procedures

Requires expedited grievance procedure for Medicaid recipients enrolled in qualified health plans and a toll free phone number to help resolve problems and complaints.

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

Requires reimbursement for emergency room 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. Requires a report by September 30 of the current fiscal year on how payment policies in the current Medicaid program create financial incentives for health facilities to admit recipients from the emergency room.

Sec. 1658. HMO Contracts with Hospitals

Requires that HMOs shall have contracts with local hospitals; requires reimbursement to non-contracted hospitals at Medicaid fee-for-service rates; requires hospitals that do not contract with HMOs in their service area enter into a hospital access agreement as specified in a MSA policy bulletin.

Sec. 1659. Applicable Boilerplate Sections for Medicaid Managed Care

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

Sec. 1660. Access to EPSDT, Well Child, and Maternal and Infant Support Services

Requires timely access to EPSDT services for children enrolled in Medicaid managed care programs; specifies primary care provider's responsibility to assure child's vision/hearing screening; requires local health departments provide preschool vision/hearing screenings and accept referrals; prohibits HMOs from requiring prior authorization of contracted

providers for any EPSDT screening and diagnosis services; requires DCH to provide budget neutral incentives to improve performance related to care of children and pregnant women.

Sec. 1661. Prohibition on Prior Authorization for EPSDT and MSS/ISS Services

Requires timely access to Maternal/Infant Support services (MSS/ISS) and coordination with other state or local programs; prohibits prior authorization for MSS/ISS screening referrals and up to three MSS/ISS service visits; requires HMOs to be responsible for MSS/ISS as described in Medicaid policy; coordination of MSS/ISS services with other state services focusing on the prevention of adverse birth outcomes, child abuse and neglect; DCH to provide, annually, budget neutral incentives to Medicaid HMOs and local health departments to improve on performance measures related to the care of pregnant women..

Sec. 1662. Review and Analysis of HMO Performance, EPSDT and MSS/ISS Technical Assistance

Directs Department to assure that an external quality review of each HMO is performed that results 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; require Medicaid HMOs to provide EPSDT utilization data and well child health measures; directs DCH to submit copies of the analysis of HMO HEDIS reports and annual external quality review report within 30 days; requires DCH to work with Michigan Association of Health Plans and Michigan Association for Local Public Health to improve EPSDT and MSS/ISS services, and assure that training and technical assistance are available for EPSDT and MSS/ISS.

Sec. 1666. System Changes Providing Timelier Inclusion of Newborns in Medicaid Eligibility File

Directs Department to implement system changes to assure that within 30 days of birth newborns of health plan covered Medicaid mothers are included in Medicaid eligibility file and enrolled in the same health plan as the mother.

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 be used to determine eligibility for MICHild program. 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 the Department 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.

Sec. 1671. MICHild Marketing and Outreach

Requires Department to continue a comprehensive approach to marketing and outreach of the MICHild program, and to coordinate such efforts with Department's existing outreach and marketing activities.

Sec. 1673. MICHild Premiums and Prohibition on MICHild Copayments

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

Sec. 1677. MICHild Benefits

Specifies the benefits to be covered by the MICHild program based on the state employee insurance plan.

Sec. 1680. Nursing Home Wage Pass-Through

Requires that previous payment increases for enhanced wages and new or enhanced employee benefits provided in previous years through Medicaid nursing home wage pass-through program be continued.

Sec. 1681. Home and Community-Based Services

Requires Department and local waiver agents to encourage the use of family members, friends, and neighbors to provide non-medical home and community-based services, where appropriate.

Sec. 1682. OBRA Nursing Home Enforcement Provisions

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

Sec. 1683. Dignity and Rights of Terminally Ill and Chronically Ill Patients

Requires Department to promote activities that preserve the dignity and rights of terminally ill and chronically ill individuals, including hospice care, pain management, and suicide prevention.

Sec. 1684. Home and Community-Based Services (HCBS) Administrative Expenses

Requires the continuation of the FY 2005-06 HCBS waiver program payment rate for administrative expenses are reduced by \$2.00 per person per day, and savings be reallocated to increase enrollment in waiver program.

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

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

Sec. 1686. Long-Term Care Single Point of Entry Pilot Project

Requires Department to report by April 30 of the current fiscal year on the progress of four Medicaid long-term care single point of entry services pilot projects and expresses legislative intent that funding end for the single point of entry program on September 30 of the current fiscal year.

Sec. 1688. Personal Care Services Reimbursement Rate

Prohibits a limit on personal care services reimbursement under Medicaid Home and Community-Based Services program, but allows DCH to maintain aggregate per day client reimbursement cap for all services provided under the waiver program.

Sec. 1689. Home and Community-Based Services

Gives priority in HCBS enrollment to nursing home residents and those eligible for nursing homes, and requires screening to prevent unnecessary nursing home admissions. Requires a quarterly report on HCBS allocations and expenditures by regions, net cost savings by moving individuals from nursing home to the HCBS program, number of individuals transitioned, number of individuals on the waiting list by region, the amount of funds transferred during the quarter, number of individuals served and the number of days of care for the HCBS program and in nursing homes.

Sec. 1690. MIChoice and Adult Home Help Quality Assurance Indicators, Improvement Plans and Incident Reports

Requires Department to submit a report on the adult home help and MIChoice program quality assurance indicators, quality improvement plans, critical incidents and their resolutions.

Sec. 1691. Adult Home Help Worker Wage Increase

Provides that all adult home help workers receive a wage of at least \$7.50 per hour effective April 1, 2008.

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 funds to children's hospitals with high indigent care volume for poison control services.

Sec. 1695. Nursing Facility Case Mix Reimbursement

Requires Department to evaluate the impact of implementing a case mix reimbursement system for nursing facilities. Department is to consult with the Health Care Association of Michigan, the Michigan County Medical Care Facilities Council and the Association of Homes and Services for the Aging, with a progress report due by August 1 of the current fiscal year.

Sec. 1697. Local Match Funds for School-Based or School-Linked Services

Allows Department to utilize school district funds received from a health system as state match for federal Medicaid or State Children's Health Insurance Program funds to be used for new school-based or school-linked services.

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

Authorizes separate payments for hospitals serving a disproportionate share of indigent patients in the amount of \$50.0 million and those hospitals providing GME training programs.

Sec. 1710. MIChoice Home and Community-Based Services

Requires Department to report proposed changes in MIChoice home and community-based services waiver program screening process to House and Senate Appropriations Subcommittees on Community Health 30 days prior to implementation.

Sec. 1711. Medicaid Two-Tier Case Rate for Emergency Services and Emergency Room Observation Rate

Requires continuation of a two-tier Medicaid case rate for emergency physician charges, and that payments by case and aggregate not exceed 70% of Medicare rates.

Sec. 1712. Rural Health Initiative

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

Sec. 1716. Adult Benefits Waiver Enrollment Level

Requires Department to seek to maintain a constant enrollment level within the Medicaid Adult Benefits Waiver program through FY 2008-09.

Sec. 1717. Disproportionate Share Payments to Hospitals (DSH)

Requires Department to create two pools for the distribution of DSH funds; first pool would distribute \$45.0 million based on methodology in FY 2003-04; remaining \$5.0 million would be allocated to unaffiliated hospitals that received less than \$900,000 in DSH payments in FY 2007-08 based on each hospital's Medicaid revenue and utilization, with no payments being made less than \$1,000. A distribution report is due by September 30 of the current fiscal year.

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. 1720. Medicare Recovery Program

Directs Department to continue its Medicare recovery program.

Sec. 1721. Medicaid Financial Eligibility For Long-Term Care Patients

Requires review of Medicaid eligibility requirements for long-term care patients related to prepaid funds that are subsequently returned to individuals who qualify for Medicaid.

Sec. 1722. Medicaid Disproportionate Share Hospital (DSH) Payment

Specifies DSH payment amount to be paid to Hutzel Hospital.

Sec. 1724. Injectable Drugs for Respiratory Syncytial Virus

Directs Department 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. 1725. Medicaid Eligibility Error Rate Reduction

Requires Department to continue to work with the Department of Human Services and the Department of State Police to reduce Medicaid eligibility errors related to basic eligibility requirements, residency status issues, felony status issues, and income requirements.

Sec. 1728. Lifting and Transferring Devices for Medicaid Recipients

Requires Department to make available to Medicaid recipients, not based on Medicare guidelines, freestanding, electric, lifting and transferring devices.

Sec. 1731. Medicaid Asset Test

Requires Department to continue Medicaid eligibility asset test for optional Medicaid groups, parents/caretaker relatives and 19 and 20 year olds.

Sec. 1732. Nursing Home QAAP Modification Assurance

Assures that nursing home reimbursement rates will not be reduced to achieve GF/GP savings if proposed modifications to the quality assurance assessment program for nursing homes are not implemented.

Sec. 1733. Federal Funds for Electronic Prescribing and Health Information Technology Initiatives

Requires Department to seek federal funds to provide financial support for electronic prescribing and other health information technology initiatives; and, develop a 3 year strategic plan for the implementation of e-prescribing in the Medicaid program.

Sec. 1734. Medicaid Recipients Healthy Behavior Incentive Program

Requires Department to seek federal funds for demonstration programs that will permit Michigan to provide financial incentives for positive health behavior practiced by Medicaid recipients.

Sec. 1739. Health Plan Outcome Target Bonus Payments

Requires Department to continue to establish medical outcome targets for the 10 most prevalent and costly ailments affecting Medicaid recipients, making bonus payments available to Medicaid HMOs that meet these outcome targets independent of HMO rate adjustments utilized in FY 2005-06.

Sec. 1740. Graduate Medical Education Funds Distribution

Requires assurance from Department 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

Requires Department to continue to provide nursing homes the opportunity to receive interim payments upon their request and that that these payments are as similar to expected cost-settled payments as possible.

Sec. 1742. Hurley Medical Center Special Financing

Requires Department to allow the retention of \$1,000,000.00 in special Medicaid reimbursement funding by any public hospital that meets certain criteria. Only Hurley Medical Center meets the criteria.

Sec. 1752. Sharing of Third Party Liability Information With Health Plans

Requires Department to provide Medicaid health plans with any information that may assist the health plan in determining whether another party may be responsible for the payment of health care benefits.

Sec. 1753. Auto Insurer Third Party Liability Information

Requires Department, upon passage of legislation, to collect medical expense information from auto insurers to allow the State to make third party liability claims for Medicaid recipients.

Sec. 1756. Medical Management of High Cost Medicaid Beneficiaries

Requires the Department to establish and implement a specialized case and care management program to serve the most costly Medicaid beneficiaries who are not enrolled in a health plan and are noncompliant with medical management. The case and care management program shall provide a performance payment incentive for physicians, it may include contractual arrangements with Medicaid HMOs for the provision of specialized case management services, and the contracts may require collection of data related to Medicaid recipient compliance.

Sec. 1757. Medicaid Applicants Proving Legal Residence

Requires Department to direct the 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. 1759. Federal Deficit Reduction Act Policy Changes

Requires Department to implement certain policy changes included in the Federal Deficit Reduction Act of 2005. They are: lengthening the look back policy for asset transfers, changing the penalty period to begin the day an individual applies for Medicaid, including a home equity threshold for Medicaid eligibility, to utilize Michigan's Medicaid False Claims Act to collect fraudulent Medicaid claims.

Sec. 1761. Hospital QAAP Distribution of Payments Exceeding Upper Payment Limit

Requires Department to distribute Medicaid access to care initiative payments (MACI) that exceed hospitals upper payment limits to hospitals that meet certain conditions, most likely rural hospitals.

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

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

Sec. 1767. Pharmacist Payment Report

Requires Department to evaluate and produce a report on the impact of the change in which the Medicaid program pays pharmacists for prescriptions from average wholesale price to average manufacturer price, contingent upon the release of relevant data from the Center for Medicare and Medicaid Services.

Sec. 1770. Quarterly Medicaid Policy Changes

Specifies that Department 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. 1772. Enrollment of Foster Care Children in HMOs

Requires Department to continue a program which would enroll all foster care children in Michigan into a Medicaid HMO.

Sec. 1773. Nonemergency Transportation Services

Directs Department to establish and implement a bid process to identify a single private contractor to provide Medicaid covered nonemergency transportation services in each county with a population over 750,000 and provide a mileage reimbursement that encourages contractors to participate.

Sec. 1774. Money Follows the Person Grant Reporting

Requires Department to provide a report on expenditures, estimated general fund savings and numbers of people receiving services supported by federal Money Follows the Person revenue.

Sec. 1775. Medicaid Managed Long-Term Care Study

Requires Department to conduct a study and publish a report regarding the feasibility of providing long-term care services through managed care and to implement two long-term care pilots, one in a county with a population over 750,000 and the other in a county with a population under 250,000.

Sec. 1776. Outpatient Prospective Payment System (OPPS) Methodology

If the OPPS reimbursement methodology is continued, the applied Medicaid reduction factor must be revenue neutral and actuarially sound.

Sec. 1777. Nursing Home Dining Assistants

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

Sec. 1780. Primary Care Physician and Hospital Neonatal and Pediatric ICU Contingent Rate Increase

Contingent on an increase in FY 2008-09 of Michigan's federal medical assistance percentage (FMAP) it is the intent of the Legislature that a portion of the increase be used to augment physician primary care code fee screens, and hospital neo-natal and pediatric intensive care unit payments.

Sec. 1781. Pilot Projects Demonstrating Improvements In Efficiency and Effectiveness

Allows Department to conduct pilot projects to demonstrate improvements in efficiency and effectiveness of identified programs. Allows direct access to DHS eligibility, budget and registration systems to accomplish pilot project objectives.

Sec. 1782. Dental Root Planing and Scaling Waiver

Requires Department to request a Medicaid waiver from the federal government allowing coverage for dental root planing and scaling in a limited number of counties in Michigan.

Sec. 1783. Dual-Eligibles In Managed Care

Requires Department to permit the enrollment of dual eligibles into Medicaid health plans if those health plans also maintain a Medicare Advantage special needs plan certified by CMS.

Sec. 1785. Emergency Department Diagnosis Codes

Requires Department to convene a workgroup to develop and maintain a list of hospital reimbursement emergency department diagnosis codes for services provided to Medicaid recipients at a defined triage or stabilization rate; the rate shall be equal to the triage rate in place prior to the implementation of the outpatient prospective payment system; defines the workgroup representation; and that implementation of this policy will occur by January 1, 2009.

Sec. 1786. Low-Day Threshold for Hospitals

Defines the reimbursement rate for inpatient admission services when the actual length of stay is less than the published low-day threshold. The reimbursement change shall not be implemented unless budget neutral. Requires the Department to define a low-day threshold of 1 as an inpatient stay of less than 24 hours.

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

Requires Department, in coordination with the Department of Human Services, to obtain the telephone numbers of Medicaid beneficiaries and to provide Medicaid health plans the telephone numbers of that health plan's enrollees on a monthly basis.

Sec. 1789. Nursing Home Occupancy Ceiling Study

Requires Department to study whether the current nursing home ceiling of 85% is adequate and to report its findings by April 1, 2009.

Sec. 1791. Physician Primary Care and Well Child Visit Funding Increase

Provides an increase of \$5,285,700 within the Physician Services line and Health Plan Services line providing for a Medicaid payment rate increase for certain physician primary care and well child visit procedure codes

Sec. 1792. Study On Physician QAAP

Requires Department to meet with the Michigan State Medical Society and the Michigan Osteopathic Association to discuss the possible structure of a physician quality assurance assessment program.

Sec. 1793. Preventable Hospitalizations from Nursing Homes

Department shall consider the development of a pilot project that focuses on preventable hospitalizations from nursing homes.

Sec. 1794. Hospital Per Person Per Diem Payment

Includes a \$100 placeholder to allow Department to provide a per-person per-day reimbursement for a hospital located in a city with a population greater than 500,000.

Sec. 1796. Health Information Technology Commission Report On Medical Record Sharing

Requires Department to direct the Health Information Technology Commission to examine strategies that promote the ability to share medical records and report on these findings.

Sec. 1802. Disease Management Pilot Project Targeting Medicaid Beneficiaries

Allows the Department to spend up to \$100,000 on a pilot program which would target Medicaid recipients with certain high-cost or complex health conditions. The pilot would include financial incentives to primary care physicians who handle the disease management responsibilities.

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

Requires Department, in cooperation with the 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. 1805. Increase Monthly Personal Care Supplement by \$8

Increases the Personal Care Services line by \$1.3 million to provide for an \$8.00 increase to the monthly personal care supplement payment provided for Medicaid eligible residents in adult foster care homes and homes for the aged.

Sec. 1806. Expansion of County Health Plans

Allows up to \$100 in the County Indigent Care and Third Share Plans appropriation line for the expansion of county health plans.

Sec. 1807. Medicaid Reimbursement of Primary Care Physicians Providing Mental Health Services

Allows Department to convene a workgroup and provide a report evaluating the feasibility of establishing a Medicaid payment mechanism for the reimbursement of mental health services by primary care physicians.

Sec. 1808. Medicaid Ambulance Quality Assurance Assessment Program

Requires the Department to implement an ambulance quality assurance assessment program with the State to retain a portion of the assessment, if legislation is enacted allowing the ambulance QAAP.

Sec. 1809. State Retained Hospital and Long-Term Care QAAP Revenue

Authorizes the expenditure of quality assurance assessment program (QAAP) funds and specifies the state retained amounts of \$117.5 million hospital QAAP and \$53,893,700 of long-term care QAAP.

FY 2007-08 SUPPLEMENTAL ACTIONS

PUBLIC ACT 113 of 2008 SUPPLEMENTAL APPROPRIATIONS

Sec. 404. Disproportionate Share Hospital (DSH) Payments

Requires Department to create two pools for the distribution of DSH funds; first pool would distribute \$45.0 million based on methodology in FY 2003-04; remaining \$5.0 million would be allocated to unaffiliated hospitals that received less than \$900,000 in DSH payments in FY 2003-04 based on each hospital's Medicaid revenue and utilization. A distribution report is due by September 30, 2008.

Sec. 406. Psychiatric Care for Alzheimer's Disease or Dementia

Authorizes Department to contract with a stand alone psychiatric facility to provide access to Medicaid recipients who require specialized Alzheimer's disease or dementia care. Facility must provide at least 20% of its total care to Medicaid recipients and may only provide services to those individuals served in FY 2006-07. Requires report to both legislative subcommittees on Community Health and fiscal agencies on effectiveness of the facility contract in improving quality of services to Medicaid recipients.

Sec 701(a). Repeal Section 1717 of 2007 PA 123 - Disproportionate Share Hospital (DSH) Payments

Repeals language that requires the Department to create two pools for the distribution of DSH funds; first pool would distribute \$45.0 million based on methodology in FY 2003-04; remaining \$5.0 million would be allocated to nonpublic unaffiliated hospitals that received less than \$900,000 in DSH payments in FY 2003-04 based on each hospital's Medicaid revenue and utilization, with no payments being made less than \$1,000, and distribution report being due by September 30, 2008.