



Background Briefing

HEALTH AND HUMAN SERVICES

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December 2015

Department of Health and Human Services (DHHS)

Responsible for public assistance, child and family welfare, medical care, public health, and other services and programs that reduce and prevent risk, provide care, support, and protection, and promote the health, safety and self-sufficiency of Michigan families and individuals

Established in April 2015 by Executive Order 2015-4 merging the Department of Human Services (DHS) and the Department of Community Health (DCH)

Changes

- All authority, powers, duties, functions, personnel, equipment, property and budgetary resources of DCH and of DHS were transferred to DHHS, except as provided below
- DHS Office of Child and Adult Licensing and DHS Adult Foster Care Licensing Advisory Council were transferred to Department of Licensing and Regulatory Affairs

Health and Human Services: Gross Appropriations

At \$25.1 billion, Health and Human Services is the largest single state budget area. Gross appropriations* have grown by 57% since FY 2006-07 due to increases in food assistance caseloads and Medicaid caseloads and expenditures, including the Healthy Michigan Plan beginning in April 2014. Since FY 2010-11, public assistance program expenditures have declined. GF/GP spending is flat in part due to increased non-GF/GP funding supporting Medicaid.

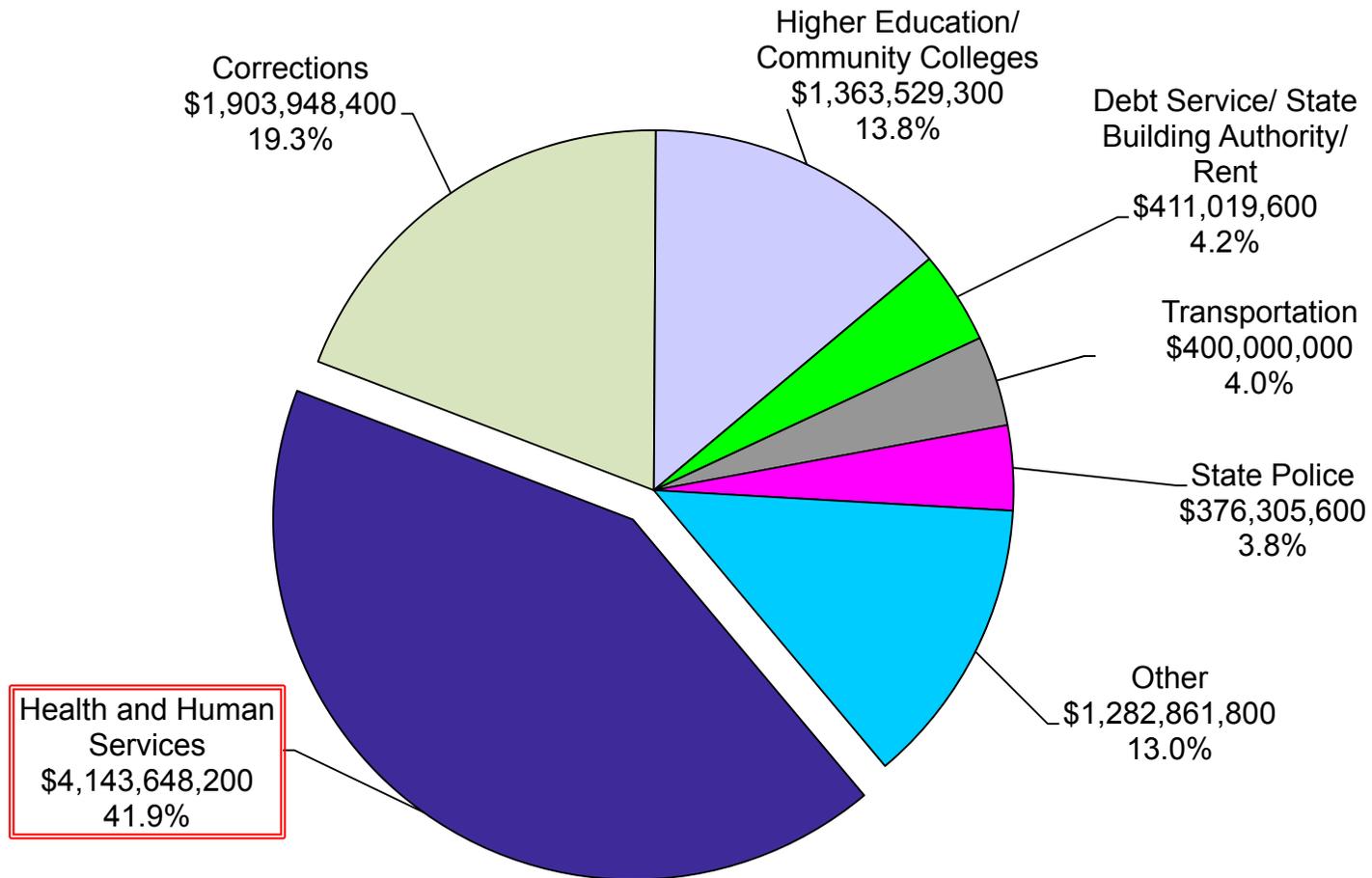


* Combining appropriations of former Department of Human Services and former Department of Community Health prior to FY 2015-16.
 Note: Fiscal years 2008-09 through 2010-11 include \$4.9 billion of federal American Resource and Recovery Act (ARRA) funding, primarily for Medicaid.

Health and Human Services Share of State GF/GP

The Health and Human Services budget represents 41.9% of the total state GF/GP budget

FY 2015-16 GF/GP Total = \$9,881,312,900



FY 2015-16 Health and Human Services GF/GP includes supplemental appropriation adjustments in 2015 PA 143.

SOURCES OF FUNDING

Health and Human Services Funding Sources

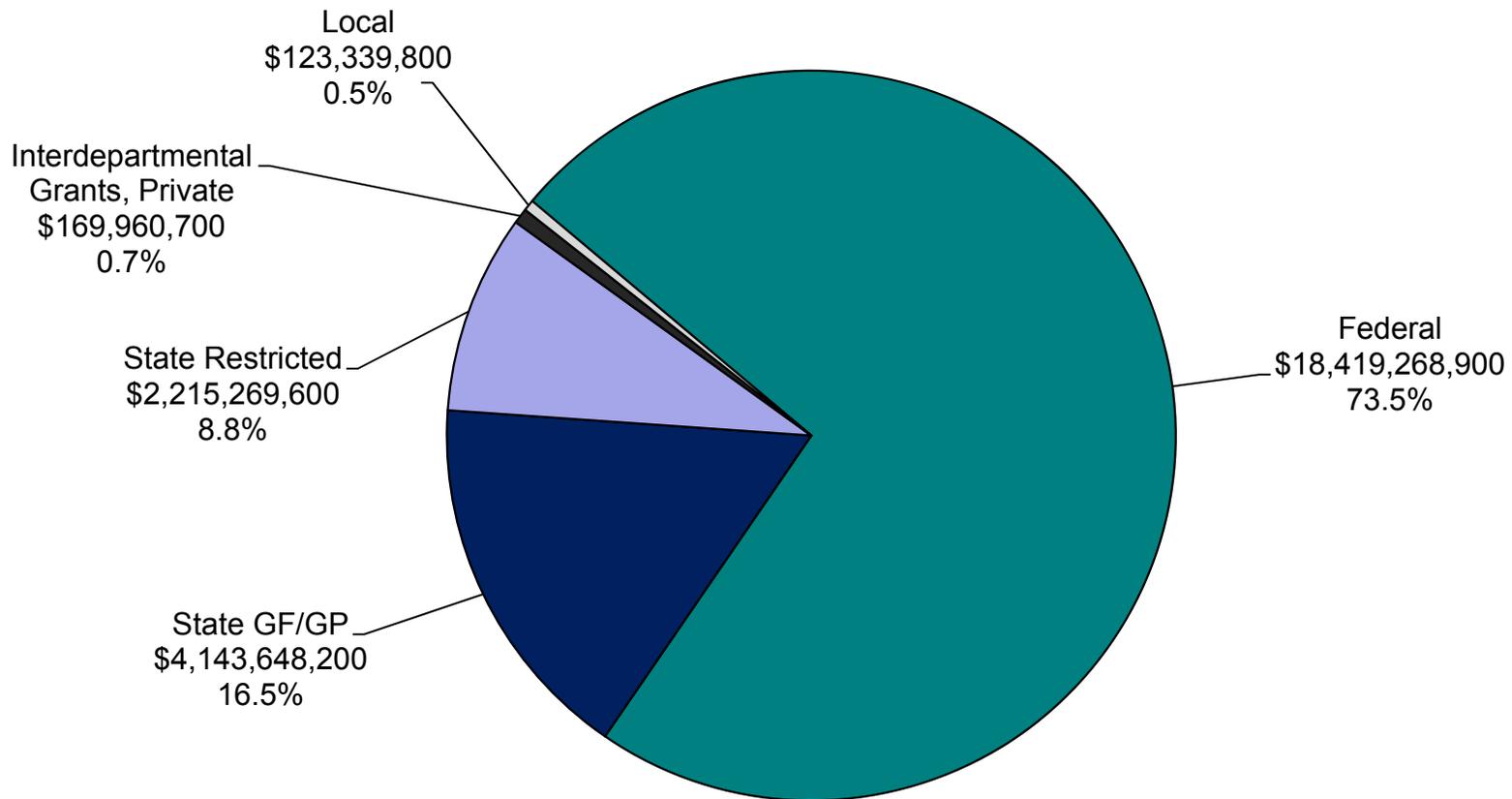
Revenue for the Department of Health and Human Services FY 2015-16 budget is from the following sources:

- Federal revenue from Medicaid program matching funds including the Healthy Michigan Plan, Food Assistance Program matching funds, Temporary Assistance for Needy Families (TANF) block grant, and numerous other program and block grants
- State GF/GP represents state tax and other unrestricted state revenue
- State Restricted funds include revenue from health care provider quality assurance assessments, the Medicaid Benefits Trust Fund, the Health Insurance Claims Assessment, Medicaid special financing, the Merit Award Trust Fund, the Healthy Michigan Fund, Low-Income Energy Assistance Fund, child support collections, Crime Victim's Rights Fund, and user and licensing fees
- Local revenue includes funds from counties, community mental health services programs, and school districts
- Private funds are from grants, donations, collections, patient gifts and bequests, and manufacturer rebates
- Interdepartmental grants (IDGs) are funds to DHHS from other state departments, including Education, Licensing and Regulatory Affairs, and Environmental Quality

Health and Human Services Funding Sources

Federal funds represent 73.5% of the Health and Human Services budget, and state GF/GP funds support 16.5% of the budget.

FY 2015-16 Health and Human Services Budget = \$25,071,487,200



APPROPRIATION AREAS

Health and Human Services Appropriation Areas

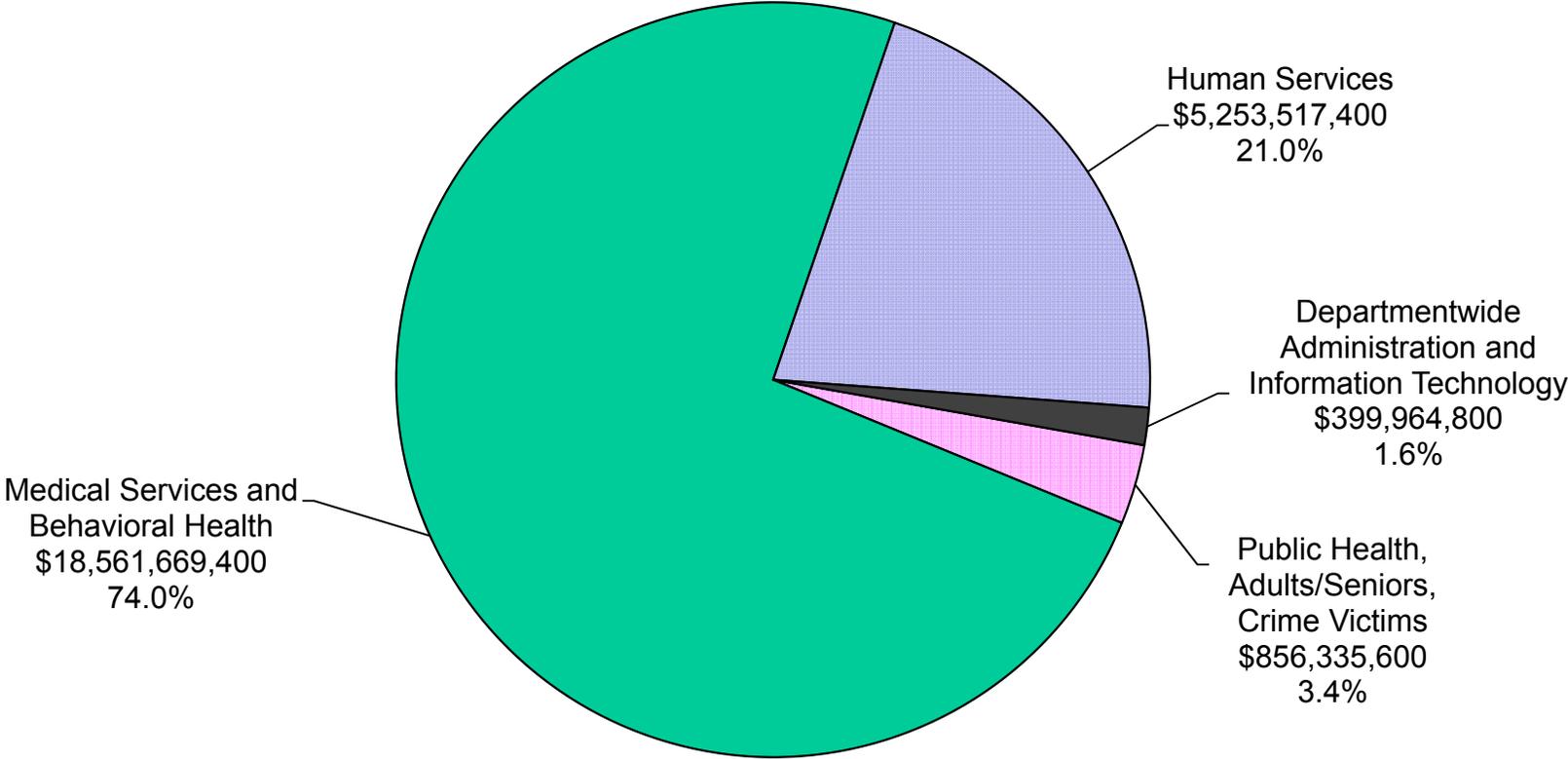
The Department of Health and Human Services provides a wide range of services for persons in Michigan, listed below. The charts which follow show related funding.

- Public assistance and human services including cash, food, and emergency needs support, foster care, adoption, family preservation, child support enforcement, and other programs; provided through local county and district DHHS offices
- Behavioral health and substance use disorder services provided through community mental health services programs, prepaid inpatient health plans, and state-run hospitals
- Medical services provided under Medicaid, Healthy Michigan Plan, MIChild, and Children's Special Health Care Services; delivered by managed care plans and medical providers
- Public health services addressing environmental health, infectious and chronic disease, and services for vulnerable populations; provided in partnership with local health departments
- Support and services for adults and seniors; and services, support, and compensation for victims of crime

DHHS Gross Appropriations by Program

Medical services for physical and behavioral health account for 74% of total Health and Human Services appropriations, followed by public assistance and human services at 21%.

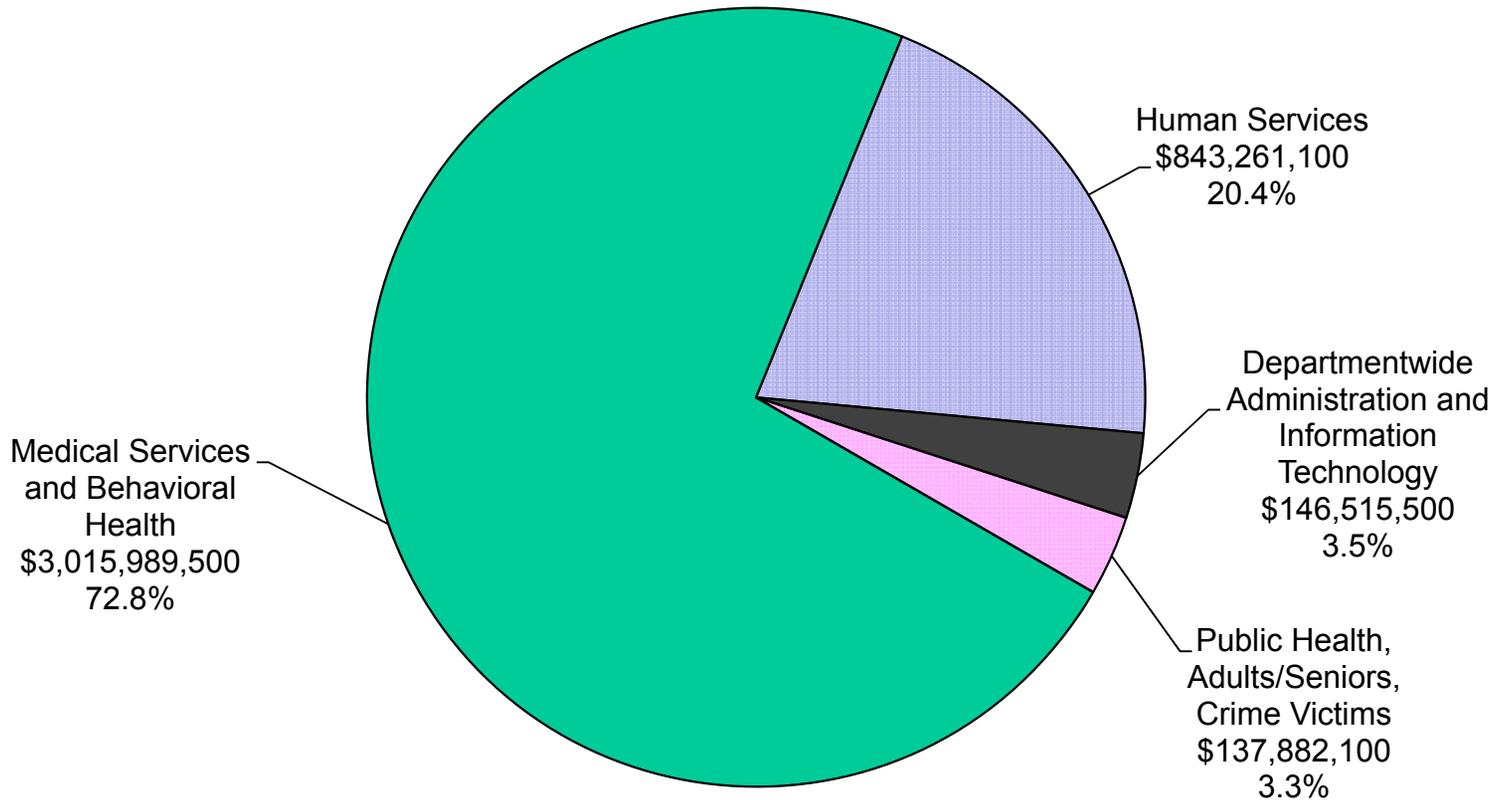
FY 2015-16 Health and Human Services Budget = \$25,071,487,200



DHHS State GF/GP Appropriations by Program

Over 72% of Health and Human Services state general fund appropriations are for medical services and behavioral health services, followed by 20% for public assistance and human services

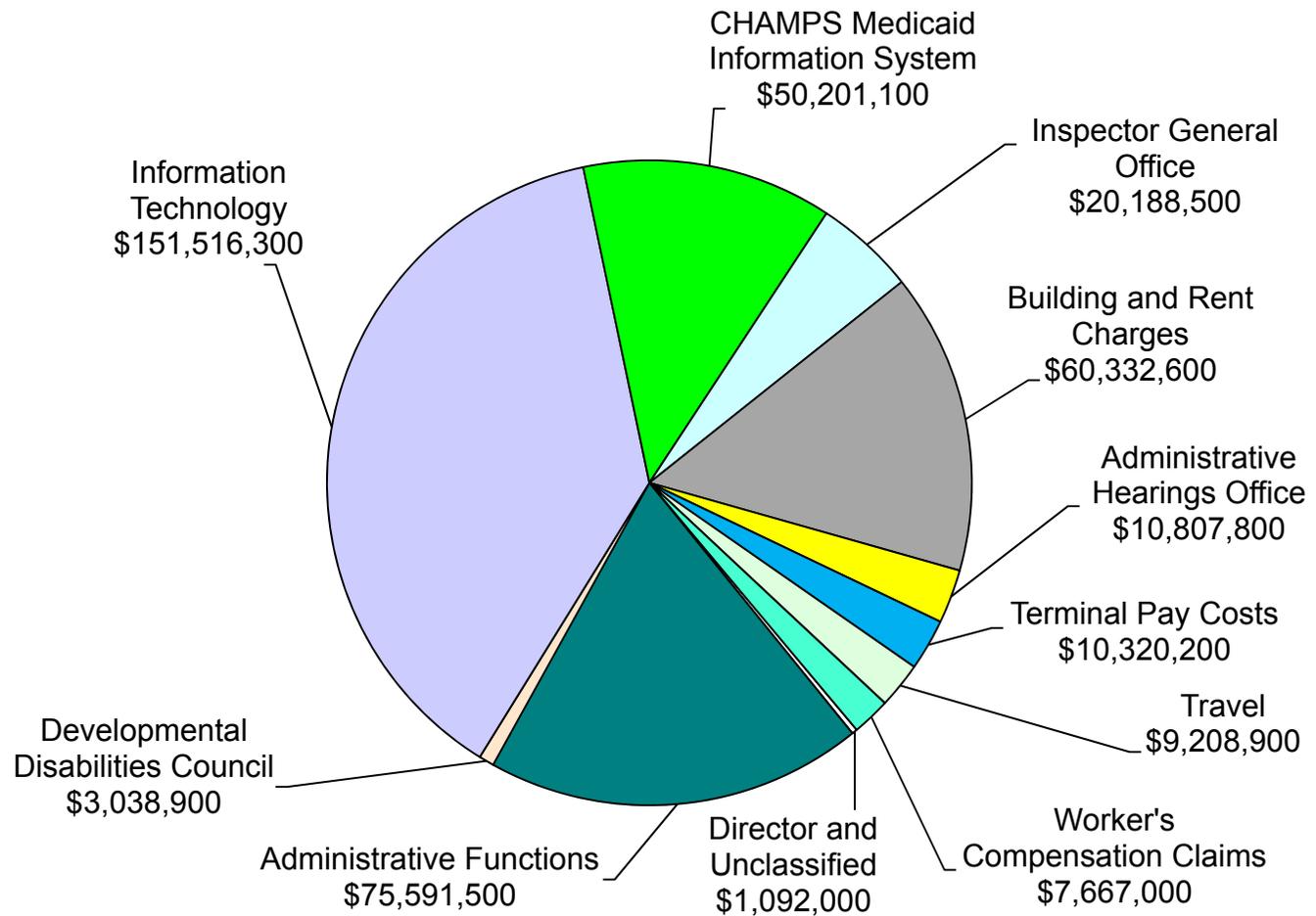
FY 2015-16 Health and Human Services State GF/GP Budget = \$4,143,648,200



DHHS Departmentwide Administration

The costs of centralized administrative functions and information technology total \$400.0 million Gross for FY 2015-16, or about 1.6% of the total DHHS budget.

Funding (Millions)	
Gross \$400.0
Federal	... \$223.8
GF/GP \$146.5
Private \$23.8
IDGs \$3.0
Restricted	... \$2.8
Local \$0.02



For more information about the Department of Health and Human Services:

HFA Contacts:

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http://www.house.mi.gov/hfa/PDF/Briefings/HHS_HS_BudgetBriefing_fy15-16.pdf

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http://www.house.mi.gov/hfa/PDF/Briefings/HHS_Medicaid_BudgetBriefing_fy15-16.pdf

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